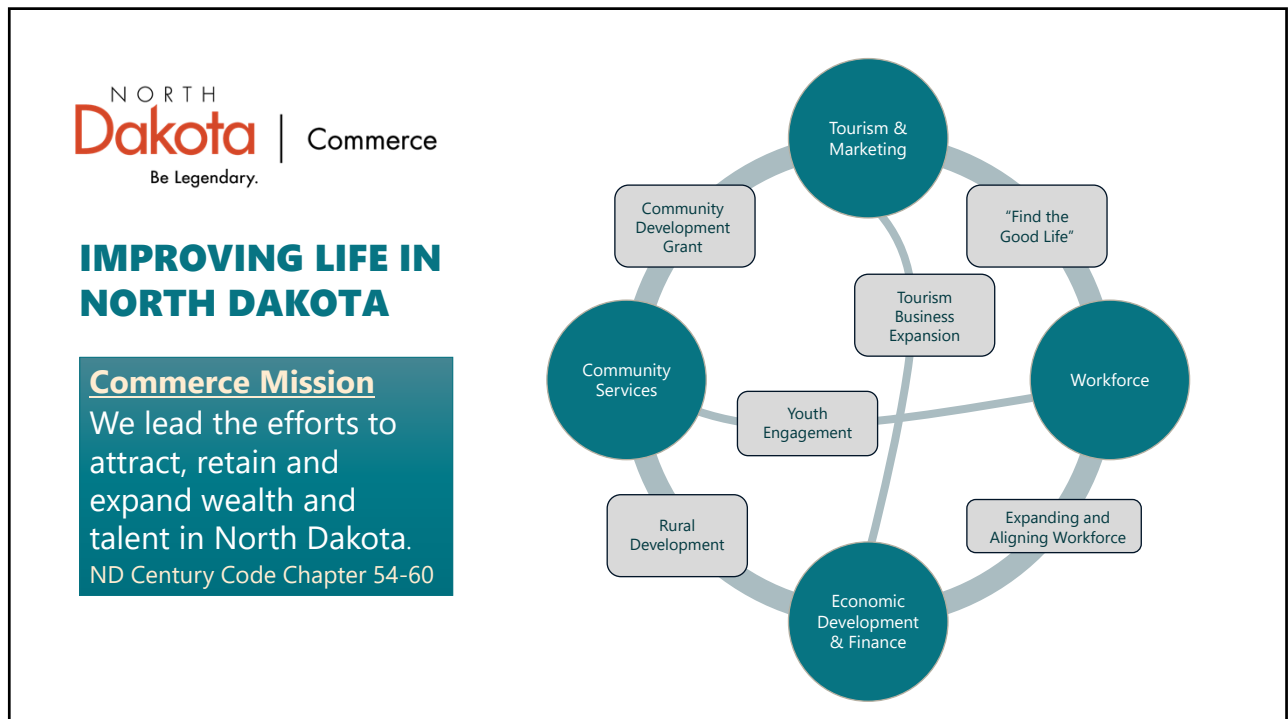


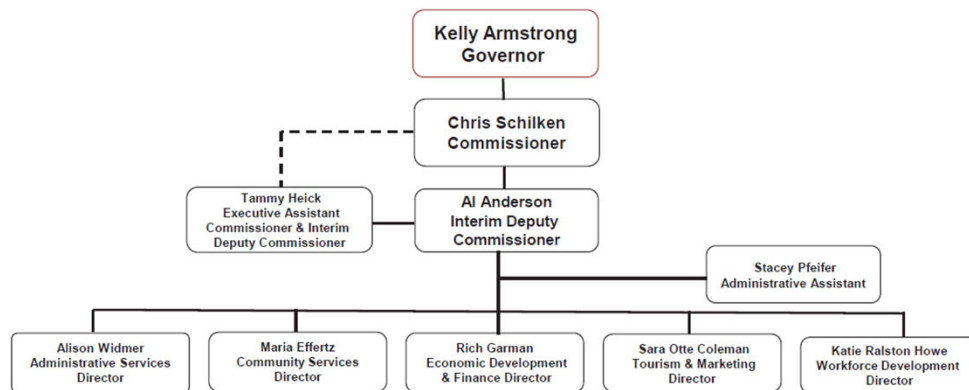


1



2

Department of Commerce Organizational Chart



3

Status of Approved New Positions

- Workforce Talent Attraction Initiative [Hired 7/6/2023 \$202,940 from pool]
- Workforce Investment Grant Program [Hired 4/1/2024 \$140k from pool]
- Global Talent Office - 2 positions [Hired 7/6/2023 & Start Date March 2025]
- 3 FTEs – Weatherization & Energy Programs [one time funding HB 1018] We are requesting these 3 FTEs be appropriated as ongoing. These positions are tied to the Federal Funding related to the \$120M in IJIA/IRA funding that is an exemption in our budget bill
 1. Hired 3/04/2024
 2. Hired 9/23/2024
 3. Vacant – Position Posted in January 2025

Current Vacant Positions

- Program Administrator – posted in January 2025 (One-time Funded Federal funds FTE)
- Workforce Program Manager (Senate removed this position. Commerce requests this be added back.)

2025-2027 FTE Requests

- 1 FTE – Procurement Officer

We could not start requesting additional funding from the FTE pool until March 1, 2025.

4



APPROPRIATIONS

ND

Employee Retention and Recruitment

IN ORDER TO COMPETE WITH PRIVATE SECTOR TO RECRUIT AND RETAIN TALENT

- Total Rewards package
- 3% performance increases in years one and two

Private sector has caught up on benefits. We are behind on salaries.

