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Title.

Prepared by the Legislative Council staff for
the House Appropriations - Education and
Environment Division Committee
April 9, 2021

Fiscal No. 2

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2018

Page 1, line 5, replace "section" with "sections 54-34.3-13 and"

Page 1, line 6, after the first "to" insert "the rural growth incentive program and"

Page 1, line 8, remove "and"

Page 1, line 9, after "exemption" insert "; to provide a statement of legislative intent; to provide for a legislative management study; and to declare an emergency"

Page 1, line 15, replace "biennium" with "period"

Page 1, line 15, replace "July 1, 2021," with "with the effective date of this Act"

Page 1, remove lines 18 through 24

Page 2, replace lines 1 through 4 with:

"Salaries and wages	\$13,217,286	(\$227,956)	\$12,989,330
Operating expenses	14,873,203	9,191,240	24,064,443
Grants	52,638,527	30,193,803	82,832,330
Discretionary funds	2,150,000	0	2,150,000
North Dakota trade office	1,600,000	(1,600,000)	0
Partner programs	1,562,531	0	1,562,531
Entrepreneurship grants and vouchers	<u>948,467</u>	<u>0</u>	<u>948,467</u>
Total all funds	\$86,990,014	\$37,557,087	\$124,547,101
Less estimated income	<u>54,123,293</u>	<u>29,421,086</u>	<u>83,544,379</u>
Total general fund	\$32,866,721	\$8,136,001	\$41,002,722
Full-time equivalent positions	61.80	(2.00)	59.80"

Page 2, replace lines 15 through 25 with:

"Workforce safety grant	1,000,000		1,500,000
Entrepreneurship grants and vouchers	2,000,000		0
Sculpture maintenance grants	75,000		0
Nonresident nurse employment recruitment	500,000		0
Intermodal container transportation shipping fees	1,300,000		0
Job development and economic growth grant	25,000		1,500,000
Tourism marketing	0		6,900,000
Technical skills training grants	0		1,000,000
Motion picture production and recruitment grant	<u>0</u>		<u>100,000</u>
Total all funds	\$11,625,000		\$39,500,000
Less estimated income	<u>4,300,000</u>		<u>30,000,000</u>
Total general fund	\$7,325,000		\$9,500,000"

Page 2, line 29, replace "biennium" with "period"

Page 2, line 29, replace "July 1, 2021," with "with the effective date of this Act"

Page 3, line 2, replace "11" with "13"

Page 3, line 3, replace "\$28,000,000" with "\$5,000,000"

Page 3, line 4, remove "tower"

Page 3, line 5, replace "biennium" with "period"

Page 3, line 6, replace "July 1, 2021," with "with the effective date of this Act"

Page 3, line 7, remove "tower"

Page 3, line 12, replace "biennium" with "period"

Page 3, line 12, replace "July 1, 2021," with "with the effective date of this Act"

Page 3, after line 20, insert:

"SECTION 6. RURAL HEALTH CARE GRANT PROGRAM - MATCHING FUNDS REQUIREMENT. The grants line item in section 1 of this Act includes \$250,000 from the general fund for providing matching funds to an organization assisting in the recruitment, distribution, and supply, and enhancing the quality and efficiency of personnel providing health services in rural areas of the state. The department of commerce may spend the funds appropriated in this section only to the extent the organization has secured matching funds from nonstate sources on a dollar-for-dollar basis."

Page 3, line 24, replace "and" with a comma

Page 3, line 25, after "grants" insert ", \$1,500,000 is for a job development grant to an organization dedicated to promoting job development and economic growth, and \$1,500,000 is for a workforce safety grant to an organization that provides workforce safety"

Page 5, after line 6, insert:

"SECTION 10. AMENDMENT. Section 54-34.3-13 of the North Dakota Century Code is amended and reenacted as follows:

54-34.3-13. Rural growth incentive program.

