



INDUSTRY FACTS

**\$4.3
BILLION**
AGRICULTURE
EXPORTS
ABROAD

26,000
FARMS AND
RANCHES ACROSS
39.3 MILLION
ACRES

40
FARMERS
MARKETS

GROWING VALUE IN NORTH DAKOTA AGRICULTURE

Agriculture is a leading industry in North Dakota, consistently ranking high in crop and livestock production. North Dakota offers tremendous opportunity in value-added agriculture, such as food processing and manufacturing, as only a small percentage of production is processed in-state.

A STATE POISED FOR ECONOMIC GROWTH

North Dakota has all the key elements for successful food processors with the potential for future growth. North Dakota is focused on developing and expanding markets for crops, livestock and bio-fuels. The state offers an array of incentives to encourage continued growth in the industry. Enhanced with attractive business incentives, North Dakota is drawing some of the world's most successful companies to the state. Cavendish Farms, Roman Meal, JR Simplot, Pro Gold and Minot Milling are just a few of the businesses taking advantage of North Dakota's legendary business climate and workforce. North Dakota leads the nation in the production of 8 crops and, with the application of industry leading technology and cutting edge farming practices, our production increases year over year, creating ongoing value-added opportunities.

NORTH DAKOTA LEADS THE NATION

North Dakota leads the nation in the production of the following commodities:

- dry beans, all
- pinto beans
- canola
- flaxseed
- honey
- peas, dry edible
- wheat, durum
- wheat, spring



(USDA 2022 report on 2021 production)

DID YOU KNOW?

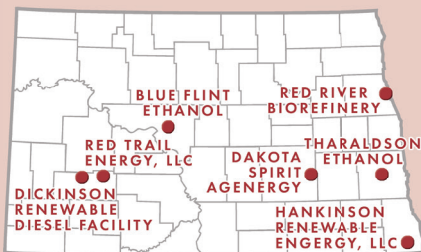
Wheat is produced in all 53 counties in North Dakota. Around 19,200 farms grow wheat — 74% spring, 25% durum and 1% winter wheat.

Beef cattle are raised in every North Dakota county with about 945K beef cattle and calves across the state. That's more than 1.2 cattle for every person in North Dakota.

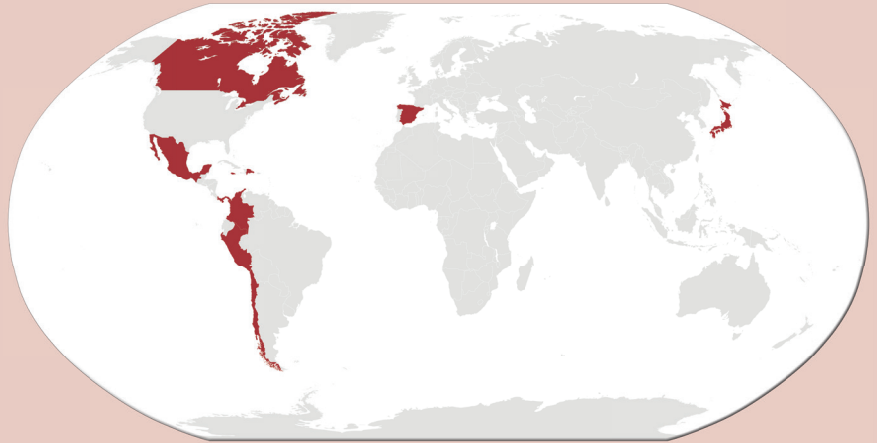
The state has 55 dairy farms that produce nearly 40 million gallons of milk each year.

There are approximately 12,127 head of bison in North Dakota. They are raised for meat and hides.

North Dakota has Seven renewable fuel facilities.



TOP 10 EXPORT COUNTRIES FROM NORTH DAKOTA



1. Canada
2. Mexico
3. Dominican Republic
4. Japan
5. Peru
6. Colombia
7. Panama
8. Spain
9. Chile
10. Jamaica

Source: U.S. Department of Commerce, International Trade Administration

PROCESSING AND PRODUCTION INCENTIVES

- North Dakota offers a range of agricultural processing and production incentives along with ease of access to local financing institutions – including the only state-owned bank in the nation
- Sales tax exemptions on construction materials
- Property tax exemption of up to five years for new or expanding businesses and up to 10 years for ag processors
- In lieu of property tax exemption, in full or part, a company may negotiate a fixed or graduated property tax rate for up to 20 years
- Corporate income tax exemption of up to five years for new or expanding manufacturers
- Wage and salary corporate income tax credit for new businesses
- Income tax credit for research expenditures
- Sales and use tax exemption for manufacturing equipment
- No personal property tax, including equipment, inventory, materials in process and accounts receivable
- Numerous grants and low-interest loans
- Assistance for job training and workforce development
- Lowest workers compensation premium rates in the United States





FACTS

\$850K
ANNUAL
FUNDING

2,400
AMERICORPS
MEMBERS IN
ND

2.7
MILLION
HOURS OF
SERVICE

\$6.2
MILLION
IN EDUCATION
AWARDS

MEETING NEEDS IN NORTH DAKOTA

Last year more than 200 Americans of all ages and backgrounds met local needs, strengthened communities, and expanded economic opportunity through national service in North Dakota. The AmeriCorps Agency invested more than \$3.4 million in federal funding to support cost-effective community solutions, working hand in hand with local partners to empower citizens to solve problems.

AMERICORPS: HELPING COMMUNITIES

AmeriCorps state programs address critical needs specific to communities located in North Dakota. Programs are open to U.S. citizens, nationals, or lawful permanent resident aliens age 17 and older. Members may serve full or part-time over a period not to exceed 12 months. Individuals can serve as AmeriCorps members in North Dakota depending on the location of currently funded AmeriCorps projects. AmeriCorps grants provide assistance to eligible organizations and agencies to recruit, train and supervise AmeriCorps members in meeting critical community needs in the areas of:

- Education
- Disaster services
- Health
- Environmental stewardship
- Economic opportunity
- Service to veterans and military families

MEMBERSHIP BENEFITS


- Living allowances (established by project)
- Education awards for members (not to exceed the maximum federal college Pell Grant)
- Career development for members
- Community volunteer activity required by many colleges and universities

FULFILLING A NEED


ServeND conducts an annual competition for AmeriCorps funding. The following types of organizations and agencies are eligible to participate:

- State and local nonprofit organizations
- Community and faith-based organizations
- State, local and higher education institutions
- State and local governments
- U.S. territories


DID YOU KNOW



218,019 volunteers contribute 15.6 million hours of service statewide




Ranked 11th in the nation, 37.4% of North Dakota residents volunteer




Volunteer service is worth an estimated \$377.8 million




65.2% of state residents do favors for neighbors



25.5% of state residents do something positive for the neighborhood



39.7% of state residents participate in local groups or organizations



62.6% of state residents donate \$25 or more to charity

PARTICIPATE AS AN ORGANIZATION

Serve ND is leading the challenge in our state to serve communities in need. The goal is to provide resources such as AmeriCorps funding to eligible North Dakota organizations and agencies committed to providing service. AmeriCorps funding helps organizations and agencies recruit, train and supervise AmeriCorps members to meet critical community needs.

AMERICORPS

AmeriCorps members meet pressing local needs across North Dakota, making a lasting impact in communities while gaining valuable skills and experience to advance their careers.

AmeriCorps members serve in one of three programs: AmeriCorps National Civilian Community Corps (NCCC), AmeriCorps state and national and AmeriCorps Volunteers In Service To America (VISTA). All programs engage volunteers at locations across the country through nonprofits, schools, public agencies, tribes, and community and faith-based groups.

- AmeriCorps State and National members engage in a diverse range of service projects at local and national organizations to address critical community needs of disaster services, economic opportunity, education, healthy futures, environmental stewardship and veterans and military families. Most AmeriCorps grant funding goes to the North Dakota State Commission on National and Community Service, the Governor-appointed State Service Commission, which in turn awards grants to organizations to respond to local needs.
- AmeriCorps VISTA taps the skills, talents, and passion of Americans of all ages to support community efforts to overcome poverty.
- AmeriCorps NCCC strengthens communities and develops leadership skills by contributing to public safety, environment, and disaster projects through direct, team-based service. Federal Emergency Management Agency (FEMA) Corps, a unit of NCCC, focuses solely on disaster preparedness, response, and recovery.

In exchange for their service, AmeriCorps members earn a Segal AmeriCorps Education Award that can be used to pay for trade school, college, graduate school, or to pay back qualified student loans. Since 1994, more than 2,400 North Dakota residents have served approximately 2.7 million hours and earned education awards totaling more than \$6.2 million.



Service & Program Guide (Commerce.nd.gov)

Economic Development & Finance

Services:

- State Data Center
- Incentives Reports for New or Expanding Businesses
- Requests for Proposal (RFP/RFI)
- General Economic Development Assistance
- Project Funding
- Connect Companies with Communities, Developers, Academia, Other Businesses, Etc.

Programs:

- Angel Match Program
- Automation Tax Credit
- ND Development Fund
- Regional Rural Revolving Loan Fund
- Childcare Loan Program
- Innovative Technology Program Fund (LIFT)
- Innovate ND
- Rural Growth Incentive Program

Workforce Development

Services:

- Recruiter Network
- Relocation Help Desk

Programs:

- AmeriCorps
- Operation Intern
- Find the Good Life in ND
- Technical Skills Training Grant
- Regional Workforce Impact Program
- Tribal College Grants
- Non-Resident Nursing Employment Recruitment
- Apprenticeship

Community Services

Services:

- Technical Assistance with Federal and State Grant Applications
- Community and Economic Development Project Funding
- Training and Technical Assistance for Compliance with Federal and State Regulations
- Monitoring of HUD Projects and Programs
- Community Development (Nonprimary Sector) Planning, Resources and Technical Assistance

Programs:

- Community Development Block Grant (CDBG)
- Community Development Loan Fund (CDLF)
- Weatherization/LIHEAP
- Renaissance Zone Program
- Manufactured Home Installation Program
- Renewable Energy Programs
- Main Street/Community Development
- Building Codes
- Community Services Block Grant (CSBG)
- State Energy Program
- Vibrancy Grants
- Partners in Planning Grants