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5

ND

APPROPRIATIONS

2025 – 2027 Base Budget Request

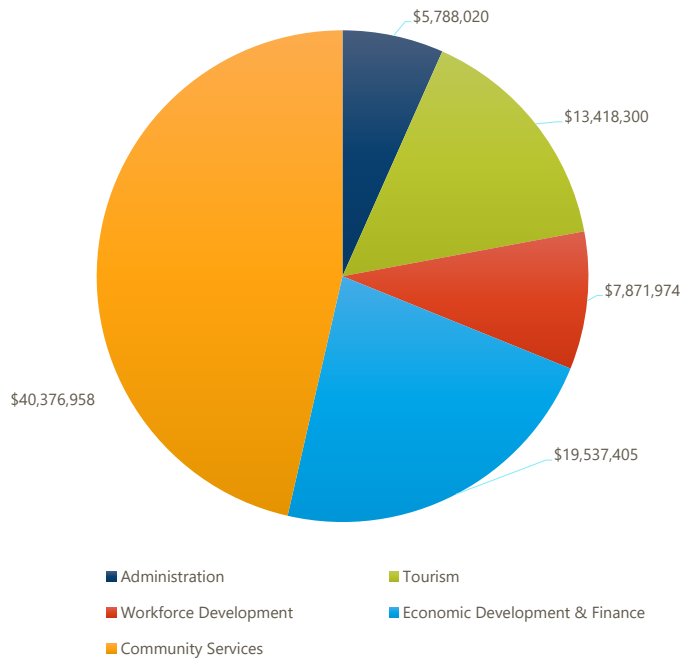
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| 1 | 4 |
|--|-----------------------------|
| Object/Revenue | 2025-27 Base Budget Request |
| Description | Code |
| Administration | 601-200 5,788,020 |
| Tourism | 601-300 13,418,300 |
| Workforce Development | 601-400 7,871,974 |
| Economic Development & Finance | 601-500 19,537,405 |
| Division of Community Services | 601-600 40,376,958 |
| TOTAL BY APPROPRIATIONS ORGS | 86,992,657 |
| Salaries and Wages | 60110 17,280,669 |
| Operating Expenses | 60130 18,503,136 |
| Grants | 60160 47,502,465 |
| COVID-19 Response | 60161 - |
| Discretionary Funds | 60162 1,850,000 |
| Workforce Enhancement Fund | 60163 - |
| Economic Develop Initiatives | 60164 - |
| Workforce Innovation Network Grant Program | 60167 - |
| Unmanned Aircraft System | 60171 - |
| Partner Programs | 60174 907,920 |
| Entrepreneurship Grants | 60175 948,467 |
| Legal Immigration | 60176 - |
| CARES Act Funding - 2020 | 60179 - |
| American Rescue Plan Act | 60180 - |
| Weatherization and Energy Program | 60181 - |
| TOTAL BY OBJECT SERIES | 86,992,657 |
| General | GEN 33,491,049 |
| Federal | FED 43,931,168 |
| Special | SPEC 9,570,440 |
| TOTAL BY FUNDS | 86,992,657 |
| TOTAL AUTHORIZED EMPLOYEES | 62.80 |

6

2025-2027 Base Budget Request by Division

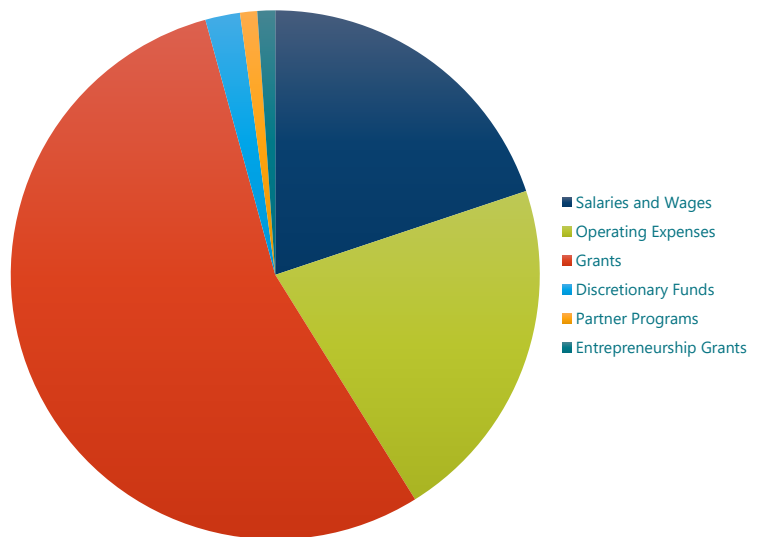
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7

2025-2027 Base Budget Request by Line

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8

2025 – 2027 Funding Item Request

| 2025-27 Executive Recommendation | | | | | | |
|--|------------------|--------------|--------------|--------------|-------------|------|
| Request Name | | General Fund | Federal Fund | Special Fund | Total | FTE |
| | | 9,827,851 | 388,583 | 150,543,568 | 160,760,002 | 1.00 |
| FAA Data – HB 1038 | One Time | - | - | 11,000,000 | 11,000,000 | - |
| Housing Package | One Time | - | - | 50,000,000 | 50,000,000 | - |
| Drone Replacement | One Time | - | - | 15,000,000 | 15,000,000 | - |
| Agency Operations | Ongoing | 1,338,703 | 290,000 | 290,413 | 1,919,116 | - |
| Workforce Division Global Talent Office | Ongoing/One Time | 2,000,000 | - | - | 2,000,000 | - |
| Regional Workforce Grant Program | One Time | - | - | 10,000,000 | 10,000,000 | - |
| North Dakota Development Fund | Transfer | - | - | 50,000,000 | 50,000,000 | - |
| Property valuation increase through improvements | One Time | - | - | 5,000,000 | 5,000,000 | - |
| Tourism Marketing Awareness | One Time | - | - | 5,000,000 | 5,000,000 | - |
| Destination Development | One Time | - | - | 15,000,000 | 15,000,000 | - |
| Technical Skills Training Grant | One Time | 2,000,000 | - | - | 2,000,000 | - |
| Beyond Visual Line of Sight Uncrewed Aircraft System Program | One Time | - | - | 20,000,000 | 20,000,000 | - |
| Procurement Officer | Ongoing | 230,104 | - | - | 230,104 | 1.00 |
| Find the Good Life | One Time | - | - | 5,000,000 | 5,000,000 | - |
| Beyond Visual Line of Sight Uncrewed Aircraft System Program – Test Site | One Time | 1,000,000 | - | - | 1,000,000 | - |
| Operation Intern | One Time | 2,000,000 | - | - | 2,000,000 | - |
| Legacy Investment for Technology Funds | Transfer | - | - | 10,000,000 | - | - |
| Entrepreneurship and Innovation Grant | One Time | 1,259,044 | - | - | 1,259,044 | - |
| Building Codes | Ongoing | - | 98,583 | - | 98,583 | - |
| Enhanced Use Lease | One Time | - | - | 5,000,000 | 5,000,000 | - |
| Autonomous Agriculture Grant | One Time | - | - | 10,000,000 | 10,000,000 | - |

