

Department of Commerce - Budget No. 601
House Bill No. 1018
Base Level Funding Changes

Prepared for: 4/11/2023

	House Version				Senate Version				Senate Changes to House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease)	General Fund	Other Funds	Total
2023-25 Biennium Base Level												
2023-25 Ongoing Funding Changes												
Base payroll changes												
Adds funding for the cost to continue salary increases	58.80	\$31,502,140	\$53,544,379	\$85,046,519	58.80	\$31,502,140	\$53,544,379	\$85,046,519				
Salary increase		\$444,238	\$283,274	\$727,512		\$444,238	\$283,274	\$727,512				
Health insurance increase		80,150	20,345	100,495		80,150	20,345	100,495				
Restores underfunded salaries		632,902	118,204	751,106		859,715	157,900	1,017,615	\$226,813	\$39,696	266,509	
Adds funding for temporary salaries		247,483	58,035	305,518		247,062	56,730	303,792	(421)	(1,305)	(1,726)	
Adds funding for an FTE position for the workforce talent attraction initiative	1.00	140,000	140,000	280,000	1.00	140,000	140,000	280,000				
Adds funding for an FTE position for the workforce investment grant program	1.00	91,000	500,000	591,000	1.00	91,000	500,000	591,000				
Adds funding for an Office of Automation	1.00	202,940	202,940	405,880	1.00	202,940	202,940	405,880				
Adds funding for a Global Engagement Office	1.00	202,940	202,940	405,880	1.00	202,940	202,940	405,880				
Removes salary funding for funding pool	1.00	1,000,000	1,000,000	2,000,000	1.00	1,000,000	1,000,000	2,000,000				
Adds funding for travel		619,404	619,404	1,238,808	1.00	619,404	619,404	1,238,808				
Adjusts funding for operating expenses, primarily professional development, services, and fees		490,534	(2,230)	488,304		(1,528,498)	(102,571)	(1,631,069)	(1,528,498)	(102,571)	(1,631,069)	
Adds funding for the Operation Intern program		1,006,896	1,006,896	2,013,792		490,534	490,534	981,068	(513,258)	(513,258)	(1,026,526)	
Transfers \$20,000 of federal funding for the AmeriCorps workforce community services program from grants to operating expenses		251,082		251,082		251,082		251,082				
Transfers \$10,000 of federal funding for the AmeriCorps workforce community services program from operating expenses to salaries												
Adds funding for the weatherization, heating and furnace, and cooling assistance programs			2,085,834	2,085,834			0	0	(2,085,834)	(2,085,834)	(2,085,834)	
Adds funding for the rural health care grant program		194,000		194,000		194,000		194,000				
Transfers the homeless shelter grant program to the Housing Finance Agency		(1,330,212)		(1,330,212)		(1,330,212)		(1,330,212)				
Transfers the emergency shelter grant program to the Housing Finance Agency		(240,000)	(1,147,341)	(1,387,341)		(240,000)	(1,147,341)	(1,387,341)				
Total ongoing funding changes	4.00	\$4,033,357	\$1,916,121	\$5,949,478	4.00	\$2,731,251	(\$233,893)	\$2,497,358	(\$1,302,106)	(\$2,150,014)	(\$3,452,120)	
One-Time Funding Items												
Adds funding for the rural workforce housing grant program		\$7,000,000		\$7,000,000		\$2,000,000		\$2,000,000	(\$5,000,000)		(\$5,000,000)	
Adds funding for the workforce talent attraction initiative operating expenses		8,000,000		8,000,000		0		0	(8,000,000)		(8,000,000)	
Adds funding for workforce investment program grants		15,000,000		15,000,000		0		0	(15,000,000)		(15,000,000)	
Adds funding for automation workforce transition training grants		5,000,000		5,000,000		0		0	(5,000,000)		(5,000,000)	
Adds funding for automation workforce equipment grants		5,000,000		5,000,000		0		0	(5,000,000)		(5,000,000)	
Adds funding for technical skills training grants		2,000,000		2,000,000		0		0	(2,000,000)		(2,000,000)	
Adds funding for workforce programs		0		0		30,000,000		30,000,000	30,000,000		30,000,000	
Adds funding for tourism awareness marketing		5,000,000		5,000,000		5,000,000		5,000,000				
Adds funding for a tourism destination development initiative		25,000,000		25,000,000		50,000,000		50,000,000	25,000,000		25,000,000	
Adds funding for Main Street Initiative community development grants		400,000		400,000		400,000		400,000				
Adds funding for the BYLOS UAS grant program, also known as Yantis		30,000,000		30,000,000		20,000,000		20,000,000	(10,000,000)		(10,000,000)	
Adds funding for the enhanced use lease grant program		28,000,000		28,000,000		7,000,000		7,000,000	(21,000,000)		(21,000,000)	
Adds funding for new Americans workforce development and training grants		2,000,000		2,000,000		0		0	(2,000,000)		(2,000,000)	
Adds funding for workforce grants to tribally controlled community colleges		5,000,000		5,000,000		4,000,000		4,000,000	(1,000,000)		(1,000,000)	
Adds federal funding for the AmeriCorps workforce community services program		785,000		785,000		785,000		785,000				
Adds federal funding for the parks and recreation grant program		1,550,000		1,550,000		1,550,000		1,550,000				
Adds federal funding for the energy conservation grant program		14,081,719		14,081,719		14,081,719		14,081,719				
Adds federal funding for the weatherization, heating and furnace, and cooling assistance grant programs		1,172,250		1,172,250		3,258,084		3,258,084	2,085,834		2,085,834	
Adds funding for a workforce safety grant		1,500,000		1,500,000		1,500,000		1,500,000				
Adds funding for a regional council grant program		350,000		350,000		4,000,000		4,000,000	3,650,000		3,650,000	
Adds funding for discretionary funds		0		0		0		0				
Adds funding for the State Small Business Credit Initiative technical assistance program					3.00	\$34,400,000		210,000,000	(\$6,350,000)		210,000,000	
Adds federal funding from IJA and IRA for weatherization and energy assistance programs					3.00	\$319,746,946		\$354,146,946	\$203,657,977		\$197,307,977	
Total one-time funding changes	0.00	\$44,750,000	\$116,088,969	\$156,838,969	7.00	\$37,131,251	\$319,513,053	\$356,644,304	(\$7,652,106)	\$201,507,963	\$193,855,857	
Total Changes to Base Level Funding	4.00	\$44,783,357	\$118,005,090	\$162,788,447	7.00	\$37,131,251	\$319,513,053	\$356,644,304	(\$7,652,106)	\$201,507,963	\$193,855,857	