Tourism & Marketing

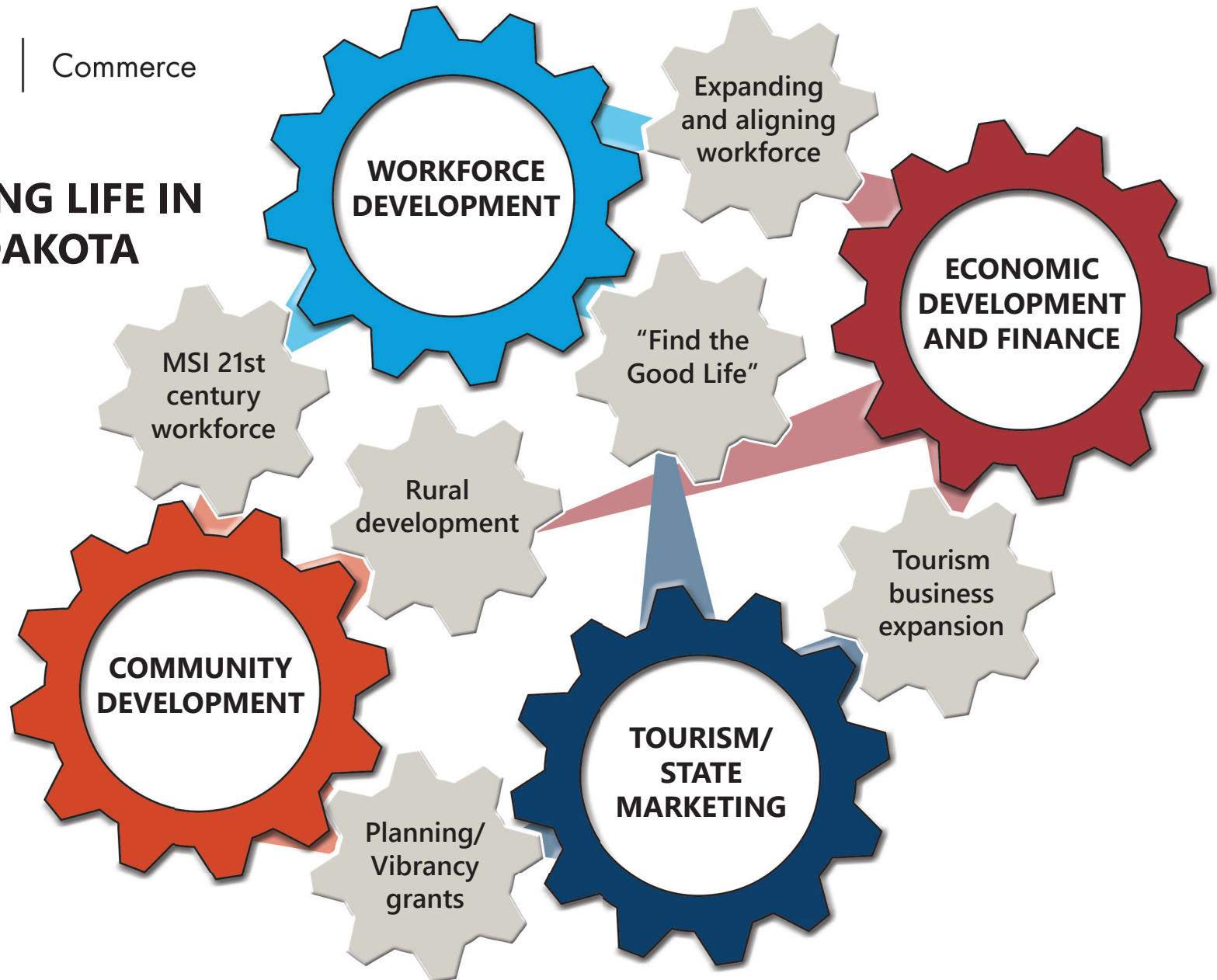
Services:

- State Marketing (Tourism and Workforce)
- Public and Media Relations
- Visitor Services
- Tourism Development
- Tribal Tourism
- Global Tourism Marketing
- Group Travel
- Outdoor Promotions
- Photo and Video Sharing
- Free Website Listings
- Social Media
- Research

Programs:

- Tourism Development Grant
- Cooperative Programs for Partners
- Agritourism

IMPROVING LIFE IN NORTH DAKOTA





FACTS

53,193

PEOPLE
IMPACTED BY
CDBG AND
CSBG

10,471

PERSONS
SERVED BY
HOMELESS
GRANTS

CDBG AND
HOME FUNDS
REHABBED

132
HOMES

42

PROJECTS
COMPLETED
THROUGH THE
STATE ENERGY
PROGRAM

DIVISION OF COMMUNITY SERVICES

The North Dakota Department of Commerce Division of Community Services (DCS) was established to provide technical assistance to local governments and state agencies in the areas of community and rural planning and development, policy research and development and grant program implementation.

PROGRAMS INCLUDE:

STATE ENERGY PROGRAM — Promoting Energy Conservation and Efficiency

The State Energy Program provides a range of grant resources for energy conservation-related opportunities, including energy education, installation of energy efficient features, and new and expanding energy technologies. The program's state energy plan is supported by financial and technical assistance through the U.S. Department of Energy (DOE) and funds political subdivisions, nonprofits and education centers. More than \$1.34 M in project funding was granted for 42 projects in 2020–2022.

COMMUNITY DEVELOPMENT BLOCK GRANT — Developing Vibrant and Sustainable Communities

The Community Development Block Grant Program (CDBG), provided through the U.S. Department of Housing and Urban Development (HUD), provides financial assistance to local governments in the form of grants for public facilities, housing rehabilitation and economic development projects and public services. The primary beneficiaries of these projects must be low to moderate income individuals.

EMERGENCY SOLUTIONS AND NORTH DAKOTA HOMELESS GRANT — Working to End Homelessness

The Emergency Solutions Grant (ESG) is a program of the U.S. Department of Housing and Urban Development.

The Emergency Solutions Grant and ND Homeless Grant (NDHG) provides financial assistance to facilities and programs to identify sheltered and unsheltered homeless persons, as well as those at risk of homelessness, and provide services to help them quickly regain stability in permanent housing after experiencing homelessness. The North Dakota Department of Commerce currently awards grant funds directly to emergency/homeless shelters and agencies throughout the state for activities like operational expenses (utilities, insurance, furnishings, appliances, etc.) and essential services (case management, medical, laundry, transportation, etc.), homeless prevention, rapid rehousing and the Homeless Management Information System.

It has been proposed that the ESG and NDHG programs move to the North Dakota Housing and Finance Agency in 2023.

DID YOU KNOW?



Since 2001, 10,000 homes equipped with energy saving measures.



Community Services Block Grant impacted 35,246 low-income individuals, including 13,000 children, 5,605 persons with disabilities, and 5,379 people who lacked health insurance.



Community Development Block Grant assisted six businesses as part of economic development.



More than 1,200 homes have weatherized since January 1, 2020, including 623 families with children.



In the last 2 years 542 manufactured homes installed.

WEATHERIZATION/LIHEAP — Increasing Energy Efficiency for Low-Income Persons

The Weatherization Assistance Program and the LIHEAP Weatherization Program impact low-income individuals across the state to:

- Increase energy efficiency in homes
- Strengthen the health and safety of the home
- Reduce total residential energy expenditures
- Provide conservation measures

Since 2001, more than 10,000 homes have been equipped with energy-conserving measures. They are programs of the U.S. Department of Energy and the U.S. Department of Health and Human Services. The Weatherization program shows an ROI of \$2.78 in non-energy benefits for every \$1 invested in the program.

MANUFACTURED HOME INSTALLATION PROGRAM — Inspecting Manufactured Homes

Since 2003, the Division of Community Services has overseen the manufactured home installation program, where all new manufactured homes installed for residential purposes are completed by an inspector licensed by DCS. A minimum of 2 inspections are required on a double-wide home and one inspection on a single-wide home is required. ND currently has 61 installers and 16 licensed inspectors. From July 1, 2020, through June 30, 2022, we had 542 manufactured homes installed.

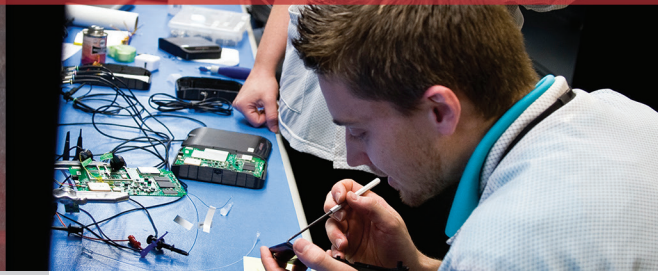
COMMUNITY SERVICES BLOCK GRANT — Fighting Poverty in North Dakota

The Community Services Block Grant (CSBG) Program assists communities in implementing anti-poverty programs. The program administers funding from the U.S. Department of Health and Human Services through the state's seven Community Action Agencies (CAAs), providing various services to low-income persons, including:

- Emergency assistance
- Money management
- Housing counseling
- Self-sufficiency services
- Case management and outreach
- Referral services

CARES FUNDING — Relieving the Effects of the Pandemic

DCS received additional federal funds for the ESG and CSBG programs to assist with the challenges of the pandemic. CSBG received an additional \$4,209,178.50 and from these funds, the Community Action Agencies have assisted 4,984 low-income clients in 2020 and 2021. An additional \$5,142,580 was received to provide support to the ESG grant.



DEVELOPMENT FUND FACTS

9,182
JOBS
CREATED

878
PROJECTS
FUNDED

**PRIMARY
SECTOR
ECONOMIC
DEVELOPMENT
TOOL**

UPDATED 01/03/2023

ECONOMIC DEVELOPMENT TOOL

The North Dakota Development Fund was created through legislation in 1991 as an economic development tool. It provides flexible gap financing through debt and equity investments for new or expanding North Dakota primary sector businesses. The Development Fund makes investments of up to \$3 million. The board of directors may adjust the limit when deemed appropriate.

The following criteria apply to Development Fund investments:

- The entrepreneur must have a realistic financial commitment at stake. Usually, principals are required to have a minimum of 15% equity in the project.
- Refinancing of debt is not eligible.
- Principal shareholders with 20% or greater ownership are generally required to guarantee the debt. Other shareholders may also be required to guarantee.
- Financing is available to any North Dakota primary sector business project with the exception of production agriculture.
- Primary sector includes individuals and businesses which, through the employment of knowledge or labor, add value to a product, process or service which results in the creation of new wealth.
- Primary sector includes tourism and specific types of investor-owned agriculture, and is typically businesses such as manufacturers, food processors or export service companies. Investor-owned agriculture includes livestock feeding or milking operations or other value-added agriculture located apart from an individual farm operation that is professionally managed and has employees.
- Financing is available to any North Dakota licensed child care operator up to \$100,000.