9

Removed or Amended by Senate

Ongoing Funding

- 1 FTE Workforce Program Manager.
- 1 Procurement Officer FTE.
- \$100K General Funds Temporary Salaries & \$200,000 Special Fund Salaries (NDDF).
- \$14,036 General Funds for cost to continue IT Increases.
- \$250K in ongoing operating expenses for the Global Talent Office.
- To remove the \$600K designation in our discretionary line for a grant to support an organization dedicated to assisting Native American small businesses in North Dakota.

10

Removed or Amended by Senate

One Time Funding

- \$5M for Tourism Marketing Awareness. We also request the removal of the obligation of \$150K for the grant to support the North Dakota State Magazine.
- \$5M for the Find the Good Life Initiative.
- \$15M for an uncrewed aerial vehicle replacement grant program.
- \$1.75M for the Global Talent Office grant program.
- \$5M for the Community Property Improvement grant program.
- \$15M for the Tourism Destination Development grant program.
- \$1M for the Test Site.
- \$20M for Beyond Visual Line of Sight (Vantis).
- \$10M for the Autonomous Agriculture grants.
- \$1.25M for the Entrepreneurship Grants and Vouchers program.
- \$10M for the Regional Workforce Impact Program (RWIP) grant.

11

2025 – 2027 Transfer Request

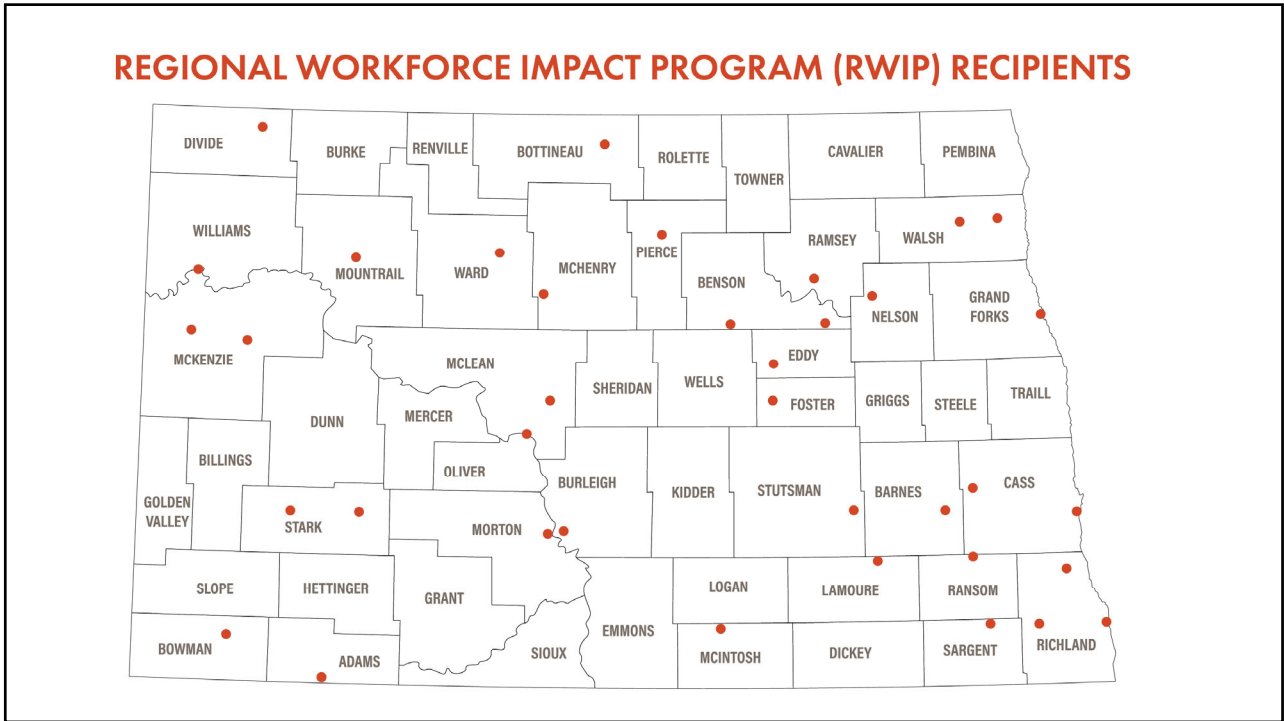
- \$50 Million transfer for the North Dakota Development Fund, Inc.
- \$10 Million transfer for the Legacy Investment for Technology Fund (LIFT)



12



13



14

Regional Workforce Impact Program (RWIP)



15

FIND THE
goodlife
in North Dakota

Pipeline Funnel



16



Mover Impact

\$25,047 per
year in
economic
impact per
worker

ND
#1
in Net
Migration

2023
Employment
up
2.5%

17



Moving Data

Timeline to Move

Immediate – 29%
3 Months – 20%
6 Months – 15%
Within 1 Year – 12%
1-2 Years – 4%
Gathering Info/No Timeline – 20%