2023-25 Total Funding
 Federal funds included in other funds
 Total ongoing changes as a percentage of base level
 Total changes as a percentage of base level

Other Sections in Department of Commerce - Budget No. 601

Transfer - General fund to Internship fund

62.80	\$76,285,497	\$171,549,469	\$247,834,966
		\$63,519,581	
6.8%	12.8%	3.6%	7.0%
6.8%	142.2%	220.4%	191.4%

Section 3 requires OMB to transfer \$1,006,896 appropriated from the general fund in Section 1 to the internship fund for the Department of Commerce to administer the Operation Intern program during the 2023-25 biennium.

Transfer - Legacy earnings fund to legacy investment fund for technology

Section 4 requires OMB to transfer \$20 million from the legacy earnings fund to the legacy investment for technology fund for providing legacy investment technology loans.

Transfer - SIF to North Dakota Development Fund

Section 5 requires OMB to transfer \$30 million from SIF to the North Dakota Development Fund for programs under Chapter 10-30.5.

Transfer - SIF to North Dakota Development Fund - Fertilizer development grant program

Section 6 requires OMB to transfer \$120 million from SIF to the North Dakota Development Fund for a fertilizer development grant program.

Estimated income - Federal weatherization and energy assistance programs - FTE position authorization

Section 6 identifies \$210 million of federal funds and 3 FTE positions in Section 1 as one-time funding and FTE positions available for the purpose of administering weatherization and energy assistance programs from funding received as a result of the Infrastructure Investment and Jobs Act and Inflation Reduction Act.

Estimated income - SIF - One-time funding - Legislative intent

Section 7 identifies \$98.5 million of one-time funding is from SIF for the rural workforce housing grant program (\$7 million), tourism marketing awareness initiative (\$5 million), tourism destination development initiative grant program (\$25 million), BVL0S UAS grants (\$30 million), enhanced use lease grants (\$28 million), new Americans workforce development and training grants (\$2 million), and a workforce safety grant (\$1.5 million). Legislative intent is provided that the Department of Commerce not hire a third-party consultant when determining how funding for the tourism destination development initiative grant program will be spent.