“The Development Fund offers the financing resources needed to help support business startups and expansion projects that create jobs while also providing taxpayers with a strong return on investment. Businesses in need of equity financing can look to the Development Fund as a possible solution. The North Dakota Development Fund is a valuable tool in developing strategies for business growth.”

North Dakota Governor Doug Burgum



INDUSTRY FACTS

ND RANKS
3RD
IN NATIONAL
OIL
PRODUCTION

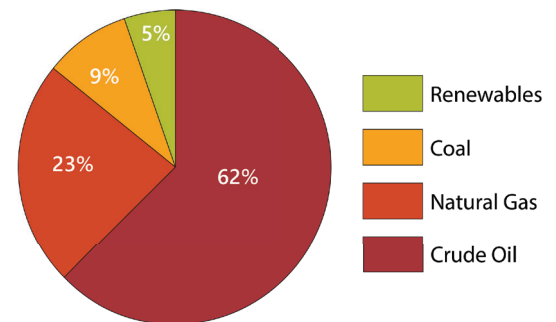
42.2
MILLION
MEGAWATT
HOURS OF
ELECTRICITY
GENERATED

5th
IN SHARE
OF WIND
GENERATED
ELECTRICITY

2nd
LARGEST
KNOWN LIGNITE
DEPOSIT IN THE
WORLD

North Dakota is the second-largest energy-producing state in the nation offering opportunities in oil and gas, coal and alternative energy production. North Dakota is a proactive producer and serves as a model in fostering innovative, long-term strategies to meet our nation's growing energy demand. The state strives with an "all of the above" approach in the development of its wide-ranging energy sector while meeting the need for energy security in an environmentally responsible manner. North Dakota offers a comprehensive package of incentives to stimulate growth in all energy sectors and creates a broad-based energy strategy that maximizes the state's resources.

NORTH DAKOTA TOTAL ENERGY PRODUCTION



ENERGY DEVELOPMENT INCENTIVES

Financial Incentives

- North Dakota Development Fund – Gap financing loan and equity program.
- Bank of North Dakota PACE Program – Interest buy down program.
- Bank of North Dakota Match Program – Loans at U.S. Treasury yield rate +0.25% to businesses other than retail that create new wealth, provide jobs and demonstrate considerable financial strength.
- Clean and Sustainable Energy program – Grant and funding options for research, development and commercialization of large scale innovative energy projects administered through the ND Industrial Commission.
- Renewable Energy Program – Grant and funding options to foster the development of renewable energy and related industrial technologies within a broad range of commercial applications. Overseen by the ND Industrial Commission.

Property Tax Exemptions

- Up to five-year property tax exemption. Additional five years available for agricultural processors or projects located on property leased from a governmental entity.
- Payment in lieu of a property tax exemption, in full or part. A company may negotiate a fixed or graduated rate for a period not to exceed 20 years. A privilege tax may be applied to coal conversion facilities.
- Exemptions on all personal property from property taxation except that of certain oil and gas refineries and utilities.

Corporate Tax Exemptions

- Five-year corporate income tax exemption for new or expanding primary sector business.

ENERGY HIGHLIGHTS



Williston Basin crude oil export capacity included nearly 1.5 million barrels transported by pipeline per day and 800K barrels by rail per day, totaling **nearly 2.3 million barrels per day.**



32 North Dakota facilities process natural gas and have a capacity of over four billion cubic feet per day.



Electric vehicle charging stations have doubled across North Dakota with plans for more.



In 2021, North Dakota had over **4,000 MW of installed wind capacity**, with interest in an additional 6,200 MW. Ranked **7th in the nation** for installed capacity share with 31% of total electric generation coming from wind.

Sales Tax Exemptions

- Sales and use tax exemptions on manufacturing and processing equipment.
- Sales and use tax exemptions may be granted for purchasing tangible personal property used to construct or expand electrical generating facilities, gas or liquefied natural gas processing facilities or oil refineries.
- Sales and use tax exemptions may be granted for purchasing tangible personal property used for carbon-dioxide enhanced oil or gas recovery, to extract or process by-products from coal gasification and to produce coal from a new mine.

Job Training Programs

- One-stop job training assistance – Both state and federal programs available for businesses.
- New Jobs Training Program – Grant program utilizing employee withholding tax.

SUPPORTING INFRASTRUCTURE

29,655 Miles of Pipeline

- 17 major crude oil pipelines, including Enbridge, Keystone, Marathon Petroleum and Dakota Access.
- Nine natural gas pipelines, including Alliance, Northern Border and WBI Energy.
- Four product pipelines, including Cenex, Kinder Morgan Cochin, Magellan, and NuStar Energy.

North Dakota Port Services Inc. Serviced by BNSF

- Adjacent to mainline switch yard.
- Daily service and highway access.
- Fully operational intermodal facility with LNG capacity.

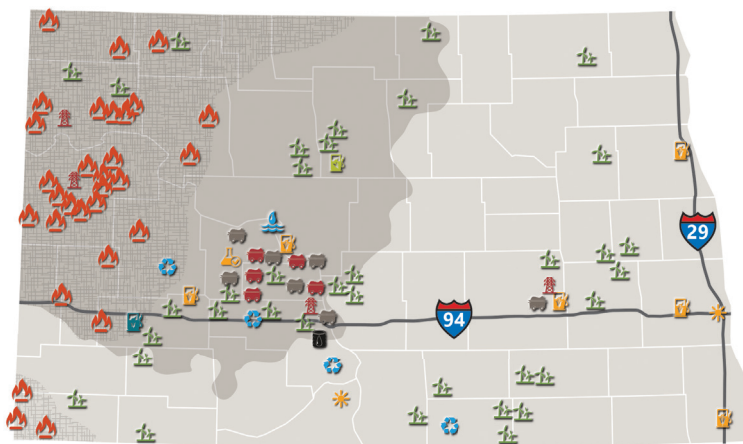
Rail Services

- Class 1 Carriers – BNSF and Canadian Pacific.
- Four regional lines.
- 38 container service/transloading facilities.
- 42 loop/ladder tracks.

Electrical Capacity

- More than 42 million megawatt hours of electricity generated annually.
- More than half of state's generated electricity is exported.

NORTH DAKOTA ENERGY SITES



- | | | | |
|------------------------|---------------------------|-----------------------------|--------------------|
| NATURAL GAS PROCESSING | COAL-BASED GENERATION | LIGNITE MINE | HYDRO POWER |
| WIND FARM | SYNFUELS PLANT | ETHANOL PLANT | PETROLEUM REFINERY |
| SOLAR FARM | BIODIESEL PLANT | RECOVERED ENERGY GENERATION | PEAKING STATION |
| BAKKEN FORMATION | RENEWABLE DIESEL REFINERY | OIL FIELDS | |



FACTS

35K
OPEN JOBS
IN NORTH
DAKOTA

ONLY
22%
OF U.S.
RESIDENTS
SURVEYED ARE
FAMILIAR WITH
ND

68%
OF U.S. RESIDENTS
SURVEYED WOULD
CONSIDER ND

UPDATED 01/06/2023

FIND THE GOOD LIFE — STRATEGIC MARKETING AND RECRUITMENT CAMPAIGN

The North Dakota Department of Commerce Workforce and Tourism and Marketing divisions have partnered with national talent attraction agency RoleCall to develop a comprehensive talent attraction marketing campaign built around the established *Find the Good Life* brand. The purpose of this initiative is to change perceptions of our state, improve awareness and showcase the best of life in North Dakota.

Advertising that targets four personas: boomers, young families, recent college graduates, and veterans, aims to drive traffic to the refreshed findthegoodlife.com website. The website includes a *relocation help desk* that provides a personalized relocation assistance service for prospective residents. The personalized service begins with a series of questions that includes basic information pertaining to relocation such as career goals, hobbies, and interest in specific areas of North Dakota. This information is used to connect potential new workers to more than 60 community champions who assist with details on their community.

This first-of-its-kind state program ushers potential workers through the sales funnel and connects them to communities and employers that fit their long-term needs.

EARLY RESULTS

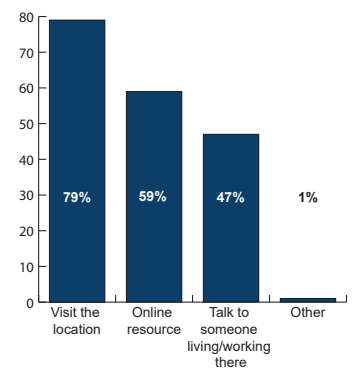
Top States:

- FL
- CA
- TX
- OH
- GA

Top Industries:

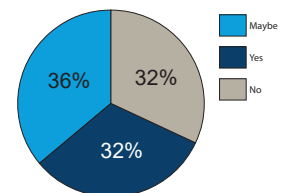
- Health Care
- Skilled Trades
- Sales and Marketing
- Manufacturing
- Social Services
- Transportation

MOST USEFUL TOOLS WHEN CONSIDERING RELOCATION



INTEREST IN RELOCATING TO NORTH DAKOTA

Q: If a job opportunity that matched your skill and salary requirements were offered to you in North Dakota, would you be willing to relocate?



24% of respondents report that they would not be willing to relocate to North Dakota because of the climate. Other top reasons preventing relocation: too far from family/friends and unknown.*

*Based on a 2022 national consumer perception study on ND

\$438,000 marketing
campaign has delivered

More than
10 million
impressions

Nearly 2 million
video completions

5,000
conversions

53,000 clicks to
website



**INNOVATE FACTS
(2021-23 BIENNIUM)**

72
TOTAL
PARTICIPANTS

23
BUSINESSES
CURRENTLY
ENROLLED

12
PROGRAM
GRADUATES

92%
GRADUATES
STILL IN
BUSINESS

**FUNDING THE ENTREPRENEURIAL
ECOSYSTEM IN NORTH DAKOTA**

Innovate ND provides entrepreneurs access to venture tools, resources and mentorship. Some of the benefits include:

- Access to a certified entrepreneurial center
- Assistance on the Business Model Canvas, including value proposition and customer identification
- Business planning tools
- Prototype development
- Access to the statewide entrepreneurial ecosystem

ENTREPRENEUR CENTERS

These centers have dedicated staff to support and mentor entrepreneurs through the Business Model Canvas:

CTB (Bismarck)	Jamestown Regional Entrepreneur Center (Jamestown)
NDSU Research and Technology Park (Fargo)	UND Center for Innovation (Grand Forks)

**PROGRAM PHASES
EFFECTIVE JULY 1, 2019**

PHASES	ENTRY FEE	DOLLAR AWARD	MATCH CASH OR IN-KIND	PHASE LENGTH
1 - Voucher	\$250	\$2,000	Equal to 25% of award dollars reimbursed. Minimum of \$5,000 by end of Phase 3	3 Months
2 - Voucher		\$6,000		6 Months
3 - Voucher		\$12,000		6 Months
4 - Voucher		\$20,000	\$5,000	12 Months
TOTAL	\$250	\$40,000	\$10,000	27 Months

EXAMPLES OF SUCCESSFUL PROGRAM ENTREPRENEURS

Be More Colorful (BMC) — a Fargo-based tech startup that develops digitally immersive virtual reality experiences. CareerViewXR is a recently-launched community education product that focuses on providing virtual career exploration to students and career-seekers. CareerViewXR is set to launch more than 12 virtual experiences in 2021, including an exciting prototype project with the Fargo Police Department. “We’re so excited about CareerViewXR, which wouldn’t have been possible without funding and support from Innovate North Dakota,” CEO Matt Chaussee said. “This product is the future of our company and has amazing potential to help North Dakota students and job seekers see a bright and shining future for themselves in our state, too.”