1. The department shall manage and administer the rural growth incentive program. A city with a population of less than two thousand five hundred may apply to the department to be designated as a rural growth incentive city. A rural growth incentive city may be eligible for a loan, grant, or both under this section.
2. The department shall designate an applicant city as a rural growth incentive city eligible for a loan if the city raises funds in the amount of a dollar-for-dollar match for the amount requested in the loan and meets any additional program requirements provided by rule. The source of city funds used for loan matching funds may be any combination of public and private funds. If the department designates a city as a rural growth incentive city eligible for a loan under this section, subject to the availability of funds, the state shall make a loan to the city in an amount not less than twenty-five thousand dollars and not more than seventy-five thousand dollars. The department shall establish the amount of the interest rate for loans provided to a city under this subsection. The funding source of the state loan is the North Dakota development fund. The city shall distribute the city and state funds to qualifying new or expanded ~~primary sector~~ businesses in the city. A qualifying business in the city includes a business that

provides essential services to the city. For purposes of this subsection, a business that provides essential services does not include a public utility. The governing body of the city determines whether a new or expanded ~~primary sector~~ business qualifies for funding, and the director of the department determines whether a business that provides essential services to the city qualifies for funding. The state shall distribute a loan to a rural growth incentive city once the city establishes the city has chosen a specified qualified business to receive funding.

3. The department shall designate an applicant city as a rural growth incentive city eligible for a grant if the city raises funds in the amount of a dollar-for-dollar match for the amount requested in the grant application and meets any additional program requirements provided by rule. The source of city funds used for grant matching funds may be any combination of public and private funds. If the department designates a city as a rural growth incentive city eligible for a grant under this section, subject to availability of funds, the state shall make a grant to the city in an amount not to exceed ten thousand dollars. The recipient rural growth incentive city shall use the grant money received to conduct a feasibility study for the location of a new business, including an expansion of a business with the primary place of business outside the rural growth incentive city. ~~The business under this subsection is not limited to primary sector businesses.~~ The funding source of the state grant is the North Dakota development fund. Total grants awarded by the department under this subsection may not exceed one hundred thousand dollars per biennium.
4. The city may not use city or state funds raised or provided under this section for costs associated with administering the rural growth incentive city. The department shall provide the rural growth incentive city with training to assist the city in expanding ~~primary sector~~ businesses, locating new businesses, and working with state economic development programs."

Page 5, line 23, replace "The amount of" with "Of the"

Page 5, line 25, replace "and" with ", up to \$5,000,000 of unexpended funds may be continued and"

Page 5, line 27, replace "\$28,000,000" with "\$5,000,000"

Page 5, line 28, remove "tower"

Page 5, line 30, replace "2021-23 biennium" with "period beginning with the effective date of this Act and ending June 30, 2023"

Page 6, remove lines 11 through 15

Page 6, after line 28, insert:

"SECTION 18. LEGISLATIVE INTENT - NORTHERN PLAINS UNMANNED AIRCRAFT SYSTEM TEST SITE. It is the intent of the sixty-seventh legislative assembly that the northern plains unmanned aircraft system test site maximize earned revenue to the extent possible while operating and conducting business of the test site.

SECTION 19. LEGISLATIVE MANAGEMENT STUDY - DATA STORAGE.

During the 2021-22 interim, the legislative management shall consider studying data storage by state entities. The study must include input from the information technology department, North Dakota university system, and kindergarten through grade twelve education coordination council. The study must consider data security, geographical locations of storage, geographical location of corporate contractors, state and federal laws that may affect North Dakota data, ownership and control of data storage, and current and estimated data storage costs related to cloud-based, out-of-state data storage of North Dakota state and local government data. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 20. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2018 - Summary of House Action

