

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2018 - Department of Commerce - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$15,785,306	\$1,723,056	\$17,508,362
New and vacant FTE pool		582,600	582,600
Operating expenses	19,462,643	9,210,023	28,672,666
Grants	47,636,118	40,746,197	88,382,315
Discretionary funds	2,150,000		2,150,000
Workforce programs		8,000,000	8,000,000
Entrepreneurship grants and vouchers	948,467	759,044	1,707,511
Partner programs	907,920		907,920
Total all funds	\$86,890,454	\$61,020,920	\$147,911,374
Less estimated income	53,344,371	52,870,336	106,214,707
General fund	\$33,546,083	\$8,150,584	\$41,696,667
FTE	62.80	(1.00)	61.80

Department 601 - Department of Commerce - Detail of Senate Changes

	Adds Funding for Base Payroll Changes¹	Adds Funding for the Cost to Continue Salaries²	Adds Funding for Salary and Benefit Increases³	Adds Funding to Replace 2023-25 New and Vacant FTE Pool⁴	Transfers Funding for 2025-27 New and Vacant FTE Pool⁵	Removes FTE Position⁶
Salaries and wages	\$150,231	\$284,024	\$1,031,972	\$1,069,307	(\$832,285)	(\$189,286)
New and vacant FTE pool					582,600	
Operating expenses						(10,000)
Grants						
Discretionary funds						
Workforce programs						
Entrepreneurship grants and vouchers						
Partner programs						
Total all funds	\$150,231	\$284,024	\$1,031,972	\$1,069,307	(\$249,685)	(\$199,286)
Less estimated income	82,578	45,544	205,662	102,571	(51,422)	0
General fund	\$67,653	\$238,480	\$826,310	\$966,736	(\$198,263)	(\$199,286)
FTE	0.00	0.00	0.00	0.00	0.00	(1.00)

	Adjusts Base Level Funding⁷	Adds One-Time Funding for Temporary Salaries⁸	Adds One-Time Funding for Operating and Grants⁹	Total Senate Changes
Salaries and wages	\$55,503	\$153,590		\$1,723,056
New and vacant FTE pool				582,600
Operating expenses	370,023		\$8,850,000	9,210,023
Grants	(1,153,803)		41,900,000	40,746,197
Discretionary funds				
Workforce programs			8,000,000	8,000,000
Entrepreneurship grants and vouchers			759,044	759,044
Partner programs				
Total all funds	(\$728,277)	\$153,590	\$59,509,044	\$61,020,920
Less estimated income	(618,187)	103,590	53,000,000	52,870,336
General fund	(\$110,090)	\$50,000	\$6,509,044	\$8,150,584
FTE	0.00	0.00	0.00	(1.00)

¹ Funding is added for base payroll changes.

² Funding is added for the cost to continue salary increases.

³ The following funding is added for 2025-27 biennium salary adjustments of 3 percent on July 1, 2025, and 3 percent on July 1, 2026, and increases in health insurance premiums from \$1,643 to \$1,893 per month:

	General Fund	Other Funds	Total
Salary increase	\$531,691	\$127,953	\$659,644
Health insurance increase	<u>294,619</u>	<u>77,709</u>	<u>372,328</u>
Total	\$826,310	\$205,662	\$1,031,972

⁴ Funding is added to replace 2023-25 biennium new and vacant FTE pool funding as follows:

	General Fund	Other Funds	Total
New FTE positions	\$405,880	\$0	\$405,880
Vacant FTE positions	<u>560,856</u>	<u>102,571</u>	<u>663,427</u>
Total	\$966,736	\$102,571	\$1,069,307

⁵ Funding of \$832,285 for estimated savings from vacant FTE positions is removed and funding of \$582,600 is added for a 2025-27 new and vacant FTE pool line item as follows:

	General Fund	Other Funds	Total
New FTE positions	\$0	\$0	\$0
Vacant FTE positions	<u>(660,878)</u>	<u>(171,407)</u>	<u>(832,285)</u>
Total	(\$660,878)	(\$171,407)	(\$832,285)
Funding pool line item	<u>462,615</u>	<u>119,985</u>	<u>582,600</u>
Net savings	(\$198,263)	(\$51,422)	(\$249,685)

⁶ Funding of \$199,286 from the general fund and 1 undesignated FTE position is removed.