PushSave® — a customized mobile coupon book designed to support high school sports teams and sports clubs across the U.S. with a simple, EASY to promote and manage fundraiser! Our mission is to be THE MOST uniquely designed fundraising solution that brings obvious value to consumers, organizations, and merchants.



Healthy Oilseeds LLC — a Carrington processor providing quality flaxseed and hempseed products from North Dakota growers. The company exports to 23 countries and does business in 49 states. Healthy Oilseeds was featured on the North Dakota Trade Office website on Dec. 3, 2020, on LinkedIn and was named the North Dakota Exporter of the Year in 2012.



In the Potter's Hand — a Pride of Dakota member located in North Dakota. In the Potter's Hand is a family-owned, farm-based business that offers unique, allergen specific products, including skin care, bath, baby and spa products while providing full disclosure on all ingredients used, providing a sense of confidence for those with allergies, multiple-chemical sensitivities or sensitive skin.



Rising Tide Software — a purpose Driven Fargo-based software development startup dedicated to improving the world by delivering innovative technology solutions. Rising Tide Software's first product, Major Incident Command Assist (MICA), is a communications and workflow platform that helps law enforcement manage major incident responses more safely, efficiently, and effectively. MICA supports the coordination of the collaborative efforts of numerous law enforcement agencies in response to major incidents such as child abductions and active shooter situations.



Thaea — a Fargo-based software development company specializing in router management software. Thaea has created RemoteWinBox and Admiral to help Internet Service Providers automate their network operations and provide management tools to their subscribers. InnovateND opened doors to global growth and helped Thaea define, reach, and educate its market. With thousands of customers around the world using the platform to simplify operations of providing internet, Thaea has allowed small operators to offer greater internet in rural areas. What began as a crucial, small role in creating a better internet network locally is now growing to connect everyone across the entire globe.





FUND FACTS

42

PARTICIPANTS

**MORE
THAN**

**\$29
MILLION**

**IN LOANS
AWARDED**

3

**COMPANY
EXITS**

The Innovation Technology Loan Fund (LIFT) is an innovation loan fund that supports technology advancement by providing financing for commercialization of intellectual property within the state of North Dakota. The following industries qualify for these funds:

- Advanced computing and data management
- Agriculture technology
- Autonomous and unmanned vehicles and related technologies
- Energy
- Health care
- Value-added agriculture
- Value-added energy
- Any industry or area specifically identified by the committee as an industry that will contribute to the diversification of the state's economy

LIFT LOAN TERMS INCLUDE:

- 0% interest for the first three years of the loan.
- 2% interest for the next two years of the loan.
- An interest rate equal to a standard Bank of North Dakota loan for all subsequent years.

The use of the loan funds are available to enhance capacity and to the extent possible, leverage state, federal and private sources of funding. Loan funds may be used to conduct applied research, experimentation or operational testing within the state. Loan funds may not be used for capital or building investments or for research, academic or instructive programming, workforce training, administrative costs, or to supplant funding for regular operations of institutions of higher education.

Approval for LIFT applications shall be made by the LIFT Committee with the following considerations:

1. Deliver applied research, experimentation or operational testing in one or more of the diversification sectors to create information or data to enhance North Dakota companies or industries or companies making investments in North Dakota.
2. Lead to the commercialization or patent of an innovation technology solution.
3. Result in the development of a new company or expansion of an existing company that will diversify the state's economy through new products, investment or skilled jobs.

More info can be found by visiting [NDCC Chapter 6-09.18](#) or contacting Carla Valentine at crvalentine@nd.gov.

INDUSTRIES REPRESENTED



**ADVANCED
COMPUTING
AND DATA
MANAGEMENT**



**AGRICULTURE
TECHNOLOGY**



**ENERGY
AND
VALUE-ADDED
ENERGY**



HEALTH CARE



**VALUE-ADDED
AGRICULTURE**



UAS

LIFT SUCCESS EXAMPLES

Access Point Technologies EP Inc. — A global supplier of innovative medical devices focused on meeting the needs of the large and fast-growing electrophysiology (EP) market, estimated at \$5 billion today with an 11% compound annual growth rate. APT EP designs and develops new catheters and systems for treating cardiac arrhythmias. It is building a new research and development center in Horace which will be ready in Q1 2021 and plans to develop both catheters and systems in this new facility. In addition, the company plans to hire and train local engineering talent and partner with ND physicians to develop significant bioscience intellectual property.



Checkable Medical Corp. — Developing an at-home strep test to be manufactured in North Dakota and launching an at-home rapid COVID-19 antibody test. LIFT support allowed it to move the founding team to the state and partner with a North Dakota clinical research partner to execute its trial. The company plans to create high-paying jobs in the bioscience industry in the next couple years.



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Three Farm Daughters — A value-added ag start-up creating high-fiber, low gluten food products utilizing GoodWheat varieties grown in the USA and milled at the North Dakota State Mill. Three Farm Daughters has launched three pasta products and a 100% wheat flour for sale online and in stores in North Dakota and Minnesota. In doing so, Three Farm Daughters utilizes three North Dakota logistics companies, a North Dakota food-grade warehouse facility and collaborates with a Grand Forks local chef for recipe development.

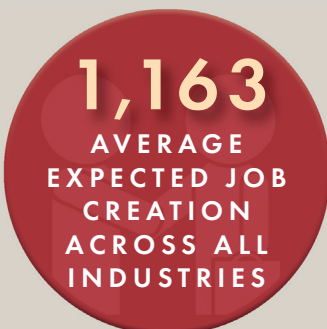
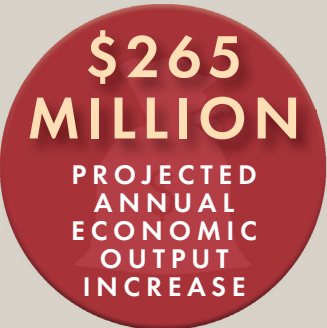


TracFrac Inc. — A Bismarck-based company developing a patent pending scheduling platform that coordinates activities between operators and service companies in the oil and gas industry. Currently working with two major energy companies in North Dakota, TracFrac adds reliability and automation to the oil and gas monitoring and notification system.





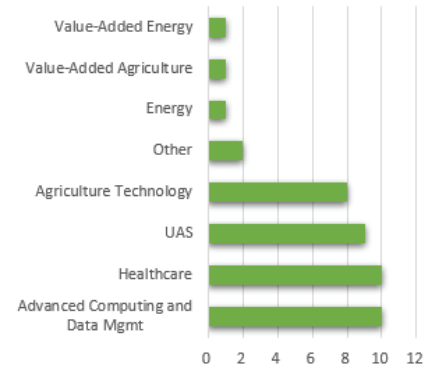
FUND FACTS



The LIFT initiative approved \$29.14 million (97%) of the appropriated funds (\$30 Million) as of August 2022, since the inception of the program in the 2019-21 biennium. The program has provided funding to 35 North Dakota businesses in specific sectors outlined in N.D.C.C 6-09.18-01. The North Dakota Department of Commerce utilized the Regional Economic Model Tax Policy Insight (REMI Tax PI) to forecast the state level's economic impacts of the LIFT funds over 2020-2024. The projected economic impacts include increases in the state economy size (as measured by the state gross domestic product (GDP) and output); wealth creation (as measured by personal income); and new jobs created (as measured by employment). There are three categories of employment: direct employment, indirect employment, and induced employment. Direct jobs are those created by the LIFT awardees. Indirect jobs are those created by related industries, such as suppliers and manufacturers. Induced jobs are local industries that increase due to the additional increase in direct or indirect employment, such as local restaurants, retail and entertainment. From 2020 to 2024, the LIFT program is expected to have impacted North Dakota's economy by the following measures. All dollars are inflation-adjusted to 2021 dollars.

- Increase of North Dakota's Output by \$265 million, and an increase of North Dakota's GDP by \$158 million by 2024. Output measures the value of all goods and services, including business-to-business sales. GDP measures only value-added goods and services, or the value of the final product sold.
- Increase of North Dakotan's yearly Personal Income by a collective \$51.7 million, an average of \$57,480 per resident by 2024.
- Across all industries, there is an expected impact of 1,163 new jobs in the state, with businesses participating in the LIFT program expected to have created 702 new jobs by 2024. Over 430 of these jobs are projected to be in the Advanced Computing and Agriculture Technology industries. These 1,163 jobs include direct and indirect employment.

LIFT RECIPIENTS
BY INDUSTRY



METHODOLOGY

The main idea behind economic impact analysis is that one more (or less) dollar spent in a local or regional economy results in a greater than one dollar change in economic activity in the area. The most common and widely respected method of examining such changes involves using economic models called input-output models. A key feature of input-output models is that they are ideally suited to capture the interdependence among different industries. Commerce utilized version 2.5 of the REMI Tax-PI model. Briefly, the REMI Tax-PI model is a sophisticated regional economic model that dynamically simulates the year-by-year economic effects of public policy initiatives and is widely used by state agencies and legislatures, universities and other organizations and experts. The REMI model is tailored to North Dakota using data from the Bureau of Census, the Bureau of Economic Analysis, the Bureau of Labor Statistics, the Energy Information Administration and other reliable data sources.