	Base Budget	Senate Version	House Changes	House Version
Department of Commerce				
Total all funds	\$86,990,014	\$122,425,241	\$2,121,860	\$124,547,101
Less estimated income	54,123,293	80,548,067	2,996,312	83,544,379
General fund	\$32,866,721	\$41,877,174	(\$874,452)	\$41,002,722
FTE	61.80	58.80	1.00	59.80
Department of Transportation				
Total all funds	\$0	\$28,000,000	(\$23,000,000)	\$5,000,000
Less estimated income	0	28,000,000	(23,000,000)	5,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
Bill total				
Total all funds	\$86,990,014	\$150,425,241	(\$20,878,140)	\$129,547,101
Less estimated income	54,123,293	108,548,067	(20,003,688)	88,544,379
General fund	\$32,866,721	\$41,877,174	(\$874,452)	\$41,002,722
FTE	61.80	58.80	1.00	59.80

Senate Bill No. 2018 - Department of Commerce - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$13,217,286	\$12,864,153	\$125,177	\$12,989,330
Operating expenses	14,873,203	24,317,760	(253,317)	24,064,443
Grants	52,638,527	81,182,330	1,650,000	82,832,330
Discretionary funds	2,150,000	1,550,000	600,000	2,150,000
North Dakota Trade Office	1,600,000			
Entrepreneurship grants and vouchers	948,467	948,467		948,467
Partner programs	1,562,531	1,562,531		1,562,531
Total all funds	\$86,990,014	\$122,425,241	\$2,121,860	\$124,547,101
Less estimated income	54,123,293	80,548,067	2,996,312	83,544,379
General fund	\$32,866,721	\$41,877,174	(\$874,452)	\$41,002,722
FTE	61.80	58.80	1.00	59.80

Department 601 - Department of Commerce - Detail of House Changes

	Adjusts Funding for Salary and Benefit Increases ¹	Restores IT Position ²	Transfers Early Childhood Education Program to DHS ³	Adds Funding for Rural Health Care Grants ⁴	Restores Funding for Discretionary Funds ⁵	Reduces One- Time Funding for Tourism Marketing ⁶
Salaries and wages	(\$24,615)	\$149,792				
Operating expenses		(153,317)				(\$100,000)
Grants			(\$1,500,000)	\$50,000		
Discretionary funds					\$600,000	
North Dakota Trade Office Entrepreneurship grants and vouchers Partner programs						
Total all funds	(\$24,615)	(\$3,525)	(\$1,500,000)	\$50,000	\$600,000	(\$100,000)
Less estimated income	(3,688)	0	0	0	0	0
General fund	(\$20,927)	(\$3,525)	(\$1,500,000)	\$50,000	\$600,000	(\$100,000)
FTE	0.00	1.00	0.00	0.00	0.00	0.00

	Adds One- Time Funding for Film and Theater Production Grant ⁷	Adds One- Time Funding for Job Development Grant ⁸	Adds One- Time Funding for Workforce Safety Grant ⁹	Total House Changes
Salaries and wages				\$125,177
Operating expenses				(253,317)
Grants	\$100,000	\$1,500,000	\$1,500,000	1,650,000
Discretionary funds				600,000
North Dakota Trade Office Entrepreneurship grants and vouchers Partner programs				
Total all funds	\$100,000	\$1,500,000	\$1,500,000	\$2,121,860
Less estimated income	0	1,500,000	1,500,000	2,996,312
General fund	\$100,000	\$0	\$0	(\$874,452)
FTE	0.00	0.00	0.00	1.00

¹ Salaries and wages funding is adjusted for salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100 and 2 percent on July 1, 2022. The Senate provided salary adjustments of 2 percent with a minimum monthly increase of \$80 and a maximum monthly increase of \$300 on July 1, 2021, and 2 percent on July 1, 2022.

² One FTE information technology position and related funding is restored. The Senate transferred 1 FTE information technology position to the Information Technology Department (ITD) for the information technology unification initiative. The House amendments do not transfer the FTE position to ITD.