Section 7 identifies \$89.5 million of one-time funding is from SIF for the rural workforce housing grant program (\$2 million), tourism marketing awareness initiative (\$5 million), BVL0S UAS grants (\$20 million), enhanced use lease grants (\$7 million), a workforce safety grant (\$1.5 million), and a regional council grant program (\$4 million). Legislative intent is provided that the Department of Commerce not hire a third-party consultant when determining how funding for the tourism destination development initiative program will be spent and that the department provide funding in the form of grants or an interest rate buy down program. Funding available for the regional council grant program must be distributed equally to the eight regional councils established in the state to support the planning, development, and implementation of economic development, community infrastructure, entrepreneurship, housing, child care, and workforce development initiatives in rural communities in accordance with Chapter 54-40.1.

Rural workforce housing grant program

Section 8 identifies \$6.5 million of one-time funding appropriated from SIF in the grants line item is for the rural workforce housing grant program. The department is required to develop guidelines for awarding grants. Funding may be awarded to cities with a population of fewer than 10,000 residents.

Section 8 identifies \$1.5 million of one-time funding appropriated from SIF in the grants line item is for the rural workforce housing grant program. The department is required to develop guidelines for awarding grants. Funding may be awarded to cities with a population of fewer than 10,000 residents.

Rural health care grant program - Matching funds requirement

Section 9 identifies \$444,000 appropriated from the general fund is for the rural health care grant program. The department may spend this funding only to the extent a grant recipient has secured matching funds from nonstate sources on a dollar-for-dollar basis.

Section 9 identifies \$444,000 appropriated from the general fund is for the rural health care grant program. The department may spend this funding only to the extent a grant recipient has secured matching funds from nonstate sources on a dollar-for-dollar basis.

House Version

Senate Version

3.00 (\$7,652,106) \$201,507,963 \$193,855,857

\$274,050,129

2.9%

(0.4%)

6.8%

7.0%

3.6%

6.8%

12.8%

142.2%

6.8%

Other Sections in Department of Commerce - Budget No. 601

Discretionary funds - State magazine

House Version

Section 10 identifies of the funding appropriated from the general fund for discretionary funds, \$150,000 is designated for supporting the continuation of the North Dakota state magazine.

Senate Version

Section 10 identifies of the funding appropriated from the general fund for discretionary funds, \$150,000 is designated for supporting the continuation of the North Dakota state magazine.

Workforce development grants to tribally controlled community colleges - Legislative Management report

Section 11 identifies \$5 million of one-time funding appropriated from the general fund in the grants line item is for workforce development grants to tribally controlled community colleges. To be eligible for a grant under this section, a tribally controlled community college must partner with at least one high school in the state for programs under Section 54-60-2-02. Any college receiving a grant under this section must report to the Department of Commerce and the department must report to the Legislative Management regarding the use of grants funds.

Section 11 identifies \$4 million of one-time funding appropriated from the general fund in the grants line item is for workforce development grants to tribally controlled community colleges. To be eligible for a grant under this section, a tribally controlled community college must partner with at least one high school in the state for programs under Section 54-60-2-02. Any college receiving a grant under this section must report to the Department of Commerce and the department must report to the Legislative Management regarding the use of grants funds.

State Water Commission - Cost-sharing policy

Section 12 requires the State Water Commission to establish a central supply works cost-sharing policy for irrigation district projects, including water supply and power costs, that requires 75 percent from state grant funding and 25 percent from local funding. The policy must be established for the purpose of encouraging and enhancing irrigation development that provides for increased agricultural production, opportunities for specialty crops, and supporting agricultural processing, value added agriculture, and agricultural diversification in the state.

Amendment - Bank of North Dakota - Agriculture partnership in assisting community expansion fund - Interest rate buy down program

Section 13 amends North Dakota Century Code Section 6-09.13-05 to provide the maximum amount the Bank of North Dakota may provide from the agriculture partnership in assisting community expansion program for interest rate buy downs is \$100,000.