¹ For more information, contact Carla Valentine at cvalentine@nd.gov

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MAIN STREET FACTS

99

MAIN STREET
COMMUNITIES

MORE THAN
\$1.1 MILLION
IN GRANT
FUNDING
AWARDED

81

COLLABORATING
PARTNERS

BRINGS
ADDITIONAL
FEDERAL FUNDS
INCLUDING
\$1M EDA
GRANT

UPDATED 01/06/2023

MAIN STREET NORTH DAKOTA

Every community has unique opportunities and challenges. The Main Street Initiative gives local leaders direct access to a variety of resources, building on community strengths to make sound decisions. These efforts will help create vibrant cities that are poised to attract and retain a 21st century workforce, helping North Dakota compete and succeed in a global economy through diversification of industries.

Communities engaged in this initiative receive direct and focused assistance with community planning and development, tailored support from participating state agencies, streamlined access to resources and learning opportunities and enhanced access to select state resources, helping create a planned pathway to a future of their design.

THE FOUR PILLARS OF THE MAIN STREET INITIATIVE



**HEALTHY,
VIBRANT
COMMUNITIES**



**21ST
CENTURY
WORKFORCE**



**SMART,
EFFICIENT
INFRASTRUCTURE**



**ECONOMIC
DIVERSIFICATION**

MAIN STREET INITIATIVE SUCCESSES

BUILDING PRIDE AND PROMOTING VIBRANCY

The Hettinger Chamber of Commerce started "Tuesday Night Lights" every Tuesday in September, 2021, as a way to get people out of their homes during the pandemic and down to Hettinger's Main Street to enjoy socializing, eating and purchasing products from local home businesses, food trucks, produce marketers and Main Street businesses.

ATTRACTING AND RETAINING WORKFORCE

Jamestown Stutsman County Intern Reimbursement Program - JSDC reimburses local employers up to \$3,500 in payroll costs for college students hired through this program.

INFILL DEVELOPMENT

Gilby Grind and Community Center - The community received a generous donation of an old grocery store and embraced the challenge of finding a way to turn it into a coffee shop and community center.

ECONOMIC DIVERSIFICATION

Destination Red River - These recipients came together to create a robust economic diversification and tourism plan that will take the Rendezvous Region of northeast North Dakota into the future.

MAIN STREET INITIATIVE HIGHLIGHTS



The state team has led meetings in **32 communities** over the last 12 months.



The 2022 Main Street ND Summit had 4,580 livestreams, 942 registrations, 558 check-ins, 423 first time attendees.



ROI for the Partners in Planning (PIP) grant is **25:1** and Main Street Vibrancy grant is **10:1**.



The Main Street Initiative connects with more than **4,476 community leaders**, volunteers and advocates from around the region, engages in regular webinars and regional workshops to promote learning and connections.



The Main Street Initiative continues to expand its **Partnership Network** with partners like EDND, ND Council on the Arts, AARP, StrengthenND, ND League of Cities, USDA Rural Development, NDSU Extension and more!

WHY BECOME A MAIN STREET COMMUNITY?

Joining the Main Street Initiative provides communities the resources, technical assistance, educational opportunities and network connections that **empower communities** to proactively plan their futures and **build local capacity** to improve quality of life for their current and future citizens. Plus, engaged communities receive extra benefits on some state grant applications.

LEVELS OF ENGAGEMENT

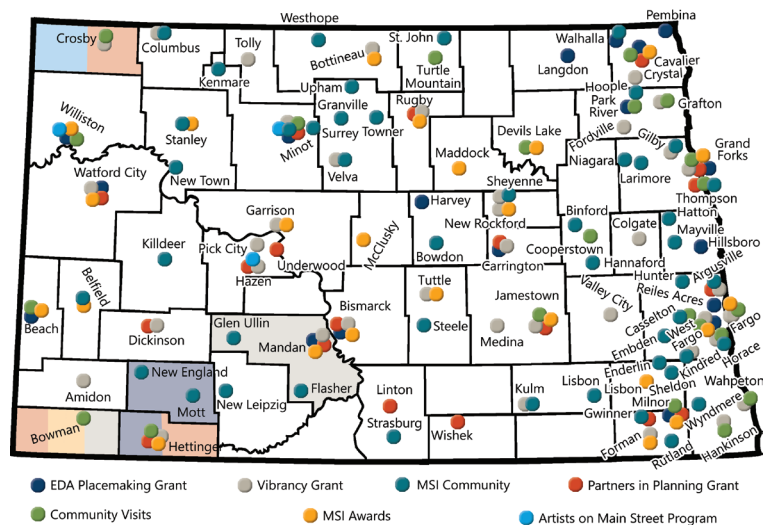
Main Street COMMUNITY

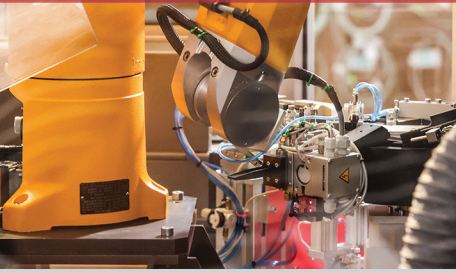
- Sign up through the online portal
- Community Visit by MSI Team
- Share success stories

Main Street CHAMPION

- All above requirements plus:
- Sign a Main Street Initiative proclamation
- Complete Main Street Initiative Action Plan
- Identify top 3-5 priorities, assign champions and establish timelines

MSI IMPACT





INDUSTRY FACTS

\$4.63
BILLION
INDUSTRY
OUTPUT
2021

71%
GROWTH
TOTAL OUTPUT
2011-2021

82%
OF ND
EXPORTERS
ARE SMALL
BUSINESS

7.31%
INDUSTRY
OUTPUT
2021

MANUFACTURING OPPORTUNITIES

Strong market growth, both domestically and internationally, have contributed to a healthy manufacturing economy in the state. Advanced manufacturing companies doing business in North Dakota include Doosan (Bobcat), John Deere, CNH Industrial, Air Liquide and Caterpillar.

Due to an abundance of energy, a skilled workforce, and a business friendly climate (due in part to being the only state in the nation with its own state bank), North Dakota has enjoyed robust expansion in primary sector activity. Strong market growth, both domestically and internationally, has contributed to a healthy manufacturing economy.

Manufacturing and technology-based businesses in North Dakota face a serious threat from international competition. North Dakota manufacturers are not immune to the pressures of globalization and competition.

The Department of Commerce has concluded, through a combination of a manufacturing surveys and personal visits with manufacturing leaders across the state, that future expansion of our manufacturing sector will come not from labor growth, but rather from innovation and productivity gains, as well as a strong focus on developing foreign markets. State policy has been put into place to help stimulate and incentivize growth in this area.

PARTNERS

North Dakota Trade Office

The North Dakota Trade Office (NDTO) continues to increase its efforts to expand North Dakota's exports to high-demand foreign markets. In 2018, North Dakota led the nation in export growth, with a 35% increase over the previous year. Continued support and funding for the NDTO are essential to continued market growth for our state's manufacturers, producers and exporters. Find more information at www.NDTO.com.

Impact Dakota

Impact Dakota is the North Dakota delivery organization of the U.S. Department of Commerce's nationwide Manufacturing Extension Partnership (MEP) network. Its staff of experts provide specialized business consulting services to North Dakota-based manufacturing and ag-processing companies. Impact Dakota supports North Dakota manufacturers by conducting detailed needs assessments, outlines potential solutions and provides technical assistance to solve problems that deliver positive financial impacts. In 2021, clients reported \$30.1 million in gained and retained sales, \$2.9 million in cost savings, \$4.4 million in investments made, and 219 jobs created and retained as direct result of projects delivered by Impact Dakota.

TRADE AND TRANSPORT BY THE NUMBERS



Two Foreign Trade Zones



Two Canada-Mexico
Trade Corridors



Top Five Export
Markets — Canada,
Mexico, Australia, Germany,
Brazil



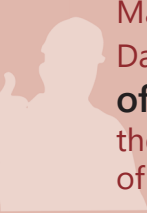
Five International
Airports



Two Major Interstates —
I-94 East/West and
I-29 North/South



Two Mainline
Railroads —
Burlington Northern Santa
Fe and Canadian Pacific



Manufacturers in North
Dakota account for **7.3%**
of the total output in
the state, employing 7.7%
of the workforce

Areas of service include, but are not limited to:

- Process Improvement
- Business Operations Optimization — Strategy, Structure, People, Methods, Communications, Metrics and Rewards
- Compliance and/or Certifications — Cybersecurity/CMMC, Food Safety, ISO, etc.
- Quality Management Systems
- Workforce Development
- Automation
- Performance Improvement: Growth Strategies and Innovation

STRATEGIC INCENTIVE ADVANTAGES

Workforce

- New Jobs Training Program — Grant program reimbursing employee withholding taxes
- Operation Intern – Grant program designed to create new internships and apprenticeships in North Dakota's target industries
- Career Builders Scholarship and Loan Repayment Program – Public/private matching fund program to promote skilled workforce jobs requiring a two-year degree or less

Financial Incentives

- North Dakota Development Fund — Gap financing loan and equity program
- PACE Program — Interest buy-down program at Bank of North Dakota
- MATCH Program — Loans at U.S. Treasury yield rate + 0.25%
- Financial Investment for Technology (LIFT) — Innovation loan fund to support technology. Low (0-2%) interest financing for research and development in target diversification sectors

Income Tax Exemptions

- Five-year corporate income tax exemption for new or expanding primary sector business

Sales Tax Exemptions

- Sales and use tax exemption on machinery and equipment
- Utilities are not taxed in state

Property Tax Exemptions

- Up to a five-year 100% property tax exemption
- Additional five years are available for agricultural processors
- Payment in lieu of a property tax exemption. A company may negotiate a fixed or graduated tax rate for a period not to exceed 20 years
- Personal property is not taxed, including equipment, materials in process and accounts receivable

Tax Credits

- Automation Tax Credit – Tax credit designed to promote factory automation in North Dakota
- Investment tax credits for business investors



Carbon dioxide (CO₂) capture and storage technologies have become increasingly important as global markets focus on reducing the amount of CO₂ that is emitted into the atmosphere. As the state with the nation's largest dependence on out-of-state trade, a new focus on \$52 trillion in private equity using environmental, social and governance (ESG) standards, new federal regulations and shifting consumer demand, North Dakota is committed to innovation in order to provide our companies optimal access to capital and natural resources. That commitment was solidified in May 2021, when Gov. Doug Burgum announced that the state will strive to become carbon-neutral by 2030. This goal will only be reached through innovation, not regulation.

The recent Inflation Reduction Act increased federal incentives to \$60-\$85 per ton of CO₂ for utilization or storage. Capturing CO₂ from existing in-state and out-of-state facilities can bring a substantial financial benefit while sustaining North Dakota agriculture and energy production.