³ Funding of \$1.5 million from the general fund for the early childhood education program is removed in the Department of Commerce budget. The House and Senate have added \$1.5 million for this program in the Department of Human Services budget relating to the changes in House Bill No. 1466.

⁴ Funding of \$50,000 is added from the general fund for rural health care grants to provide a total of \$250,000 from the general fund. The Senate provided \$200,000 from the general fund. A separate section is added to the bill requiring a dollar-for-dollar match.

⁵ Funding of \$600,000 from the general fund, removed by the Senate, is restored to provide a total of \$2.15 million from the general fund in the discretionary funds line item, the same as the base level. The Senate provided a total of \$1.55 million.

⁶ One-time funding of \$100,000 from the general fund for tourism marketing and branding operating expenses is removed to provide a total of \$6.9 million for tourism marketing and branding. The Senate authorized a total of \$7 million.

⁷ One-time funding of \$100,000 is added from the general fund to provide a film and theater production grant directly to an organization dedicated to the preservation and honor of North Dakota land, history, and citizens.

⁸ One-time funding of \$1.5 million is added from the strategic investment and improvements fund to provide a job development and economic growth grant directly to an organization dedicated to promoting job development and economic growth in the state.

⁹ One-time funding of \$1.5 million is added from the strategic investment and improvements fund to provide a workforce safety grant directly to an organization that provides workforce safety.

This amendment also:

- Amends a section that provides an exemption for the \$28 million 2017-19 biennium supplemental appropriation for the beyond visual line of sight unmanned aircraft system (UAS) program that was continued into the 2019-21 biennium to continue into the 2021-23 biennium. The Department of Commerce may provide grants of up to \$5 million from this funding to the Department of Transportation for infrastructure construction of the beyond visual line of sight UAS program during the 2021-23 biennium. The Senate authorized the Department of Commerce to provide a grant of up to \$28 million to the Department of Transportation.
- Amends a section identifying the amount of funding appropriated to the Department of Commerce from the strategic investment and improvements fund.
- Adds a section to amend North Dakota Century Code Section 54-34.3-13 to remove the requirement that businesses be "primary sector" businesses to qualify for the rural growth incentive program, which is administered by the North Dakota Development Fund in the rural growth incentive fund.
- Removes a section added by the Senate that provided an exemption to the Department of Commerce to continue 2019-21 biennium funding for the early childhood education program into the 2021-23 biennium.
- Adds a section of legislative intent that the Northern Plains UAS Test Site maximize earned revenue when possible.
- Adds a section providing for a Legislative Management study of data storage by state entities.
- Adds a section to declare the bill an emergency measure.

Senate Bill No. 2018 - Department of Transportation - House Action

	Base Budget	Senate Version	House Changes	House Version
Grants		\$28,000,000	(\$23,000,000)	\$5,000,000
Total all funds	\$0	\$28,000,000	(\$23,000,000)	\$5,000,000
Less estimated income	0	28,000,000	(23,000,000)	5,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

Department 801 - Department of Transportation - Detail of House Changes

	Reduces One-Time Funding for UAS ¹	Total House Changes
Grants	(\$23,000,000)	(\$23,000,000)
Total all funds	(\$23,000,000)	(\$23,000,000)
Less estimated income	(23,000,000)	(23,000,000)
General fund	\$0	\$0
FTE	0.00	0.00

¹ A separate section of the bill is amended to provide one-time funding of \$5 million to the Department of Transportation from grant funds received from the Department of Commerce pursuant to an exemption provided in the bill for infrastructure construction expenses of the beyond visual line of sight UAS program during the 2021-23 biennium. The Senate provided one-time funding of \$28 million. The House reduced this amount by \$23 million to reflect the most recent estimate of unspent funding the Department of Commerce will have available at the end of the 2019-21 biennium.

