25.1186.02007 Title. Fiscal No. 2 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

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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 (25.1186.02007) as follows:

- 1 A BILL for an Act to provide an appropriation to the department of commerce for a housing for
- 2 opportunity, mobility, and empowerment community property improvement grant program; to
- 3 provide for a legislative management report; and to declare an emergency.
- 4 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:
- 5 SECTION 1. APPROPRIATION DEPARTMENT OF COMMERCE STRATEGIC
  6 INVESTMENT AND IMPROVEMENTS FUND HOUSING FOR OPPORTUNITY, MOBILITY,
- 7 AND EMPOWERMENT COMMUNITY PROPERTY IMPROVEMENT GRANT PROGRAM -
- 8 MATCHING FUNDS REQUIREMENT LEGISLATIVE MANAGEMENT REPORT ONE-TIME
  9 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.

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1 The department of commerce shall use funding appropriated in this section to provide 2 grants to political subdivisions to assist communities address housing needs by 3 lowering the cost of infrastructure development and forthrough slum and blight 4 removal and remediation. The department shall allow a community to identity identify 5 the type of housing most needed and cooperatively create solutions to address the 6 housing need through a political subdivision, tribal entity, or economic development 7 corporation. The department shall establish guidelines for providing grants under the 8 program. 9 3. The department of commerce shall allocate funding appropriated in this section as-10 follows: 11 \$10,000,000\$6,000,000 forto communities with a population of fewer than 12 5,0004,500 individuals; 13 \$20,000,000 for communities with a population of 5,001 to 20,000 individuals; 14 \$15,000,000 for communities with a population of more than 20,000 individuals; 15 and 16 d. \$5,000,000\$3,000,000 for rural metropolitan areas located within 20 miles of the 17 city limits of a community of more than 20,000 individuals. 18 4. The maximum grant award for a community with more than 20,000 individuals is 19 \$1,500,000. 20 If all funding appropriated in this section is not committed or expended by 5. 21 December 31, 2026, the department of commerce may award any remaining funds to 22 viable projects regardless of community size or location. 23 The department of commerce may spend the funds appropriated in this section only to 6.5. 24 the extent matching funds have been secured from nonstate sources on a 25 dollar-for-dollar basis. The matching funds must be derived from funds provided by a 26 political subdivision-and, tribal entity, or local developers and private funds from within 27 the community applying for grant funding. The private funds from within the community 28 may be from a local development corporation, donations, or in-kind contributions. 29 The department of commerce shall provide a report to the legislative management and 7.6. 30 the governor by June 30, 2026, regarding the status of the program, including 31 expenditures to date, the number of housing units supported, communities applying for

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- grants, and matching funds raised by political subdivisions, local developers, and
- 2 communities.
- 3 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

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

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

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

<sup>&</sup>lt;sup>1</sup> One-time funding of \$50 million from the strategic investment and improvements fund (SIIF) for housing for opportunity, mobility, and empowerment (HOME) 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.

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

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

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.