25.1186.02006
Title.
Fiscal No. 1

Prepared by the Legislative Council staff for Conference Committee

April 29, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO FIRST ENGROSSMENT

ENGROSSED SENATE BILL NO. 2225

Introduced by

Senators Bekkedahl, Meyer, Wanzek

Representatives Nathe, Nelson, O'Brien

In place of amendment (25.1186.02002) adopted by the House, Engrossed Senate Bill No. 2225 is amended by amendment (25.1186.02006) as follows:

A BILL for an Act to provide an appropriation to the department of commerce for a ~~housing for opportunity, mobility, and empowerment~~community property improvement grant program; to provide for a legislative management report; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION - DEPARTMENT OF COMMERCE - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - ~~HOUSING FOR OPPORTUNITY, MOBILITY, AND EMPOWERMENT~~COMMUNITY PROPERTY IMPROVEMENT GRANT PROGRAM - MATCHING FUNDS REQUIREMENT - LEGISLATIVE MANAGEMENT REPORT - ONE-TIME FUNDING.

1. There is appropriated out of any moneys in the strategic investment and improvements fund in the state treasury, not otherwise appropriated, the sum of ~~$50,000,000~~$5,000,000, or so much of the sum as may be necessary, to the department of commerce for the purpose of providing ~~housing for opportunity, mobility, and empowerment program~~community property improvement grants to political subdivisions ~~to build infrastructure necessary to support affordable, market rate housing~~for slum and blight removal and remediation for the period beginning with the effective date of this Act, and ending June 30, 2027. This funding is considered a one-time funding item.

2. The department of commerce shall use funding appropriated in this section to provide grants to political subdivisions to assist communities address housing needs ~~by lowering the cost of infrastructure development and for~~through slum and blight removal and remediation. The department shall allow a community to ~~identity~~identify the type of housing most needed and cooperatively create solutions to address the housing need through a political subdivision, tribal entity, or economic development corporation. The department shall establish guidelines for providing grants under the program.

3. The department of commerce shall allocate funding appropriated in this section ~~as follows:~~

~~a. $10,000,000$6,000,000 for~~to communities with a population of fewer than ~~5,000~~1,500 individuals~~;~~

~~b. $20,000,000 for communities with a population of 5,001 to 20,000 individuals;~~

~~c. $15,000,000 for communities with a population of more than 20,000 individuals; and~~

~~d. $5,000,000$3,000,000 for rural metropolitan areas located within 20 miles of the city limits of a community of more than 20,000 individuals~~.

~~4. The maximum grant award for a community with more than 20,000 individuals is $1,500,000.~~

~~5.~~ If all funding appropriated in this section is not committed or expended by December 31, 2026, the department of commerce may award any remaining funds to viable projects regardless of community size or location.

~~6.~~5. The department of commerce may spend up to one-third of total project costs from the funds appropriated in this section only to the extent two-thirds matching funds have been secured from nonstate sources ~~on a dollar-for-dollar basis~~. The matching funds must be derived from funds provided by a political subdivision ~~and~~, tribal entity, or local developers and private funds from within the community applying for grant funding. The private funds from within the community may be from a local development corporation, donations, or in-kind contributions.

~~7.~~6. The department of commerce shall provide a report to the legislative management and the governor by June 30, 2026, regarding the status of the program, including

expenditures to date, the number of housing units supported, communities applying for grants, and matching funds raised by political subdivisions, local developers, and communities.

SECTION 2. EMERGENCY. This Act is declared to be an emergency measure.

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2225 - Department of Commerce - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
HOME program grants		$50,000,000	($50,000,000)		$30,000,000	($30,000,000)
Community property improvement grants			5,000,000	$5,000,000		5,000,000
Total all funds	$0	$50,000,000	($45,000,000)	$5,000,000	$30,000,000	($25,000,000)
Less estimated income	0	50,000,000	(45,000,000)	5,000,000	30,000,000	(25,000,000)
General fund	$0	$0	$0	$0	$0	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department 601 - Department of Commerce - Detail of Conference Committee Changes

	Removes Funding for HOME Grants[1]	Adds Funding for Community Property Improvement Grants[2]	Total Conference Committee Changes
HOME program grants	($50,000,000)		($50,000,000)
Community property improvement grants		$5,000,000	5,000,000
Total all funds	($50,000,000)	$5,000,000	($45,000,000)
Less estimated income	(50,000,000)	5,000,000	(45,000,000)
General fund	$0	$0	$0
FTE	0.00	0.00	0.00

[1] One-time funding of $50 million from the strategic investment and improvements fund (SIIF) for housing for opportunity, mobility, and empowerment program grants to political subdivisions is removed. The Senate provided $50 million from SIIF for the program. The House provided $30 million from SIIF for the program.

[2] One-time funding of $5 million is added from SIIF to provide community property improvement grants to political subdivisions for slum and blight removal and remediation. The Senate and House did not provide funding for this program prior to the conference committee amendment.

Senate Bill No. 2225 - Other Changes - Conference Committee Action

The amendment also requires $2 of matching funds for every $1 provided from the state.