Department of Commerce - Budget No. 601
 Senate Bill No. 2018
 Base Level Funding Changes

Prepared for: 4/12/2021

	Senate Version				House Version				House Changes to Senate Version Increase (Decrease) - Senate Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2021-23 Biennium Base Level	61.80	\$32,866,721	\$54,123,293	\$86,990,014	61.80	\$32,866,721	\$54,123,293	\$86,990,014	0.00	\$0	\$0	\$0
2021-23 Ongoing Funding Changes												
Base payroll changes		(\$49,007)	\$16,577	(\$32,430)		(\$49,007)	\$16,577	(\$32,430)				\$0
Salary increase		266,126	56,512	322,638		245,150	52,824	297,974		(\$20,976)	(\$3,688)	(24,664)
Health insurance increase		2,341	531	2,872		2,390	531	2,921		49		49
Underfunds salaries		(140,000)		(140,000)		(140,000)		(140,000)				0
Transfers 1 FTE IT position to ITD for IT unification	(1.00)	3,525		3,525	0.00	0		0	1.00	(3,525)		(3,525)
Transfers the HOME program to the Housing Finance Agency	(2.00)		(8,343,371)	(8,343,371)	(2.00)		(8,343,371)	(8,343,371)				0
Adds funding for Microsoft Office 365 license expenses		5,486	1,013	6,499		5,486	1,013	6,499				0
Adjusts funding for the Community Services Division		(216,576)	329,488	112,912		(216,576)	329,488	112,912				0
Reduces funding for the Workforce Development Division		(199,664)		(199,664)		(199,664)		(199,664)				0
Reduces funding for the Economic Development and Finance Division		(195,000)		(195,000)		(195,000)		(195,000)				0
Reduces funding for the administration division		(396,990)	(3,283)	(400,273)		(396,990)	(3,283)	(400,273)				0
Reduces funding for the Operation Intern program		(100,000)		(100,000)		(100,000)		(100,000)				0
Adds funding for the UAS program		3,000,000	7,020,150	10,020,150		3,000,000	7,020,150	10,020,150				0
Transfers \$505,000 for contractual fees from grants to operating expenses				0				0				0
Transfers \$151,284 for the early childhood education program from operating to grants				0				0				0
Transfers \$1.5 million for the early childhood education program to DHS				0		(1,500,000)		(1,500,000)		(1,500,000)		(1,500,000)
Removes funding for the biotechnology grant program		(300,000)		(300,000)		(300,000)		(300,000)				0
Reduces funding for homeless shelter grants		(169,788)		(169,788)		(169,788)		(169,788)				0
Adds funding for rural health care grants		200,000		200,000		250,000		250,000		50,000		50,000
Adds funding for a state apprenticeship expansion program			347,157	347,157			347,157	347,157				0
Adjusts funding for discretionary funds		(600,000)		(600,000)		0		0		600,000		600,000
Transfers funding for the North Dakota Trade Office to the Agriculture Commissioner		(1,600,000)		(1,600,000)		(1,600,000)		(1,600,000)				0
Total ongoing funding changes	(3.00)	(\$489,547)	(\$575,226)	(\$1,064,773)	(2.00)	(\$1,363,999)	(\$578,914)	(\$1,942,913)	1.00	(\$874,452)	(\$3,688)	(\$878,140)
One-time funding items												
Adds funding for tourism marketing		\$7,000,000		\$7,000,000		\$6,900,000		\$6,900,000		(\$100,000)		(\$100,000)
Adds funding for UAS program grants			\$1,000,000	1,000,000			\$1,000,000	1,000,000				0
Adds funding for the beyond visual line of sight UAS program		1,000,000	19,000,000	20,000,000		\$1,000,000	19,000,000	20,000,000				0
Adds funding for enhanced use lease grants			7,000,000	7,000,000			7,000,000	7,000,000				0
Adds funding for technical skills training grants		1,000,000		1,000,000		1,000,000		1,000,000				0
Adds funding for workforce grants to tribally controlled community colleges		500,000		500,000		500,000		500,000				0
Adds funding for a film and theater production grant				0		100,000		100,000		100,000		100,000
Adds funding for a job development and economic growth grant				0			1,500,000	1,500,000			\$1,500,000	1,500,000
Adds funding for a workforce safety grant				0			1,500,000	1,500,000			1,500,000	1,500,000
Total one-time funding changes	0.00	\$9,500,000	\$27,000,000	\$36,500,000	0.00	\$9,500,000	\$30,000,000	\$39,500,000	0.00	\$0	\$3,000,000	\$3,000,000
Total Changes to Base Level Funding	(3.00)	\$9,010,453	\$26,424,774	\$35,435,227	(2.00)	\$8,136,001	\$29,421,086	\$37,557,087	1.00	(\$874,452)	\$2,996,312	\$2,121,860
2021-23 Total Funding	58.80	\$41,877,174	\$80,548,067	\$122,425,241	59.80	\$41,002,722	\$83,544,379	\$124,547,101	1.00	(\$874,452)	\$2,996,312	\$2,121,860
<i>Total ongoing changes as a percentage of base level</i>	<i>(4.9%)</i>	<i>(1.5%)</i>	<i>(1.1%)</i>	<i>(1.2%)</i>	<i>(3.2%)</i>	<i>(4.2%)</i>	<i>(1.1%)</i>	<i>(2.2%)</i>				
<i>Total changes as a percentage of base level</i>	<i>(4.9%)</i>	<i>27.4%</i>	<i>48.8%</i>	<i>40.7%</i>	<i>(3.2%)</i>	<i>24.8%</i>	<i>54.4%</i>	<i>43.2%</i>				