Top Industries

Healthcare
Business Management & Admin
Retail & Food Services
Manufacturing
Skilled Trades

Top States Lived In

Florida
California
Texas
New York
Minnesota

18

Global Talent Office

ACTIVITY & WINS

Establishing
Recruitment
Pathways

Hosted Global
Talent Summit

Helping Businesses
Recruit Foreign-
Born Workers

19

Global Talent Office

KEY ACHIEVEMENTS

200+ organizations
engaged in learning
opportunities

26 organizations
recruiting
immigrant workers

9 employers
successfully hired
workers

20



21

ND APPROPRIATIONS

Technical Skills Training Grant (TSTG)

- Programs Supported since 2020: 75
- Programs supported in 2023-2025: 31
- Total workers trained: 1,650+

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22

AmeriCorps

- 6 Projects
- Average of 150 Members per Year
- 90,000+ Service Hours
- \$483,670 in Education Assistance



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23

SUMMARY OF REQUESTS

- RWIP: \$10M
- FTGL: \$5M
- Global Talent: \$2M
- Operation Intern: \$2M additional (\$1M in base budget)
- TSTG: \$2M
- AmeriCorps: \$552,312 (in base budget)



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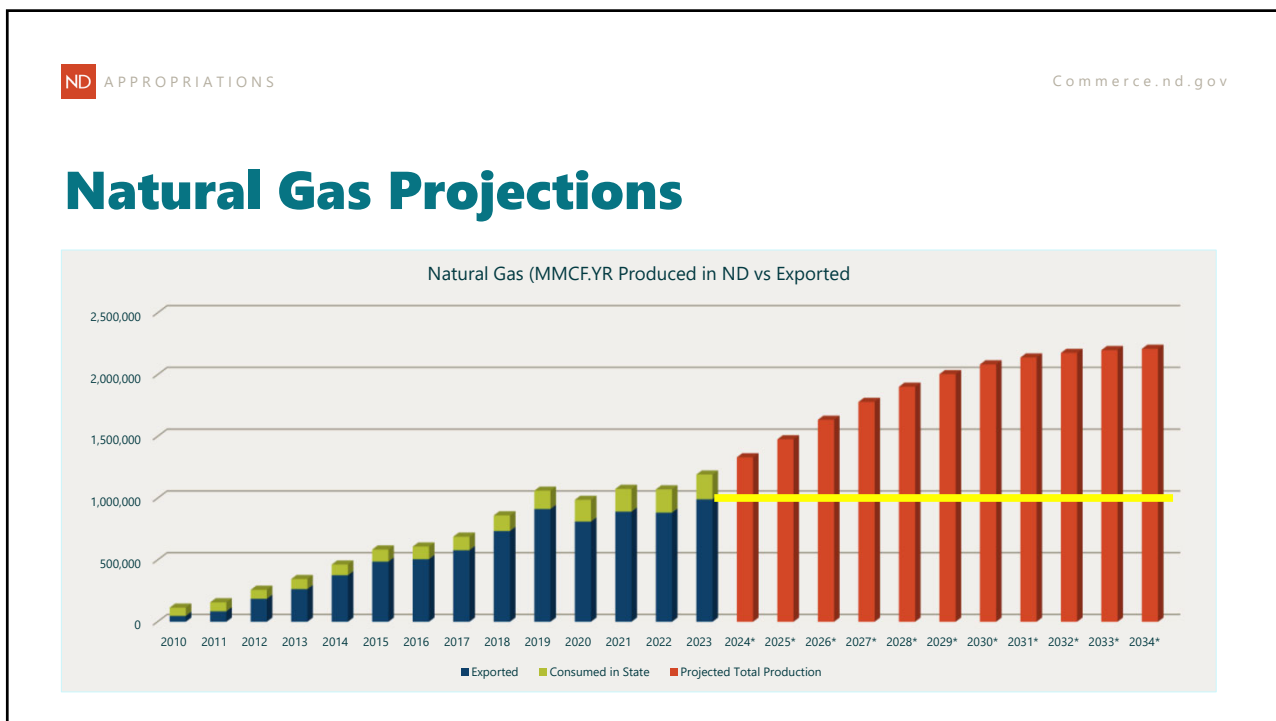
24



ECONOMIC DEVELOPMENT & FINANCE

Economic Development & Finance is charged with coordinating the state's economic development resources to attract, retain and expand wealth.