Carbon neutrality is not only good for the environment, it is also good for business. And our state has a great story to tell.

NORTH DAKOTA'S GEOLOGY IS IDEAL

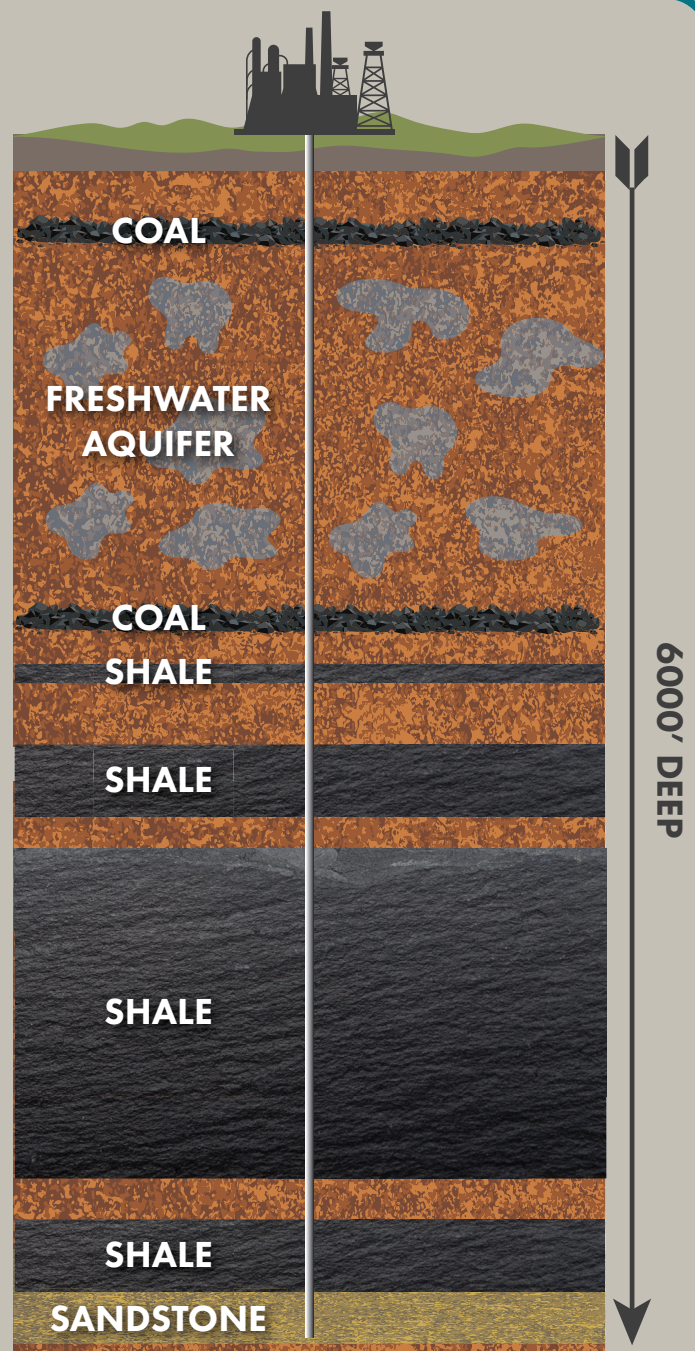
Proactive actions are already underway to fulfill this commitment. For example, Project Tundra in Oliver County, North Dakota, aims to build the largest carbon capture, utilization and storage (CCUS) facility in the world. Also, Red Trail Energy in Richardton is studying the economic feasibility of integrating CCUS with ethanol production. Research is underway at the University of North Dakota's Energy and Environmental Research Center (EERC) to bring this initiative to reality.

North Dakota is uniquely positioned for this innovation given our geology is ideal for safe and permanent geologic storage of CO₂. A deep porous rock layer will hold the CO₂ more than a mile underground and overlying cap rock layers will seal the CO₂ in the storage zone. EERC estimates that North Dakota has capacity to sequester up to 25 billion tons of CO₂, over 4,400 years' worth of North Dakota's annual production!

DEVELOPING MARKETS FOR CO₂

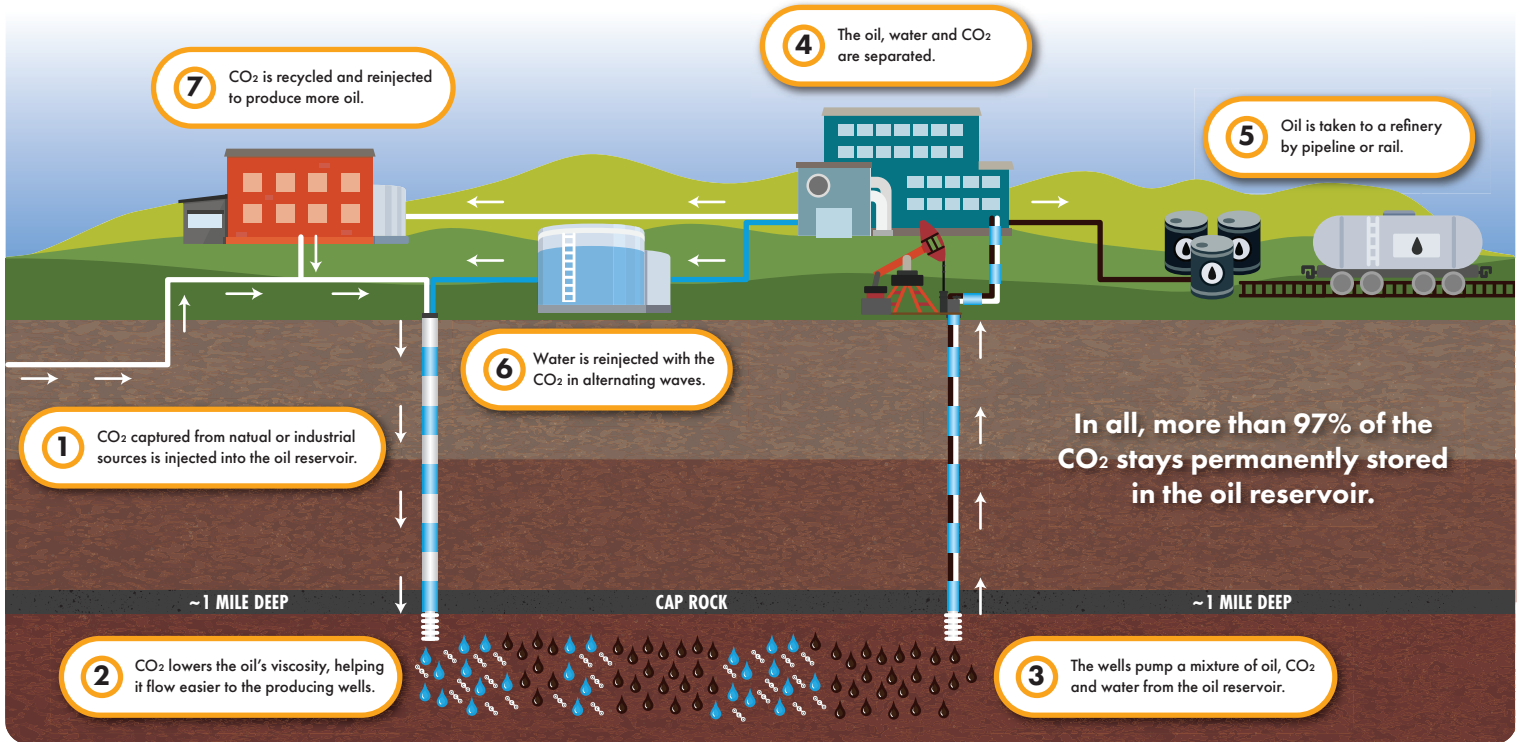
North Dakota's older (conventional) oil fields: When the market is ready, CO₂ enhanced oil recovery (EOR) will revitalize older fields that are in declining stages of production, producing up to 1 billion additional barrels!

North Dakota's Bakken (unconventional) oil fields: When the technology is ready, CO₂ EOR can be applied to declining Bakken oil wells to improve production, unlocking up to 7 billion additional barrels from the Bakken and Three Forks shale!



TERTIARY RECOVERY (CO₂ ENHANCED OIL RECOVERY)

In addition to carbon capture and storage, North Dakota is working on other ESG initiatives regarding reduction of CO₂ emissions such as using CO₂ for EOR, water recycling in oilfields, plastics manufacturing using excess and flared natural gas, geothermal energy production, and a recently announced partnership with Bakken Energy and Mitsubishi Power to create a blue hydrogen hub, composed of facilities that produce, store, transport and consume clean hydrogen.



BENEFITS

SAFETY



Produces greener oil with a smaller carbon footprint because CO₂ is permanently stored in the process.



Provides economic incentive to capture the industrial CO₂ as it is sold to offset the cost of capture.



Enhances energy security with homegrown oil production.



Generates and maintains well-paying jobs, tax base and viable communities.



Reduces industrial CO₂ emissions into the atmosphere.



Oil reservoirs can hold CO₂ the same way they've been holding other fossil fuels for millions of years.



North Dakota's stable geology is ideal for CO₂ EOR.



The oil industry has 40+ years of CO₂ EOR experience.



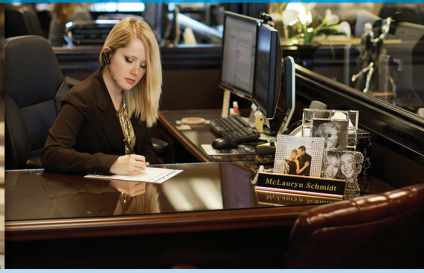
Millions of additional barrels of oil have been safely produced (Texas, Montana, Mississippi and Saskatchewan).



4,000 miles of CO₂ pipelines in North America move CO₂ every day without incident.

For more information, please contact Rich Garman or Tom Oakland at 701-328-5300.

Sources for most of this information and additional research materials can be found on the EERC website at: <https://undeerc.org/pcor/Resources.aspx>



FACTS

3,780

INTERNSHIP
POSITIONS
ASSISTED

481

BUSINESSES
PARTICIPATING
SINCE 2007

\$4,000

MATCHING
FUNDS
AVAILABLE

"Interns are an important part of OmniByte history and future. I have been utilizing the Operation Intern program nearly since its inception. I have been a big supporter of having a solid internship program where we provide real-world work for students while realizing value-added output from them."

– President and CEO Ray Berry of OmniByte Technology

Attracting workers to North Dakota is essential in helping to meet the state's current and future workforce needs. Internships provide a valuable way for students to make connections with businesses and identify career options in North Dakota. Operation Intern is designed to expand the number of internships, work experience and apprenticeship positions with North Dakota employers.