Amendment - Innovation loan fund to support technology advancement - Legacy investment for technology fund

Sections 14 through 20 amend Chapter 6-09.18 to change the innovation loan fund to support technology advancement program's name to the legacy investment for technology program.

Amendment - Workforce Enhancement Council

Section 20 amends Section 54-60-22 to expand recommendations provided by the Workforce Enhancement Council to the Commissioner of the Department of Commerce regarding the approval of training grants to include training providers and businesses, rather than only providing recommendations for grants to institutions of higher education.

Section 21 amends Section 54-60-22 to expand recommendations provided by the Workforce Enhancement Council to the Commissioner of the Department of Commerce regarding the approval of training grants to include training providers and businesses, rather than only providing recommendations for grants to institutions of higher education.

Amendment - UAS program and fund

Sections 21 through 23 amend Sections 54-60-28, 54-60-29, and 54-60-29.1 related to administration of UAS-related programs.

Sections 22 through 24 amend Sections 54-60-28, 54-60-29, and 54-60-29.1 related to administration of UAS-related programs.

Amendment - Workforce development grants to tribally controlled community colleges

Section 24 amends Section 54-60-2-02 to allow workforce development grants to tribally controlled community colleges to be spent on the development or enhancement of career and technical education programs.

Section 25 amends Section 54-60-2-02 to allow workforce development grants to tribally controlled community colleges to be spent on the development or enhancement of career and technical education programs.

Amendment - 2021 Special Session Session Laws - North Dakota Development Fund transfer - 2021-23 biennium

Section 25 amends subsection 35 of Section 1 of Chapter 550 of the 2021 Special Session Laws to provide the transfer OMB is to make from the federal State Fiscal Recovery Fund to the North Dakota Development Fund during the 2021-23 biennium is for the purpose of a North Dakota Development Fund grant program.

Section 26 amends subsection 35 of Section 1 of Chapter 550 of the 2021 Special Session Laws to provide the transfer OMB is to make from the federal State Fiscal Recovery Fund to the North Dakota Development Fund during the 2021-23 biennium is for the purpose of a North Dakota Development Fund grant program.

House Version

Senate Version

Exemption - Nonresident nurse employment recruitment program

Subsection 1 of Section 26 provides an exemption to continue unexpended 2019-21 biennium funds for the nonresident nurse employment recruitment program that was continued into the 2021-23 biennium into the 2023-25 biennium. A total of \$500,000 was appropriated from the general fund to the department for this purpose for the 2019-21 biennium and the department received authorization to continue \$320,000 of this funding into the 2021-23 biennium.

Subsection 1 of Section 27 provides an exemption to continue unexpended 2019-21 biennium funds for the nonresident nurse employment recruitment program that was continued into the 2021-23 biennium into the 2023-25 biennium. A total of \$500,000 was appropriated from the general fund to the department for this purpose for the 2019-21 biennium and the department received authorization to continue \$320,000 of this funding into the 2021-23 biennium.

Exemption - CARES Act funding

Subsection 2 of Section 26 provides an exemption to continue unexpended 2019-21 biennium federal CARES Act funded programs that were continued into the 2021-23 biennium into the 2023-25 biennium. A total of \$11,393,078 was appropriated from federal COVID-19 funds to the department in House Bill No. 1394 (2021) for the community development block grant program (\$3,000,000), community services block grant program (\$7,393,078), and emergency solutions grant program (\$1,000,000) for the 2021-23 biennium.

Subsection 2 of Section 27 provides an exemption to continue unexpended 2019-21 biennium federal CARES Act funded programs that were continued into the 2021-23 biennium into the 2023-25 biennium. A total of \$11,393,078 was appropriated from federal COVID-19 funds to the department in House Bill No. 1394 (2021) for the community development block grant program (\$3,000,000), community services block grant program (\$7,393,078), and emergency solutions grant program (\$1,000,000) for the 2021-23 biennium.

Exemption - State small business credit initiative

Subsection 3 of Section 26 provides an exemption to continue unexpended 2021-23 biennium funds for the state small business credit initiative program into the 2023-25 biennium. A total of \$56,234,176 was appropriated from federal COVID-19 funds to the department in House Bill No. 1394 (2021) for this purpose for the 2021-23 biennium.