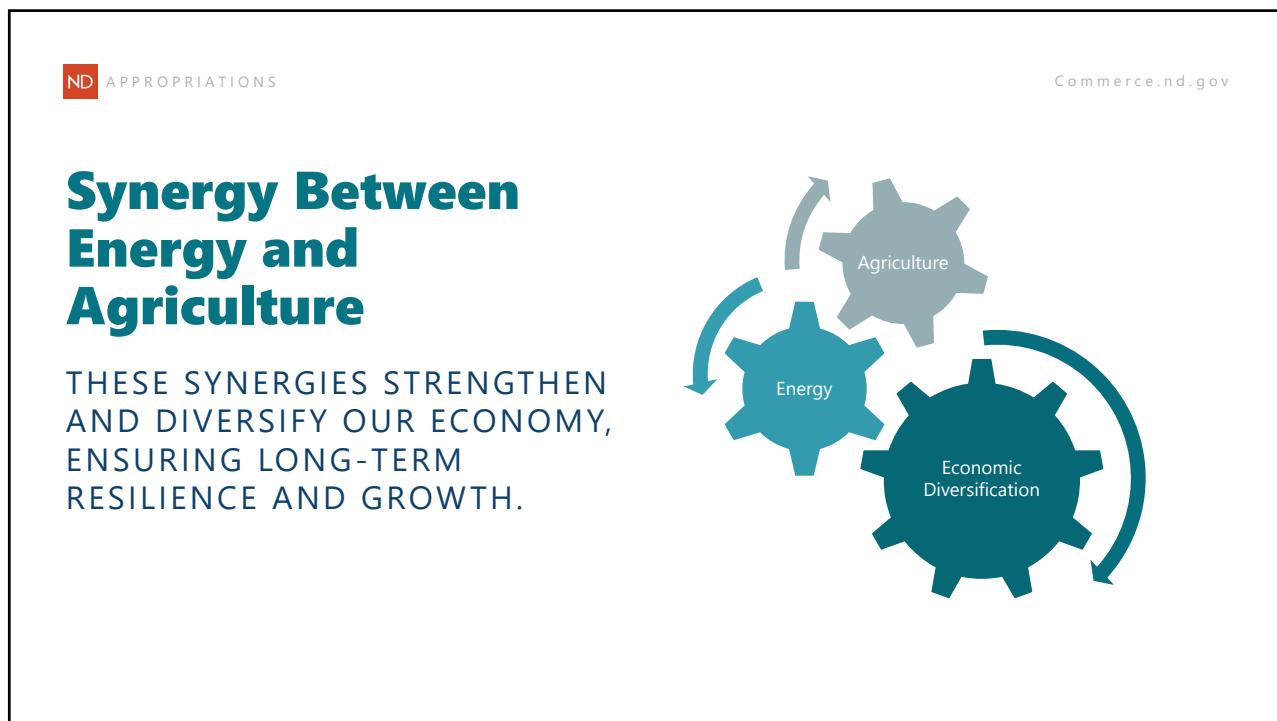
25



26



27



28

Uncrewed Aircraft Systems

North Dakota is UAS leader in UAS technology, anchored by the Northern Plains UAS Test Site and its key partner, Grand Sky.

- Project ULTRA
- Pioneering BVLOS operations
- Administering Vantis, ND's statewide UAS network for BVLOS operations
- 1st participant in the FAA's Radar Data Pathfinder program
- Dedicated UAS Infrastructure

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29

Enhanced Use Lease

- Managed by Grand Sky
- Pioneering BVLOS
- Dedicated UAS Infrastructure
- DoD projects
- Sky Range Initiative

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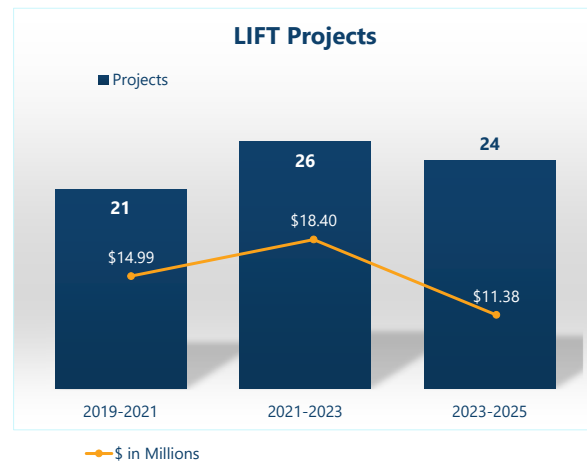


30

Legacy Investment for Technology Loan Fund (LIFT)

LIFT FOSTERS TECHNOLOGY INNOVATION.

LIFT has significantly impacted various industries including healthcare, advanced computing and data management, agriculture technology, and uncrewed aircraft systems.

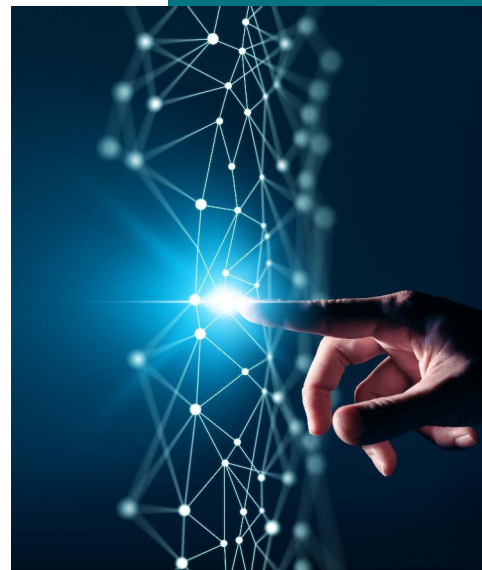


31

Innovate ND

INNOVATE ND REMAINS A CORNERSTONE OF NORTH DAKOTA'S COMMITMENT TO FOSTERING ENTREPRENEURSHIP AND DRIVING ECONOMIC DEVELOPMENT.

- Processed 103 applications, demonstrating strong demand.
 - 12 companies accepted.
 - 7 successfully graduated.
 - 2 remain active.
 - 3 exited the program.



32

North Dakota Development Fund, Inc.

Childcare Loan Program

- 19 loans issued
- 1,098 childcare spots created

Specific Investments

- Reduction to natural gas flaring
- Ag tech digital tools
- Ethanol production facility
- Childcare
- Metal and machining shop

33

SUMMARY OF REQUESTS

| Description | Base Budget | General Fund | Special Fund | Transfers | TOTAL | WA1 |
|--------------------------|--------------------------------------|--------------|--------------|--------------|--------------|-----|
| FAA Radar Data - HB 1038 | | | \$11,000,000 | | \$11,000,000 | |
| Drone Replacement | | | \$15,000,000 | | \$15,000,000 | |
| Enhanced Use Lease | | | \$5,000,000 | | \$5,000,000 | |
| BVLOS - Test Site | \$3,000,000 | \$1,000,000 | | | \$4,000,000 | |
| BVLOS - Vantis | \$8,000,000 (FF) \$1,020,150 (SF) | | \$20,000,000 | | \$29,020,150 | |
| LIFT | | | | \$10,000,000 | \$10,000,000 | |
| INNOVATE ND | \$948,467 | \$1,259,044 | | | \$2,207,511 | |
| Partner Programs | \$907,920 | | | | \$907,920 | |
| Autonomous Ag Grant | | | \$10,000,000 | | \$10,000,000 | |
| NDDF | | | | \$50,000,000 | \$50,000,000 | |