The program's primary focus is employers in the state's targeted industries: energy, advanced manufacturing, value-added agriculture, tourism and technology-based businesses. Funding may also be granted for other in-demand occupations on the Workforce Development Council's In-Demand Occupations Annual List. Government entities and non-profits do not qualify for the program, with the exception of the tourism and health care industries.

North Dakota businesses receive up to \$4,000 in matching funds for the internships. Funding can be used for items needed for the intern to perform their internships, like wages, tools and equipment, essential training or tuition reimbursement. The funding is a one-to-one match.

The Workforce Development Division of the North Dakota Department of Commerce manages Operation Intern.

UPDATED 01/04/2023

"This apprenticeship program is important as this is a growing and important field with a limited number of graduates. It allows us to select solid employees and offer them the opportunity to develop new skills and earn higher wages."

– Human Resources Manager Vicki Ham with Marvin Windows

STATE ENERGY PROGRAM APPLICATIONS

- State Energy Security Planning
- Lighting retro fits
- "Spotlight on Energy"
- Energy audits
- Electric vehicle (EV) charging stations
- Electric vehicle (EV) training programs



The mission of the State Energy Program is to provide leadership to maximize the benefits of energy efficiency and renewable energy through technology deployment, communications and outreach activities, and access to new partnerships and resources.

While any organization may apply to the program, priority is given to schools, political subdivisions, state agencies and non-profits. The amount of funding available varies from year-to-year. Typically, awards range from \$5,000 to \$50,000.

The program year runs from July 1–June 30.

APPLICATION PROCESS

Applications are accepted at any time. However, in order to guarantee consideration for the upcoming program year, applications or a letter of intent detailing a description of the proposed project and budget must be received by March 1. The application form can be found at ndgov.link/SEP.

GUIDELINES

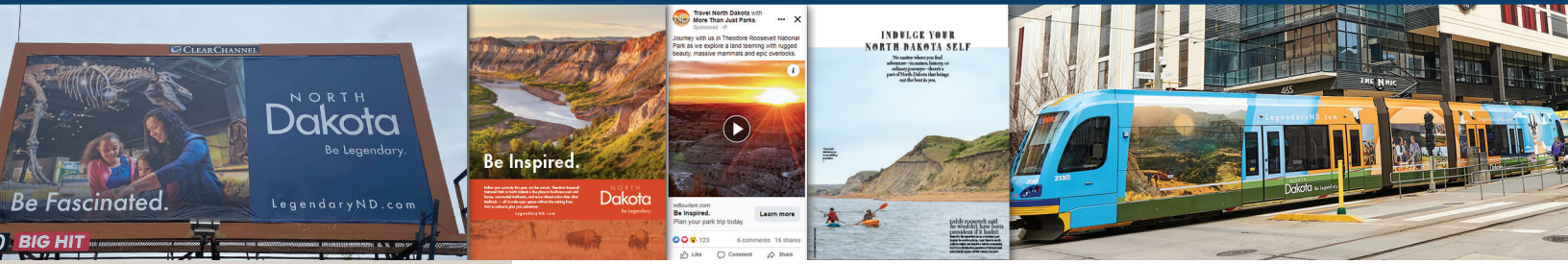
- Construction costs are ineligible.
- Sub-recipients must maintain a SAM registration and valid UEI to be eligible.
- Funds may not be used for product development.
- A 20% match is required. The match may be cash or in-kind.

REIMBURSEMENT

Funds are provided on a reimbursement basis. The reimbursement form is available at ndgov.link/SEP. Appropriate supporting documentation must be included.

- Invoices must be included for all purchases of services or goods. If a purchase is over \$10,000, three bids must be included. Contractors and vendors must not be debarred or suspended on the System for Award Management.
- If requesting reimbursement for employees, a timecard must be provided that shows the full amount of time of each employee. Hours worked on the grant project also must be designated.

UPDATED 09/13/2022



AD EFFECTIVENESS

13%
AVERAGE IMAGE
LIFT FROM
ADVERTISING
AWARENESS

MORE THAN
2 MILLION
VISITS TO
NDTOURISM.COM
IN 2022

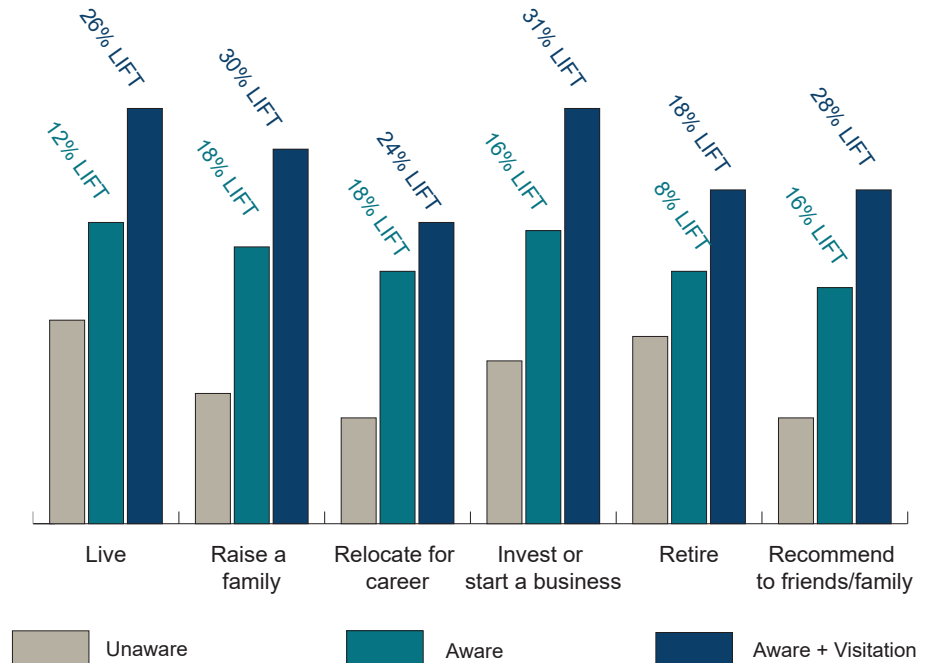
DIGITAL
CAMPAIGN HAD
15 MILLION
VIDEO
COMPLETIONS

1.4
MILLION
ADDITIONAL
ADVERTISING-
MOTIVATED
TRIPS

TOURISM ADVERTISING ELEVATES
NORTH DAKOTA'S IMAGE

Advertising is a powerful tool with the ability to change perceptions, attitudes and behaviors. Research shows that North Dakota Tourism's promotional campaigns create a "halo effect" that lifts image and diversifies the economy through increased visitation and makes North Dakota a more favorable place to visit, live, raise a family, work or advance your career, or invest or grow a business.

HALO EFFECT OF NORTH DAKOTA
TOURISM MARKETING



A recent national perception study confirmed North Dakota lacks general awareness and there is potential to influence the state's public image. North Dakota's destination advertising has a positive impact on overall image lift and perception of economic development attributes. Tourism advertising is the most visible and cost-effective tool for reaching those who can be motivated, not only to visit our state, but to consider North Dakota for relocation or business building.

WHY INVEST IN MARKETING?

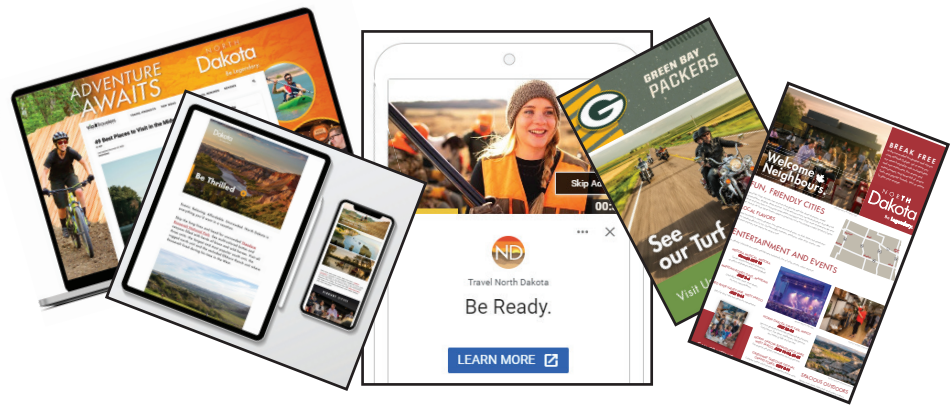
Tourism marketing supports North Dakota entrepreneurs and businesses by raising awareness of North Dakota.

Every dollar invested in the 2021 tourism advertising campaign generated \$34 in direct visitor spending.

Every dollar invested in North Dakota Tourism paid media returns \$3 in tax revenue resulting in \$23.5 million in visitor-paid taxes.

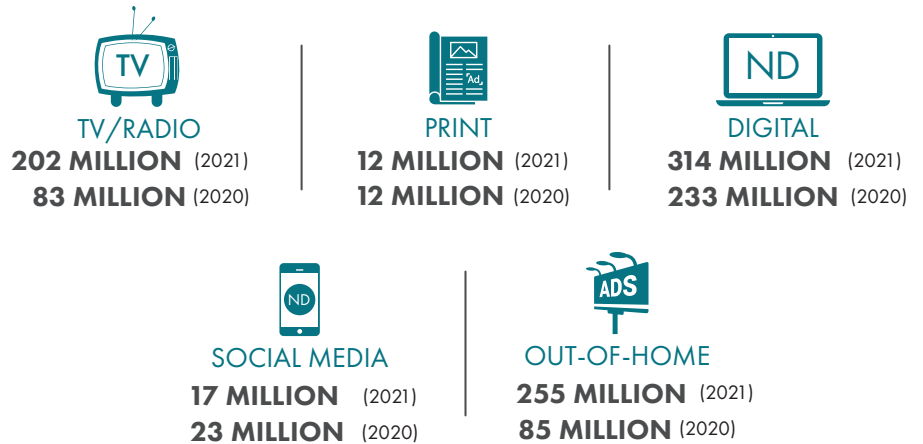
Tourism marketing supports North Dakota's vibrant communities with visitation and spending in all 53 counties.

There are more than 41K visitor-supported jobs and 2,968 tourism-related businesses in North Dakota.



SOLID ADVERTISING OUTREACH

Research on the effectiveness of the 2021 paid advertising campaign showed that 1.4 million additional trips were motivated due to advertising. Visitors reported spending a total of \$241.9 million in incremental spending, of which \$23.5 million was state and local taxes paid. Here is how far the North Dakota Tourism campaign has reached over the last couple of years.



