25.0185.01002 Title. Fiscal No. 1 Prepared by the Legislative Council staff for Senate Appropriations - Government Operations Division Committee

February 21, 2025

Sixty-ninth Legislative Assembly of North Dakota

PROPOSED AMENDMENTS TO

SENATE BILL NO. 2018

Introduced by

Appropriations Committee

A BILL for an Act to provide an appropriation for defraying the expenses of the department of commerce; and to create and enact a new section to chapter 54-60 of the North Dakota Century

Code, relating to department of commerce grant reporting requirements; to amend and reenact section 54-60-31 of the North Dakota Century Code, relating to changing the name of the office of legal immigration to the office of global talent; to provide for a transfer; to provide an exemption; and to provide for a legislative management report.

7 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from other funds derived from special funds and federal funds, to the department of commerce for the purpose of defraying the expenses of the department of commerce, for the biennium beginning July 1, 2025, and ending June 30, 2027, as follows:

14			Adjustments or	
15	ı	Base Level	<u>Enhancements</u>	<u>Appropriation</u>
16	Salaries and wages	\$15,785,306	\$0	\$15,785,306
17	Operating expenses	19,462,643	0	19,462,643
18	Grants	47,636,118	0	47,636,118
19	Discretionary funds	2,150,000	0	2,150,000

1	Partner programs	907,920	0	907,920
2	Entrepreneurship grants and vouchers	948,467	<u>0</u>	<u>948,467</u>
3	Total all funds	\$86,890,454	\$0	\$86,890,454
4	Less other funds	<u>53,344,371</u>	<u>0</u>	53,344,371
5	Total general fund	\$33,546,083	\$0	\$33,546,083
6	Full-time equivalent positions	62.80	0.00	62.80
7	Salaries and wages	\$15,785,306	\$1,723,056	\$17,508,362
8	New and vacant FTE pool	0	582,600	582,600
9	Operating expenses	19,462,643	9,210,023	28,672,666
10	Grants	47,636,118	40,746,197	88,382,315
11	Discretionary funds	2,150,000	0	2,150,000
12	Workforce programs	0	8,000,000	8,000,000
13	Partner programs	907,920	0	907,920
14	Entrepreneurship grants and vouchers	948,467	759,044	1,707,511
15	Total all funds	\$86,890,454	\$61,020,920	\$147,911,374
16	Less other funds	53,344,371	52,870,336	106,214,707
17	Total general fund	\$33,546,083	\$8,150,584	\$41,696,667
18	Full-time equivalent positions	62.80	(1.00)	61.80
19	SECTION 2. ONE-TIME FUNDING	EFFECT ON BAS	SE BUDGET - REPO	RT TO
20	SEVENTIETH LEGISLATIVE ASSEMBL	LY. The following a	mounts reflect the on-	e-time funding
21	items included in the appropriation in sec	ction 1 of this Act w	vhich are not included	in the entity's
22	base budget for the 2027-29 biennium a	nd which the entity	shall report to the ap	propriations
23	committees of the seventieth legislative	assembly regarding	g the use of this fundi	ng:
24	One-Time Funding Description	General Fund	Other Funds	<u>Total</u>
25	Temporary salaries	\$50,000	\$103,590	\$153,590
26	Tourism marketing awareness	0	7,000,000	7,000,000
27	Operation intern	2,000,000	0	2,000,000
28	Office of global talent	1,000,000	0	1,000,000
29	Tourism destination development grants	0	20,000,000	20,000,000
30	Beyond visual line of sight uncrewed			
30	Beyond visual line of sight uncrewed			

1	aircraft system program	0	10,000,000	10,000,000
2	Enhanced use lease grant	0	5,000,000	5,000,000
3	Autonomous agriculture grants	0	5,000,000	5,000,000
4	Base enhancement grants	0	1,000,000	1,000,000
5	Tribally controlled community college grant	s 750,000	0	750,000
6	Entrepreneurship grants and vouchers	759,044	0	759,044
7	Regional workforce impact program grants	0	5,000,000	5,000,000
8	Technical skills training grants	2,000,000	<u>0</u>	2,000,000
9	Total	\$6,559,044	\$53,103,590	\$59,662,634

SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST. The department of commerce may not spend funds appropriated in the new and vacant FTE pool line item in section 1 of this Act, but may request the office of management and budget to transfer funds from the new and vacant FTE pool line item to the salaries and wages line item in accordance with the guidelines and reporting provisions included in House Bill No. 1015, as approved by the sixty-ninth legislative assembly.

