

5-2-25

25.1186.02008

Title.

Fiscal No. 3

Prepared by the Legislative Council
staff for Conference Committee

May 2, 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 (25.1186.02005) adopted by the House, Engrossed Senate Bill No. 2225 is amended by amendment (25.1186.02008) 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 program; to provide for a legislative management
3 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 GRANT PROGRAM - MATCHING FUNDS REQUIREMENT -**
8 **LEGISLATIVE MANAGEMENT REPORT - ONE-TIME FUNDING.**

- 9 1. There is appropriated out of any moneys in the strategic investment and
10 improvements fund in the state treasury, not otherwise appropriated, the sum of
11 ~~\$50,000,000~~ \$20,000,000, or so much of the sum as may be necessary, to the
12 department of commerce for the purpose of providing housing for opportunity, mobility,
13 and empowerment program grants to political subdivisions to build infrastructure
14 necessary to support affordable, market rate housing for the period beginning with the
15 effective date of this Act, and ending June 30, 2027. Of the total appropriated in this
16 section, \$3,000,000 is available only for the purpose of providing grants to political
17 subdivisions for slum and blight removal and remediation. This ~~funding~~ appropriation is
18 considered a one-time funding item.

- 1 2. The department of commerce shall use funding appropriated in this section to provide
2 grants to political subdivisions to assist communities and address housing needs by
3 lowering the cost of infrastructure development and for slum and blight removal and
4 remediation. The department shall allow a community to ~~identity~~identify the type of
5 housing most needed and cooperatively create solutions to address the housing need
6 through a political subdivision, tribal entity, or economic development corporation. The
7 department shall establish guidelines for providing grants under the program. The
8 department may provide funding for a project that includes existing residential lots only
9 after a certificate of occupancy has been issued for a newly constructed home on one
10 of the existing lots.
- 11 3. The department of commerce shall allocate funding appropriated in this section as
12 follows:
 - 13 a. ~~\$10,000,000~~\$4,000,000 for communities with a population of fewer than 5,000
14 individuals;
 - 15 b. ~~\$20,000,000~~\$8,000,000 for communities with a population of 5,001 to 20,000
16 individuals;
 - 17 c. ~~\$15,000,000~~\$6,000,000 for communities with a population of more than 20,000
18 individuals; and
 - 19 d. ~~\$5,000,000~~\$2,000,000 for rural metropolitan areas located within 20 miles of the
20 city limits of a community of more than 20,000 individuals.
- 21 4. The maximum grant award for a community with more than 20,000 individuals is
22 ~~\$1,500,000~~\$1,000,000.
- 23 5. If all funding appropriated in this section is not committed or expended by
24 December 31, 2026, the department of commerce may award any remaining funds to
25 viable projects regardless of community size or location.
- 26 6. The department of commerce may spend up to one-third of the total project costs from
27 the funds appropriated in this section only to the extent two-thirds matching funds
28 have been secured from nonstate sources ~~on a dollar-for-dollar basis~~. The matching
29 funds must be derived from funds provided by a political subdivision ~~and~~, tribal entity,
30 or local developers and private funds from within the community applying for grant

- 1 funding. The private funds from within the community may be from a local
- 2 development corporation, donations, or in-kind contributions.
- 3 7. The department of commerce shall provide a report to the legislative management and
- 4 the governor by June 30, 2026, regarding the status of the program, including
- 5 expenditures to date, the number of housing units supported, communities applying for
- 6 grants, and matching funds raised by political subdivisions, local developers, and
- 7 communities.

8 **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	(\$30,000,000)	\$20,000,000	\$30,000,000	(\$10,000,000)
Total all funds	\$0	\$50,000,000	(\$30,000,000)	\$20,000,000	\$30,000,000	(\$10,000,000)
Less estimated income	0	50,000,000	(30,000,000)	20,000,000	30,000,000	(10,000,000)
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

	Reduces Funding for HOME Grants ¹	Total Conference Committee Changes
HOME program grants	(\$30,000,000)	(\$30,000,000)
Total all funds	(\$30,000,000)	(\$30,000,000)
Less estimated income	(30,000,000)	(30,000,000)
General fund	\$0	\$0
FTE	0.00	0.00

¹ One-time funding of \$30 million is reduced from the strategic investment and improvements fund (SIIF) for housing for opportunity, mobility, and empowerment (HOME) program grants to political subdivisions to provide a total of \$20 million from SIIF. 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:

- Provides of the total \$20 million appropriated from SIIF for the HOME grant program, \$3 million must be used for slum and blight removal and remediation. The Senate and House included slum and blight removal and remediation prior to the conference committee amendment, but without a specific amount designated.
- Allows the Department of Commerce to provide funding for a project that includes existing residential lots, the same as provided by the House. The Senate did not include this provision.
- Requires two-thirds matching funds from nonstate sources to match one-third of total project costs provided by the state, the same as provided by the House. The Senate required matching funds on a dollar-for-dollar basis.