EARNED MEDIA TELLS THE NORTH DAKOTA STORY

Proactive outreach to national and global media resulted in 4,019 national media instances, up 821% over 2021. Dedicated national PR firm and targeted efforts created additional media opportunities and reach on North Dakota's stories. Total instances reached 20.2 billion. Additionally, 96 global stories reached 224 million. This coverage improves awareness of our state and elevates our image across all Commerce focus areas.





INDUSTRY FACTS

21.7
MILLION
ANNUAL
VISITORS

\$2.6
BILLION
IN VISITOR
SPENDING

MORE
THAN
2,900
RELATED
BUSINESSES AND
ORGANIZATIONS

MORE
THAN
41K
JOBS

TOURISM DIVERSIFIES NORTH DAKOTA'S ECONOMY

Tourism links communities, supports main streets, sparks economic diversification and defines our image – how we see ourselves and how others see us. It is a significant economic driver.

Residents in every community, large and small, rural and urban, benefit from visitor spending and tourism activities.

North Dakota's tourism sector comprises five industries: lodging, food/beverage, recreation/arts/entertainment, transportation and retail. From restaurants to museums, service stations to golf courses.

TOURISM IS AN EXPORT COMMODITY

North Dakota's visitor economy grows when more people travel to and within the state, and visitors interact more with a destination. Shopping, dining, purchasing transportation and lodging, buying event tickets, attending galleries, performances and sporting events and other activities all contribute to a stronger visitor economy.

FAST FACTS ABOUT NORTH DAKOTA'S TOURISM INDUSTRY

REVENUE SOURCE

Travel and tourism generated \$2.61 billion in direct visitor spending and \$237 million in visitor paid taxes to the state's economy in 2021.

SUPPORTS LOCAL BUSINESS

Tourism is a significant revenue source for hotels, lodges, restaurants, museums, art galleries, parks, fishing and hunting outfitters, casinos, sporting events, retail outlets, coffee shops, festivals, craft shops, golf courses and many other businesses. In 2021, there were more than 21.7 million visitors to and through North Dakota.

ECONOMIC DRIVER

There are more than 2,900 businesses and organizations offering countless attractions, events and tourism-related activity in the state.

TOURISM IS A GATEWAY TO ECONOMIC AND WORKFORCE DEVELOPMENT

Businesses don't build in a location they know nothing about. People don't move to a location they've never visited. Tourism marketing and visitation are a gateway to a number of key economic development measures.



76% of new residents visited North Dakota before moving.

Visited prior to moving

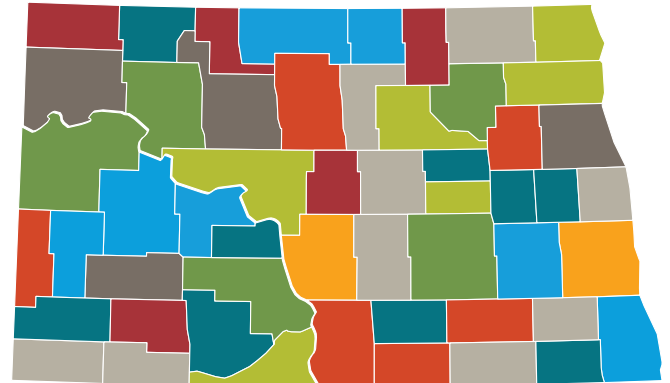


15.22 million video completions

Research on the 2021 paid advertising campaign showed that 1.4 million trips were motivated due to advertising. Visitors reported spending \$241.9 million in incremental spending. Every dollar invested in the 2021 ND advertising campaign generated \$34 in direct visitor spending and \$3 in tax contributions.

VISITOR SPENDING BY COUNTY

- Under \$2m
- \$2-4m
- \$4-8m
- \$8-16m
- \$16-30m
- \$36-100m
- \$100-400m
- \$400-850m



Travel and tourism benefits every county in North Dakota, creating jobs, generating sales across dozens of sectors and improving our quality of life.

VISITOR SPENDING BRINGS OUTSIDE DOLLARS INTO NORTH DAKOTA'S ECONOMY, GENERATING TAX REVENUE, ADDITIONAL BUSINESS INCOME, JOBS AND A MORE DIVERSE ECONOMY.



\$384
MILLION
IN LODGING



\$767
MILLION
IN FOOD AND
BEVERAGE



\$521
MILLION
IN
TRANSPORTATION



\$374
MILLION
IN RECREATION



\$565
MILLION
IN RETAIL



INDUSTRY FACTS

STATE
COMMITMENT
FOR NEW
INFRASTRUCTURE
**\$33
MILLION**

**\$78
MILLION**
TOTAL
INVESTMENT BY
THE STATE OF
NORTH
DAKOTA

THE
NATION'S FIRST
**BVLOS
SYSTEM**
VANTIS

1ST
UAV
TRANSATLANTIC
FLIGHT

NORTH DAKOTA UNCREWED AIRCRAFT SYSTEMS (UAS): THE NEXT GENERATION

North Dakota's uncrewed aircraft systems sector continues to lead the nation in supporting the agricultural and energy industries, commercializing intellectual property and operationalizing federal requirements. To continue this growth and momentum, North Dakota must continue to invest in growing its Beyond Visual Line of Sight (BVLOS) network, support robust operations at the Northern Plains UAS Test Site (NPUASTS) and expand infrastructure at the Grand Sky UAS Park to support highly diverse and well-paying jobs as well as the national security mission.

GRAND SKY: THE NATION'S FIRST PRIVATE UAS PARK

Grand Sky, the nation's first UAS business and aviation park, is home for flight testing, UAS operations and research and development. Grand Sky offers build-to-suit locations and temporary facilities for commercial UAS development and testing, as well as defense-related operations support and has attracted more than \$100 million in private investment. Grand Sky offers access to secure defense networks, dark fiber, a 12,351-foot runway, uncongested airspace with less than 10 operations daily and more than 330 days of flying weather annually. Testing operations are supported with electronics component distributors, metal fabrication, 3D printing and equipment support for the most demanding test requirements. Grand Sky partners like the Northern Plains UAS Test Site (NPUASTS) can support airspace needs. Grand Sky is home to one of the nation's first commercial BVLOS system.


VANTIS

North Dakota is a thriving ecosystem of uncrewed aircraft systems (UAS) for public and private use. Through the development of Vantis, a statewide network enabling UAS flights Beyond Visual Line of Sight (BVLOS), North Dakota is poised to become the nation's epicenter of commercial UAS activity. Vantis is the first such program of its scale in the U.S. To date more than 200 UAS and 68 manned aircraft test flights have been completed on Vantis, as the Northern Plains UAS Test Site works towards expanding the network across all of North Dakota. Commerce is recruiting new industries to assist with energy production and supporting small communities across the state. Autonomous development and the attraction of private equity throughout the agricultural sector continues at a rapid clip as well, including new start-up activity from Plug and Play.


KEY NORTH DAKOTA GROWTH




\$400 million
in private sector
investment.



Almost 50 UAS
companies call North
Dakota home.



Over 1,000 people
employed by the
industry.



Federal partners
include DoD, CBP and
FAA.

INDUSTRY CLUSTERS

The North Dakota UAS entrepreneur cluster is larger than any other accelerator, incubator or entrepreneur center in the nation.

Almost all UAS companies operate in North Dakota, including:

- Northrop Grumman
- General Atomics
- Collins Aerospace
- Thales USA
- SkySkopes
- ISight RPV Services
- Botlink
- Thread
- Aerial Robotics

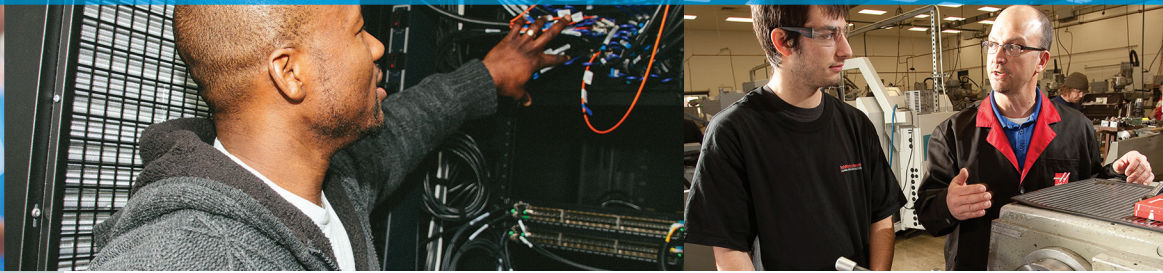
SUCCESSES

- Participation in the FAA's BEYOND program which continues the partnership that was started through the UAS Integration Pilot Program
- Northrop Grumman endurance testing
- Department of Homeland Security Northern Border Airspace Domain Awareness Test Bed
- Four contracts awarded to support the United States Air Force Agility Prime program

PREMIER TEST SITE ADVANTAGES

- Strong industry support
- Open terrain
- Robust energy and agriculture industry clusters
- Broad infrastructure, including Grand Sky Business Park and Northern Plains Test Site
- Research through UND Research Institute for Autonomous Systems
- History and culture of aviation safety
- Uncongested airspace
- Climate diversity
- Unique testing locations and scenarios





FACTS

78%
ND HIGH SCHOOL STUDENTS IN CTE COURSES

1,350
RELEASED ANNUALLY FROM ND CORRECTIONAL FACILITIES

620
WIOA PARTICIPANTS

20+
PROGRAMS SUPPORTED BY TECHNICAL SKILLS GRANT IN 2020

ROLE OF WORKFORCE DEVELOPMENT COUNCIL

The role of the North Dakota Workforce Development Council is to advise the governor and the public concerning the nature and extent of workforce development in the context of North Dakota's economic development needs, and how to meet these needs effectively while maximizing the efficient use of available resources and avoiding unnecessary duplication of effort.

The Workforce Development Council consists of more than 30 members, with representation from industry; K-12, post-secondary and career and technical education; organized labor; Workforce Innovation and Opportunity Act state workforce partners and local and state elected officials.

LETTER FROM THE CHAIR

As chair of the North Dakota Workforce Development Council, I am pleased to forward 10 recommendations and four endorsements that the council believes can help address the greatest workforce challenges faced by the state of North Dakota today and in the coming years. These recommendations fall under four themes: earlier and more diverse career exploration, addressing the technical skills gap; removing barriers to employment; occupational licensing reform; and recruitment and retention of North Dakota workers.

David E. Farnsworth

WDC MEMBER LOCATIONS



Council members represent large and small communities across the state.