Subsection 3 of Section 27 provides an exemption to continue unexpended 2021-23 biennium funds for the state small business credit initiative program into the 2023-25 biennium. A total of \$56,234,176 was appropriated from federal COVID-19 funds to the department in House Bill No. 1394 (2021) for this purpose for the 2021-23 biennium.

Exemption - Discretionary funds

Subsection 4 of Section 26 provides an exemption to continue unexpended 2021-23 biennium funds for discretionary funds into the 2023-25 biennium. A total of \$2.15 million was appropriated from the general fund to the department in Senate Bill No. 2018 (2021) for this purpose for the 2021-23 biennium.

Subsection 4 of Section 27 provides an exemption to continue unexpended 2021-23 biennium funds for discretionary funds into the 2023-25 biennium. A total of \$2.15 million was appropriated from the general fund to the department in Senate Bill No. 2018 (2021) for this purpose for the 2021-23 biennium.

Exemption - Additional discretionary funds

Subsection 5 of Section 26 provides an exemption to continue unexpended 2021-23 biennium funds for discretionary funds into the 2023-25 biennium. A total of \$1 million was appropriated from the general fund to the department in House Bill No. 1015 (2021) for this purpose for the 2021-23 biennium.

Subsection 5 of Section 27 provides an exemption to continue unexpended 2021-23 biennium funds for discretionary funds into the 2023-25 biennium. A total of \$1 million was appropriated from the general fund to the department in House Bill No. 1015 (2021) for this purpose for the 2021-23 biennium.

Exemption - Job development and economic growth grant program

Subsection 5 of Section 27 provides an exemption to continue unexpended 2021-23 biennium funds for the job development and economic growth grant program into the 2023-25 biennium. A total of \$1.5 million was appropriated from the strategic investment and improvements fund to the department for this purpose for the 2021-23 biennium.

Subsection 5 of Section 27 provides an exemption to continue unexpended 2021-23 biennium funds for the job development and economic growth grant program into the 2023-25 biennium. A total of \$1.5 million was appropriated from the strategic investment and improvements fund to the department for this purpose for the 2021-23 biennium.

Exemption - UAS program

Subsection 6 of Section 26 provides an exemption to continue unexpended 2021-23 biennium funds for the UAS program into the 2023-25 biennium. A total of \$3 million was appropriated as ongoing funding from the general fund to the department for this purpose for the 2021-23 biennium.

Subsection 6 of Section 27 provides an exemption to continue unexpended 2021-23 biennium funds for the UAS program into the 2023-25 biennium. A total of \$3 million was appropriated as ongoing funding from the general fund to the department for this purpose for the 2021-23 biennium.

Exemption - BVLOS UAS program

Subsection 7 of Section 26 provides an exemption to continue unexpended 2021-23 biennium funds for the BVLOS UAS program into the 2023-25 biennium. A total of \$19 million was appropriated from SIF to the department for this purpose for the 2021-23 biennium.

Subsection 7 of Section 27 provides an exemption to continue unexpended 2021-23 biennium funds for the BVLOS UAS program into the 2023-25 biennium. A total of \$19 million was appropriated from SIF to the department for this purpose for the 2021-23 biennium.

Exemption - BVLOS UAS program matching funds

Subsection 8 of Section 26 provides an exemption to continue unexpended 2021-23 biennium funds for matching funds related to the BVLOS UAS program into the 2023-25 biennium. A total of \$1 million was appropriated from the general fund to the department for this purpose for the 2021-23 biennium.

Subsection 8 of Section 27 provides an exemption to continue unexpended 2021-23 biennium funds for matching funds related to the BVLOS UAS program into the 2023-25 biennium. A total of \$1 million was appropriated from the general fund to the department for this purpose for the 2021-23 biennium.

House Version

Exemption - Enhanced use lease grant program

Subsection 9 of Section 26 provides an exemption to continue unexpended 2021-23 biennium funds for the enhanced use lease grant program into the 2023-25 biennium. A total of \$7 million was appropriated from SIF to the department for this purpose for the 2021-23 biennium.

Exemption - Homeless shelter grant program

Subsection 10 of Section 26 provides an exemption to continue unexpended 2021-23 biennium funds for the homeless shelter grant program into the 2023-25 biennium. A total of \$1,330,212 was appropriated from the general fund to the department for this purpose for the 2021-23 biennium.