34



35

ND APPROPRIATIONS

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Community Services Program Areas

- Housing and Urban Development (HUD)
 - Community Development Block Grant (CDBG)
 - Manufactured Home oversight, licensing, and installation
- Office of HHS Administration for Children and Families
 - Community Services Block Grant (CSBG)
- North Dakota State Building Codes
- North Dakota Renaissance Zone (RZ)
- North Dakota Energy Conservation Grant (ECG)
- Office of Community Development and Rural Prosperity (CDRP)
- Department of Energy (DOE)
 - Weatherization and Low-Income Heating and Energy Assistance Program (LIHEAP)
 - State Energy Program (SEP) annual allocation
 - State Energy Program Inflation and Investment Jobs Act (SEP-IIJA)
 - Home Efficiency Rebate (HER)
 - Home Electrification and Appliance Rebate (HEAR)

36

Office of Community Development and Rural Prosperity



88 Communities

Visited in the past
4 years



Monthly

Educational and
collaborative
interactions

ND APPROPRIATIONS

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37



11

258K

Grant Management — Rural Sustainable Food Program

Communities were provided
funding for studies or
implementation

Total population touched by
grant dollars

ND APPROPRIATIONS

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38

Grant Management — Rural Workforce Housing/Slum and Blight Removal

(COMMUNITY REVITALIZATION)

16 Communities received funds.

- **19** infill lots for workforce housing (Oakes/Bowman County/Sheyenne/Hankinson), and nine readily available housing options (primarily consisting of mixed-use apartments).

Project Guidelines:

- Conduct a housing study.
- Purchase blighted properties or vacant lots.
- Remove hazards or structures from blighted properties.
- Up to \$10,000 per business for improvements if the business is in a mixed-use property.

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39

Request

\$50 Million for
Community
Development and
Workforce
Housing **(SB 2225)**

\$5 Million for
Community
Revitalization

40

TOURISM & MARKETING

We build the positive public image of North Dakota as a dynamic place to live and work.

By showcasing opportunities and inspiring visitors to Be Legendary, we strengthen the economy and provide opportunity for people across our communities.



41

ND APPROPRIATIONS

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Tourism & Marketing Programs

| | | |
|--|--|---|
|  Paid Marketing |  Global Marketing |  Workforce Recruitment |
|  Media Relations - Outreach |  Group Travel |  Communications |
|  Social Media |  Outdoor Promotions |  Destination Development |

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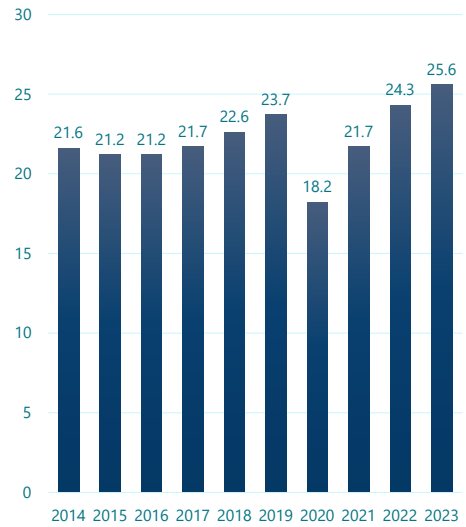
Tourism Research Results

REPORT ON ECONOMIC IMPACT OF TOURISM IN 2023

- Visitation grew 5.3% reaching 25.6M visitors
- Visitor spending grew to \$3.3B
- 17.8-million-day-visitors
- Visitors paid more than \$307M in local and state taxes
 - Creating a \$960 per household savings for North Dakotans

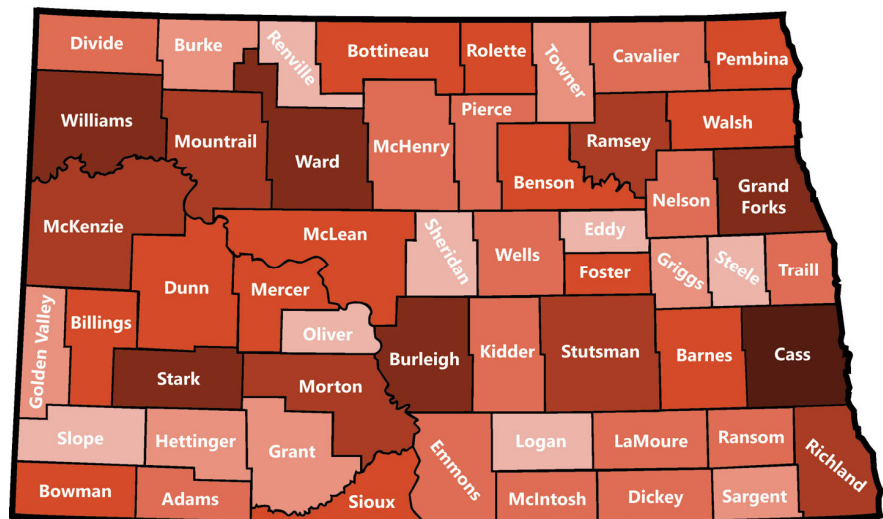
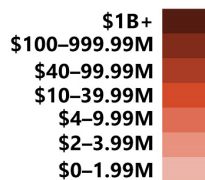
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Visitation



43

Visitor Spending by County



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44



45

Visitation Stats



Airport Arrivals

1.24M

⬆️ 8.8%



National Park Visits

763,175

⬇️ 1.6%



Hotel Occupancy

\$548 M in revenue- up 5.8%

⬆️ 0.3%



Border Crossings

484,969

⬆️ 10.3% (78% of pre-covid visitation)
Entry numbers are almost equivalent to 2017 when the exchange rate was similar.