Other Sections in Department of Commerce - Budget No. 601

	<u>Senate Version</u>	<u>House Version</u>
Appropriation - Department of Transportation - Beyond visual line of sight unmanned aircraft system program - One-time funding	Section 3 appropriates \$28 million to the Department of Transportation from grant funds received from the Department of Commerce pursuant to Section 11 for the purpose of defraying tower infrastructure construction expenses of the beyond visual line of sight UAS program during the 2021-23 biennium. The Department of Transportation may bid, award, and administer any contracts necessary to complete the construction of the tower infrastructure. This funding is considered a one-time funding item.	Section 3 appropriates \$5 million to the Department of Transportation from grant funds received from the Department of Commerce pursuant to Section 13 for the purpose of defraying infrastructure construction expenses of the beyond visual line of sight UAS program during the 2021-23 biennium. The Department of Transportation may bid, award, and administer any contracts necessary to complete the construction of the infrastructure. This funding is considered a one-time funding item.
Internship fund transfer	Section 4 transfers \$755,000 from the general fund to the internship fund in the operating expenses line item for the Operation Intern program.	Section 4 transfers \$755,000 from the general fund to the internship fund in the operating expenses line item for the Operation Intern program.
Entrepreneurship grants and vouchers program	Section 5 identifies \$948,467 included in Section 1, of which \$740,956 is from the general fund and \$207,511 is from the economic development fund for the entrepreneurship grants and vouchers program, also known as Innovate ND, for the 2021-23 biennium.	Section 5 identifies \$948,467 included in Section 1, of which \$740,956 is from the general fund and \$207,511 is from the economic development fund for the entrepreneurship grants and vouchers program, also known as Innovate ND, for the 2021-23 biennium.
Rural health care grant program		Section 6 identifies \$250,000 from the general fund in Section 1 is provided for the purpose of providing matching funds to an organization assisting in the recruitment, distribution, and supply, and enhancing the quality and efficiency of personnel providing health services in rural areas of the state during the 2021-23 biennium.
Estimated income - Strategic investment and improvements fund - Beyond visual line of sight UAS program - Enhanced use lease grants program - Job development and economic growth grant - Workforce safety grant	Section 6 identifies \$26 million from the strategic investment and improvements fund in Section 1, of which \$19 million is for providing beyond visual light of sight UAS grants and \$7 million is for providing enhanced use lease grants during the 2021-23 biennium. This funding is considered a one-time funding item.	Section 7 identifies \$29 million from the strategic investment and improvements fund in Section 1, of which \$19 million is for providing beyond visual light of sight UAS grants, \$7 million is for providing enhanced use lease grants, \$1.5 million is for providing a job development grant to an organization dedicated to promoting job development and economic growth, and \$1.5 million is for providing a workforce safety grant to an organization that provides workforce safety during the 2021-23 biennium. This funding is considered a one-time funding item.
Beyond visual line of sight UAS program - Matching fund requirement - One-time funding	Section 7 identifies \$1 million from the general fund in Section 1 is for providing grants to an organization dedicated to expanding workforce opportunities, training, and education related to the beyond visual line of sight UAS industry, which the Department of Commerce may provide only to the extent the organization provides \$1 of matching funds from private or other public sources for each \$1 provided by the department during the 2021-23 biennium. This funding is considered a one-time funding item.	Section 8 identifies \$1 million from the general fund in Section 1 is for providing grants to an organization dedicated to expanding workforce opportunities, training, and education related to the beyond visual line of sight UAS industry, which the Department of Commerce may provide only to the extent the organization provides \$1 of matching funds from private or other public sources for each \$1 provided by the department during the 2021-23 biennium. This funding is considered a one-time funding item.
North Dakota Trade Office - Advisory board - Continuing appropriation	Section 8 creates a new section to Chapter 4.1-01 to transfer the international business and trade office, also known as the North Dakota Trade Office, from the Department of Commerce to the Agriculture Commissioner.	Section 9 creates a new section to Chapter 4.1-01 to transfer the international business and trade office, also known as the North Dakota Trade Office, from the Department of Commerce to the Agriculture Commissioner.