Exemption - Workforce community services program

Subsection 11 of Section 26 would provide an exemption to continue unexpended 2021-23 biennium funds for the workforce community services program into the 2023-25 biennium. A total of \$1,074,888 was appropriated from federal funds to the department during the November 2021 special legislative session for this purpose for the 2021-23 biennium.

Exemption - Community development planning grant program

Subsection 12 of Section 26 provides an exemption to continue unexpended 2021-23 biennium funds for the community development planning grant program into the 2023-25 biennium. A total of \$1 million was appropriated from federal funds to the department during the November 2021 special legislative session for this purpose for the 2021-23 biennium.

Exemption - Autonomous agriculture matching grants

Subsection 13 of Section 26 provides an exemption to continue unexpended 2021-23 biennium funds for the autonomous agriculture grant program into the 2023-25 biennium and provides the funding shall be awarded without requiring matching funds from nonstate sources. A total of \$10 million was appropriated from the federal State Fiscal Recovery Fund to the department during the November 2021 special legislative session for this purpose for the 2021-23 biennium.

Exemption - Workforce development incentive grant program

Subsection 14 of Section 26 provides an exemption to continue unexpended 2021-23 biennium funds for the workforce development incentive grant program into the 2023-25 biennium. A total of \$15 million was appropriated from the federal State Fiscal Recovery Fund to the department during the November 2021 special legislative session for this purpose for the 2021-23 biennium.

Exemption - Technical skills training grants

Subsection 15 of Section 26 provides an exemption to continue unexpended 2021-23 biennium funds for the technical skills training grant program into the 2023-25 biennium. A total of \$5 million was appropriated from the federal State Fiscal Recovery Fund to the department during the November 2021 special legislative session for this purpose for the 2021-23 biennium.

Grant status reports

Section 27 requires the Department of Commerce to report to the Legislative Management during the 2023-24 interim regarding the status of grant programs administered by the department.

Emergency - Federal weatherization and energy assistance programs

Section 29 declares the \$210 million of federal funds appropriated in Section 1 for weatherization and energy assistance programs to be an emergency measure.

Senate Version

Subsection 9 of Section 27 provides an exemption to continue unexpended 2021-23 biennium funds for the enhanced use lease grant program into the 2023-25 biennium. A total of \$7 million was appropriated from SIF to the department for this purpose for the 2021-23 biennium.

Subsection 10 of Section 27 provides an exemption to continue unexpended 2021-23 biennium funds for the homeless shelter grant program into the 2023-25 biennium. A total of \$1,330,212 was appropriated from the general fund to the department for this purpose for the 2021-23 biennium.

Subsection 11 of Section 27 would provide an exemption to continue unexpended 2021-23 biennium funds for the workforce community services program into the 2023-25 biennium. A total of \$1,074,888 was appropriated from federal funds to the department during the November 2021 special legislative session for this purpose for the 2021-23 biennium.

Subsection 12 of Section 27 provides an exemption to continue unexpended 2021-23 biennium funds for the community development planning grant program into the 2023-25 biennium. A total of \$1 million was appropriated from federal funds to the department during the November 2021 special legislative session for this purpose for the 2021-23 biennium.

Subsection 13 of Section 27 provides an exemption to continue unexpended 2021-23 biennium funds for the autonomous agriculture grant program into the 2023-25 biennium and provides the funding shall be awarded without requiring matching funds from nonstate sources. A total of \$10 million was appropriated from the federal State Fiscal Recovery Fund to the department during the November 2021 special legislative session for this purpose for the 2021-23 biennium.

Subsection 14 of Section 27 provides an exemption to continue unexpended 2021-23 biennium funds for the workforce development incentive grant program into the 2023-25 biennium. A total of \$15 million was appropriated from the federal State Fiscal Recovery Fund to the department during the November 2021 special legislative session for this purpose for the 2021-23 biennium.

Subsection 15 of Section 27 provides an exemption to continue unexpended 2021-23 biennium funds for the technical skills training grant program into the 2023-25 biennium. A total of \$5 million was appropriated from the federal State Fiscal Recovery Fund to the department during the November 2021 special legislative session for this purpose for the 2021-23 biennium.

Section 28 requires the Department of Commerce to report to the Legislative Management during the 2023-24 interim regarding the status of grant programs administered by the department.