⁷ Base level funding is adjusted as follows:

	General Fund	Other Funds	Total
Adds federal funding for temporary salaries and operating expenses to maintain building codes	\$0	\$98,583	\$98,583
Adds funding for information technology increases, including \$38,467 from federal funds and \$16,199 from special funds	0	54,666	54,666
Adjusts base level funding for operating expenses, including a \$26,853 increase from federal funds and a \$16,199 reduction from special funds	(21,481)	10,654	(10,827)
Adds federal funding for AmeriCorps program operating expenses	0	290,000	290,000
Reduces ongoing funding for the operation intern program	(6,896)	0	(6,896)
Removes funding for the continuum of care program and the state apprenticeship program, including funding from federal funds	(81,713)	(1,097,157)	(1,178,870)
Adds federal funding for AmeriCorps and weatherization grant programs	0	3,132,157	3,132,157
Reduces federal funding for the community development block grant program and the community services block grant program	0	(2,086,940)	(2,086,940)
Removes funding from the uncrewed aircraft system (UAS) fund for UAS program grants. The department has continuing appropriation authority from the UAS fund.	<u>0</u>	<u>(1,020,150)</u>	<u>(1,020,150)</u>
Total	(\$110,090)	(\$618,187)	(\$728,277)

⁸ One-time funding of \$153,590 is added, including \$53,590 for temporary staff salaries and an office intern, of which \$50,000 is from the general fund and \$3,590 is from the economic development fund, and \$100,000 from the economic development fund for North Dakota Development Fund temporary salaries.

⁹ One-time funding is added as follows:

	General Fund	Strategic Investment and Improvements Fund	Total
Tourism marketing awareness, of which \$6,850,000 is for operating expenses and \$150,000 is for a grant to support the North Dakota state magazine	\$0	\$7,000,000	\$7,000,000
Operation intern program operating expenses	2,000,000	0	2,000,000
Office of Global Talent, of which \$500,000 is for operating expenses and \$500,000 is for grants	1,000,000	0	1,000,000
Tourism destination development grants	0	20,000,000	20,000,000
Beyond visual line of sight UAS grants	0	10,000,000	10,000,000
Enhanced use lease grants	0	5,000,000	5,000,000
Autonomous agriculture grants	0	5,000,000	5,000,000
Base enhancement grants	0	1,000,000	1,000,000
Tribally controlled community college grants	750,000	0	750,000
Entrepreneurship grants and vouchers program	759,044	0	759,044
Regional workforce impact program grants	0	5,000,000	5,000,000
Technical skills training grants	<u>2,000,000</u>	<u>0</u>	<u>2,000,000</u>
Total	\$6,509,044	\$53,000,000	\$59,509,044

Senate Bill No. 2018 - Other Changes - Senate Action

This amendment also adds and adjusts sections to:

- Provide for the use of funding in the new and vacant FTE pool line item.
- Provide for a transfer from the general fund to the internship fund.
- Provide a \$5,000,000 transfer from SIIF to the legacy investment for technology fund (LIFT).
- Identify funding for a rural health care grant program
- Provide a \$30,000,000 transfer from SIIF to the North Dakota Development Fund.
- Identify \$53,000,000 appropriated in Section 1 from SIIF, including \$7,000,000 for tourism marketing awareness, \$20,000,000 for tourism destination development grants, \$10,000,000 for the beyond visual line of sight UAS program, \$5,000,000 for the enhanced use lease grant program, \$5,000,000 for autonomous agriculture grants, \$1,000,000 is for base enhancement grants, and \$5,000,000 is for regional workforce impact program grants. Of the \$7,000,000 for tourism marketing awareness, \$150,000 is designated for the continuation of the North Dakota state magazine with the current publisher of the magazine. Of the \$1,000,000 for base enhancement grants, \$600,000 is for eligible organizations in Minot, \$250,000 is for eligible organizations in Grand Forks, and \$150,000 is for eligible organizations in Fargo. The \$5,000,000 provided autonomous agriculture grants may be provided for autonomous trucking activities.
- Identify \$750,000 from the general fund for a grant to a tribally controlled community college in the Turtle Mountain area.
- To identify of the \$2,150,000 appropriated from the general fund for discretionary funds, \$600,000 is designated for a grant to support an organization dedicated to assisting Native American small businesses in North Dakota.
- Create a new section to Chapter 54-60 to require the Department of Commerce to report to the Budget Section semiannually regarding grants administered by the department, excluding federally funded programs.
- Amend Section 54-60-31 to change the name of the Office of Legal Immigration to the Office of Global Talent.
- Provide 14 exemptions allowing the Department of Commerce to continue funding appropriated in prior bienniums into the 2025-27 biennium.