SECTION 4. TRANSFER - INTERNSHIP FUND. The office of management and budget shall transfer \$1,006,896\$3,000,000 of the amount appropriated in the operating expenses line item in section 1 of this Act to the internship fund for the purpose of administering the operation intern program, for the biennium beginning July 1, 2025, and ending June 30, 2027.

SECTION 5. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO LEGACY INVESTMENT FOR TECHNOLOGY FUND. The office of management and budget shall transfer the sum of \$5,000,000 from the strategic investment and improvements fund to the legacy investment for technology fund for the purpose of providing legacy investment technology loans, for the biennium beginning July 1, 2025, and ending June 30, 2027.

SECTION 6. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO NORTH DAKOTA DEVELOPMENT FUND. The office of management and budget shall transfer the sum of \$30,000,000 from the strategic investment and improvements fund to the North Dakota development fund for programs under chapter 10-30.5, for the biennium beginning July 1, 2025, and ending June 30, 2027.

SECTION 7. RURAL HEALTH CARE GRANT PROGRAM - MATCHING FUNDS

REQUIREMENT. The grants line item in section 1 of this Act includes \$444,000 from the

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- 1 general fund for providing matching funds to an organization assisting in the recruitment,
- 2 distribution, and supply, and enhancing the quality and efficiency of personnel providing health
- 3 services in rural areas of the state. The department of commerce may spend the funds
- 4 appropriated in this section only to the extent the organization has secured matching funds from
- 5 nonstate sources on a dollar-for-dollar basis.

SECTION 8. OTHER FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.

The other funds line item in section 1 of this Act includes the sum of \$53,000,000 from the strategic investment and improvements fund, of which:

- \$7,000,000 is for tourism marketing awareness, including \$150,000 for supporting the continuation of the North Dakota state magazine with the current publisher of the magazine;
- 2. \$20,000,000 is for tourism destination development grants;
- 3. \$10,000,000 is for the beyond visual line of sight uncrewed aircraft system program;
- 4. \$5,000,000 is for the enhanced use lease grant program;
- 5. \$5,000,000 is for autonomous agriculture grants, which may be provided for autonomous trucking grants;
- \$1,000,000 is for providing base enhancement grants to communities with an air force base or air national guard facilities, including \$600,000 to eligible organizations in Minot, \$250,000 to eligible organizations in Grand Forks, and \$150,000 to eligible organizations in Fargo; and
- 7. \$5,000,000 is for regional workforce impact program grants.

SECTION 9. TRIBALLY CONTROLLED COMMUNITY COLLEGE GRANTS -

\$750,000 from the general fund for the purpose of providing workforce development grants to a tribally controlled community college in the Turtle Mountain area. To be eligible for a grant under this section, a tribally controlled community college shall partner with at least one high school in the state for programs under section 54-60.2-02. During the 2025-26 interim, a tribally controlled community college receiving funding under this program shall report to the department of commerce by August 1, 2026, regarding the use of grant funds and the department of commerce shall provide a report to the legislative management by October 1, 2026, regarding the use of grant funds.