Other Sections in Department of Commerce - Budget No. 601

Rural growth incentive program - North Dakota Development Fund

UAS-related programs continuing appropriation

North Dakota Trade Office - Repeal

Exemption - Beyond visual line of sight UAS program

Exemption - UAS program

Exemption - Enhanced use lease grant program

Exemption - Early childhood education program

Exemption - Nonresident nurse employment recruitment program

Senate Version

Section 9 amends Section 54-60-29 to expand the continuing appropriation provided to the Department of Commerce from the UAS fund for expenses of the UAS program to also include expenses of the beyond visual line of sight UAS program and the enhanced use lease grant program.

Section 10 repeals Section 54-60-16 related to the international business and trade office, also known as the North Dakota Trade Office, as part of the transfer of the program from the Department of Commerce to the Agriculture Commissioner.

Section 11 provides an exemption for unexpended 2017-19 biennium funds continued into the 2019-21 biennium for the beyond visual line of sight UAS program to continue into the 2021-23 biennium. The 2019 Legislative Assembly provided a \$28 million supplemental appropriation from the general fund for this purpose for the 2017-19 biennium. The Department of Commerce may provide grants of up to \$28 million to the Department of Transportation, pursuant to the appropriation in Section 3, for the purpose of defraying tower infrastructure construction expenses of the beyond visual line of sight UAS program during the 2021-23 biennium.

Section 12 provides an exemption for the UAS program to continue any unexpended 2019-21 biennium funds for the operating expenses of this program into the 2021-23 biennium. A total of \$2.25 million was appropriated from the general fund to the department for this purpose for the 2019-21 biennium.

Section 13 provides an exemption for the enhanced use lease grant program to continue any unexpended 2019-21 biennium funds for the program into the 2021-23 biennium. A total of \$3 million was appropriated from the general fund to the department for this purpose for the 2019-21 biennium.