Taxable Sales and Purchase

⬆️ 1.99% Accommodations and food services

⬆️ 7.94% Arts, entertainment and recreation

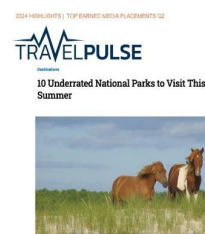
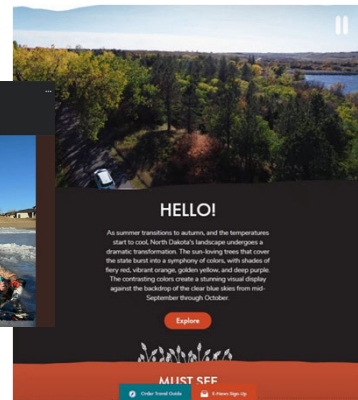
46

Marketing North Dakota

Paid media: 439M impressions, 17M video views
Earned media: 5,690 media hits, with 9.8B reach
Influencers: 2.1M reach
Social media: 400k+ engagements
NDtourism.com: 3.6M sessions, up 30%



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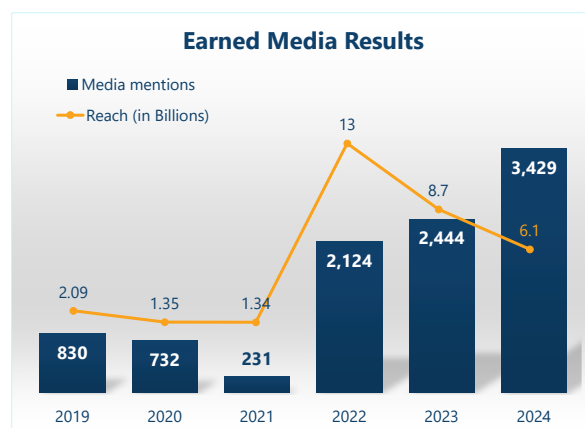


47

Public & Media Relations - Tourism

Public and media relations efforts elevate North Dakota's image through proactive outreach and storytelling, garnering positive media coverage and increasing awareness.

| | |
|------------------------------|--|
| National Media Coverage | <ul style="list-style-type: none"> • 3,429 earned media mentions • 6.1B reach |
| International Media Coverage | <ul style="list-style-type: none"> • 113 media articles • 231M reach |
| Influencer Campaign | <ul style="list-style-type: none"> • 128M impressions • 400K+ social media engagements • 2.1M reach |



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Public & Media Relations - Commerce

Commerce's public and media relations efforts are generating increased national awareness of North Dakota's innovative business climate, career opportunities, and quality of life.

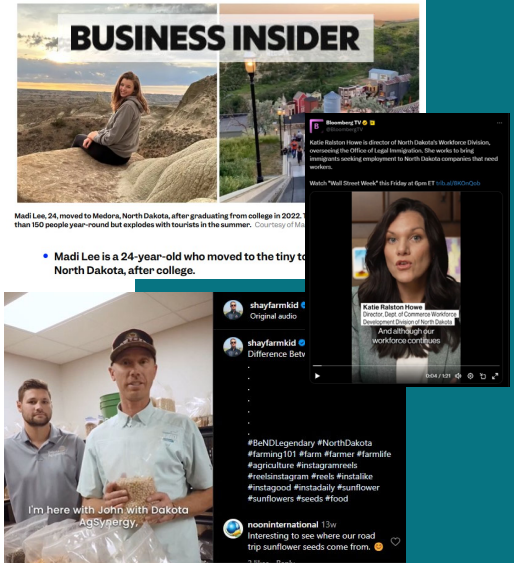
| | |
|----------------------|--|
| Workforce: | <ul style="list-style-type: none"> • 1,359 earned media mentions • 1.8B reach |
| Business | <ul style="list-style-type: none"> • 902 earned media mentions • 1.8B reach |
| Influencer Campaign: | <ul style="list-style-type: none"> • 185.1K total reach • 3.7M impressions • 5.6K engagements |

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I'm a 24-year-old who lives in Medora, North Dakota, which has a population of fewer than 150 people. We don't have a grocery store in town but we do have the northern lights.