SEC	TION 10. DISCRETIONARY FUNDS - NATIVE AMERICAN SMALL BUSINESS
GRANT.	The discretionary funds line item in section 1 of this Act includes \$2,150,000 from the
general	fund, of which \$600,000 is designated for a grant to support an organization dedicated
to assist	ing Native American small businesses in North Dakota.
SEC	TION 11. A new section to chapter 54-60 of the North Dakota Century Code is created
and ena	cted as follows:
Rep	orting requirements - Budget Section - Grant programs.
The	department shall compile a report regarding grant programs administered by the
<u>departm</u>	ent, excluding federally funded programs, to be provided semiannually to the budget
section.	The report must include the following for each grant program:
1	The purpose of the grant program;
2.	Funding history;
3.	The number of days the grant application period was open to applicants;
4.	The name of each grant recipient and the amount of each grant award; and
5.	The distribution date of grant funds or the anticipated distribution date of grant funds.
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- May contract with other state agencies to develop and administer programs or services related to immigration integration and access to basic needs that promote entrance and movement throughout the workforce.
- May contract with an organization with expertise related to the goals of the office of 5. legal immigrationglobal talent.

SECTION 13. EXEMPTION - UNEXPENDED APPROPRIATIONS. The following appropriations are not subject to the provisions of section 54-44.1-11 and any unexpended funds from these appropriations may be continued into the biennium beginning July 1, 2025. and ending June 30, 2027:

- The sum of \$3,000,000 appropriated from federal COVID-19 funds for the community development block grant program in section 1 of chapter 27 of the 2021 Session Laws and continued into the 2023-25 biennium in section 29 of chapter 18 of the 2023 Session Laws.
- 2. The sum of \$56,234,176 appropriated from federal COVID-19 funds for the state small business credit initiative program in section 2 of chapter 28 of the 2021 Session Laws and continued into the 2023-25 biennium in section 29 of chapter 18 of the 2023 Session Laws.
- 3. The sum of \$15,000,000 appropriated from the federal State Fiscal Recovery Fund for the workforce development incentive grant program in subsection 38 of section 1 of chapter 550 of the 2021 Special Session Session Laws and continued into the 2023-25 biennium in section 29 of chapter 18 of the 2023 Session Laws.
- 4. The sum of \$5,000,000 appropriated from the federal State Fiscal Recovery Fund for the technical skills training grant program in subsection 39 of section 1 of chapter 550 of the 2021 Special Session Session Laws and continued into the 2023-25 biennium in section 29 of chapter 18 of the 2023 Session Laws.
- 5. The sum of \$28,500,000 appropriated from the general fund for workforce programs, of which \$12,000,000 was for workforce talent attraction initiative operating expenses, \$12,500,000 was for workforce investment program grants, \$2,000,000 was for technical skills training grants, and \$2,000,000 was for new Americans workforce development and training grants, in section 1 of chapter 18 of the 2023 Session Laws.

1 The sum of \$25,000,000 appropriated from the strategic investment and 2 improvements fund for the tourism destination development initiative in section 1 of 3 chapter 18 of the 2023 Session Laws. 4 7. The sum of \$10,000,000 appropriated from the strategic investment and 5 improvements fund for the enhanced use lease grant program in section 1 of 6 chapter 18 of the 2023 Session Laws. 7 8. The sum of \$120,000,000 appropriated from federal funds for weatherization and 8 energy assistance programs in section 1 of chapter 18 of the 2023 Session Laws. 9 9. The sum of \$2,150,000 appropriated from the general fund for discretionary funds in 10 section 1 of chapter 18 of the 2023 Session Laws. 11 10. The sum of \$3,258,084 appropriated from federal funds for heating, furnace, and 12 cooling assistance grants in section 1 of chapter 18 of the 2023 Session Laws. 13 11. The sum of \$14,081,719 appropriated from federal funds for energy conservation 14 assistance grants in section 1 of chapter 18 of the 2023 Session Laws. 15 12. The sum of \$1,550,000 appropriated from federal funds for the parks and recreation 16 program in section 1 of chapter 18 of the 2023 Session Laws. 17 13. The sum of \$572,143 appropriated from federal funds for the state small business 18 credit initiative program in section 1 of chapter 18 of the 2023 Session Laws. 19 14. The sum of \$2,000,000 appropriated from the general fund for the office of legal

immigration in section 1 of chapter 639 of the 2023 Special Session Session Laws.