Section 14 provides an exemption to continue unexpended 2019-21 biennium funds for the early childhood education program into the 2021-23 biennium. A total of \$1.5 million was appropriated from the general fund to the department for this purpose for the 2019-21 biennium.

Section 15 provides an exemption to continue \$320,000 of the \$500,000 appropriated from the general fund for the nonresident nurse employment recruitment program for the 2019-21 biennium into the 2021-23 biennium. In addition to the program eligibility guidelines established for the 2019-21 biennium, the Department of Commerce is required to provide funding for the program to eligible nursing students in the state who have not been employed by a health care provider on a full-time basis in the year preceding the grant award.

House Version

Section 10 amends Section 54-34.3-13 to remove the requirement that businesses be "primary sector" businesses to qualify for the rural growth incentive program, which is administered by the North Dakota Development Fund in the rural growth incentive fund.

Section 11 amends Section 54-60-29 to expand the continuing appropriation provided to the Department of Commerce from the UAS fund for expenses of the UAS program to also include expenses of the beyond visual line of sight UAS program and the enhanced use lease grant program.

Section 12 repeals Section 54-60-16 related to the international business and trade office, also known as the North Dakota Trade Office, as part of the transfer of the program from the Department of Commerce to the Agriculture Commissioner.

Section 13 provides an exemption for unexpended 2017-19 biennium funds continued into the 2019-21 biennium for the beyond visual line of sight UAS program to continue into the 2021-23 biennium. The 2019 Legislative Assembly provided a \$28 million supplemental appropriation from the general fund for this purpose for the 2017-19 biennium. The Department of Commerce may provide grants of up to \$5 million to the Department of Transportation, pursuant to the appropriation in Section 3, for the purpose of defraying infrastructure construction expenses of the beyond visual line of sight UAS program during the 2021-23 biennium.

Section 14 provides an exemption for the UAS program to continue any unexpended 2019-21 biennium funds for the operating expenses of this program into the 2021-23 biennium. A total of \$2.25 million was appropriated from the general fund to the department for this purpose for the 2019-21 biennium.

Section 15 provides an exemption for the enhanced use lease grant program to continue any unexpended 2019-21 biennium funds for the program into the 2021-23 biennium. A total of \$3 million was appropriated from the general fund to the department for this purpose for the 2019-21 biennium.

Section 16 provides an exemption to continue \$320,000 of the \$500,000 appropriated from the general fund for the nonresident nurse employment recruitment program for the 2019-21 biennium into the 2021-23 biennium. In addition to the program eligibility guidelines established for the 2019-21 biennium, the Department of Commerce is required to provide funding for the program to eligible nursing students in the state who have not been employed by a health care provider on a full-time basis in the year preceding the grant award.

Other Sections in Department of Commerce - Budget No. 601

Exemption - Discretionary funds

Legislative intent - Northern Plains UAS Test Site

Legislative Management study - Data storage

Emergency

Senate Version

Section 16 provides an exemption for discretionary funds to continue any unexpended 2019-21 biennium funds in the discretionary funds line item into the 2021-23 biennium. A total of \$2.15 million was appropriated from the general fund to the department for this purpose for the 2019-21 biennium.

House Version

Section 17 provides an exemption for discretionary funds to continue any unexpended 2019-21 biennium funds in the discretionary funds line item into the 2021-23 biennium. A total of \$2.15 million was appropriated from the general fund to the department for this purpose for the 2019-21 biennium.

Section 18 provides legislative intent that the Northern Plains UAS Test Site maximize earned revenue when possible.

Section 19 provides for the Legislative Management to consider studying data storage by state entities. The study must include input from the Information Technology Department, North Dakota University System, and K-12 Education Coordinating Council. The study must consider data security, geographical locations of storage, geographical location of corporate contractors, state and federal laws that may affect North Dakota data, ownership and control of data storage, and current and estimated data storage costs related to cloud-based, out-of-state data storage of North Dakota state and local government data.

Section 20 declares this Act to be an emergency.