As told to [Edin Soodhass](#) Apr 27, 2024, 11 AM CDT

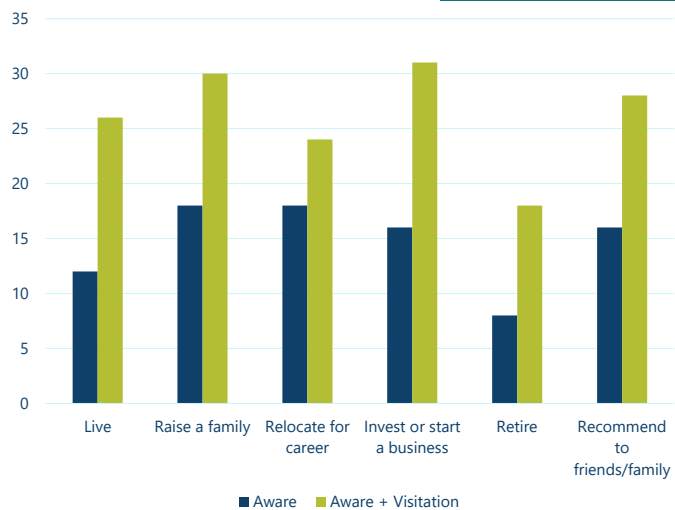
Share Save



Tourism Advertising Elevates North Dakota's Image

HALO EFFECT

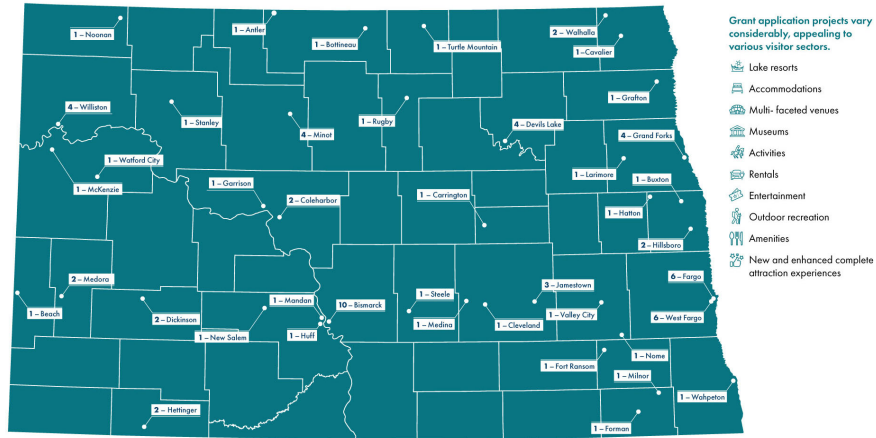
Average 13% image lift from advertising awareness.



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2023 Destination Development Grant Applications Received

The applications varied considerably in scope and appeal to unique visitor segments. New and expanded destination experiences will not only attract visitors but also improve our quality of life and workforce recruitment efforts.



NORTH
Dakota
Be Legendary.

Commerce

\$151.5 million in requests 81 applications 42 cities

51

APPROPRIATIONS ND



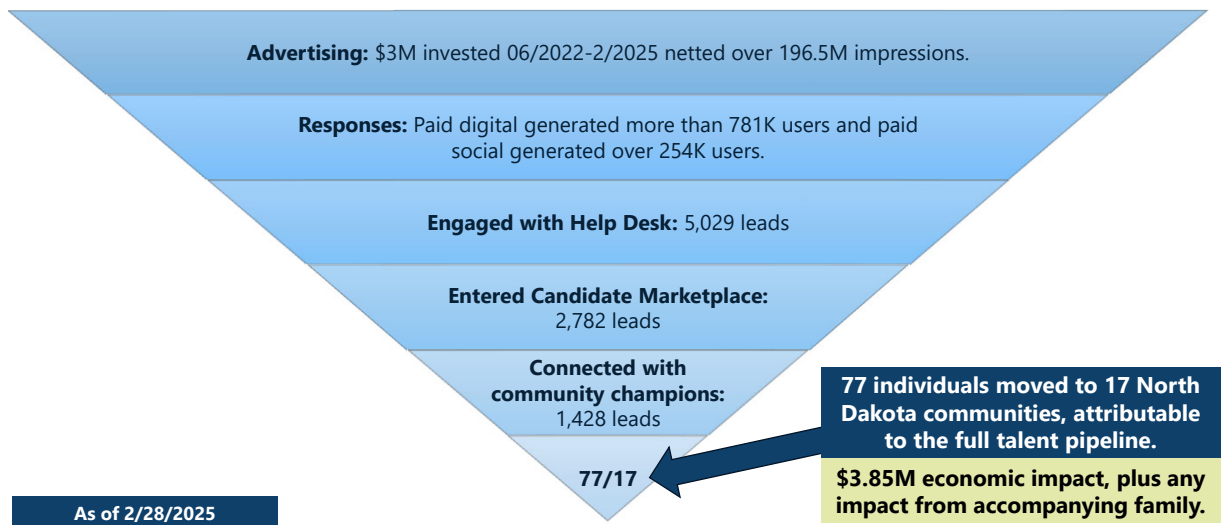
Tourism Destination Development Grants

- Bison World- Jamestown
- Bottineau Winter Park
- Brews, Chews and Views – Minot
- Dakota Prairie Wings Lodge- Medina
- Dickinson Museum Center Expansion Project
- Frost Fire Park- Walhalla
- Good Bear Lodge at Indian Hills Resort- Garrison
- Huff Hills Ski Area
- Riverfront Festival Grounds – Bismarck
- Theodore Roosevelt Presidential Library- Medora
- Thrill Hills- Ft. Ransom
- Turtle Mountain Comprehensive Tourism Plan – Belcourt & Dunseith
- Western Heritage - Medora
- The Shores Event Center at Woodland Resort – Devils Lake

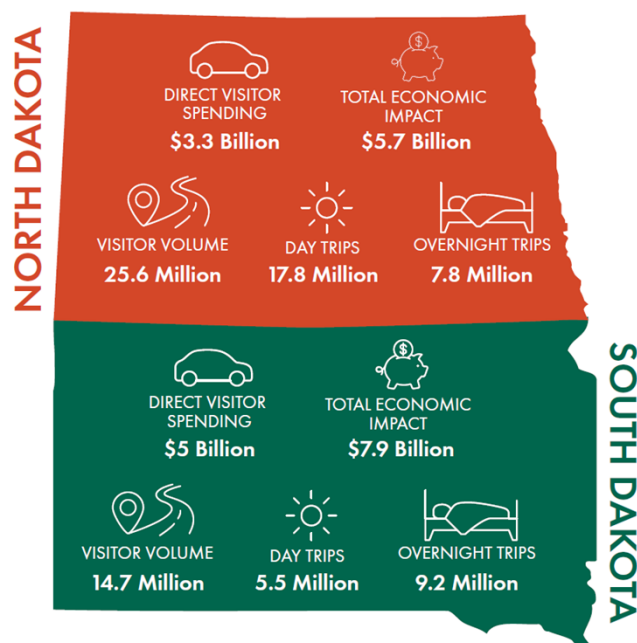
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Marketing Campaign Effectiveness



53



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New Budget Items

- Housing for Opportunity, Mobility, and Empowerment Program (HOME Fund)
 - \$50M
- The Rural Workforce Housing Grant Program
 - \$5M

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55

NORTH
Dakota | Commerce
Be Legendary.

THANK YOU

Commissioner Chris Schilken
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