

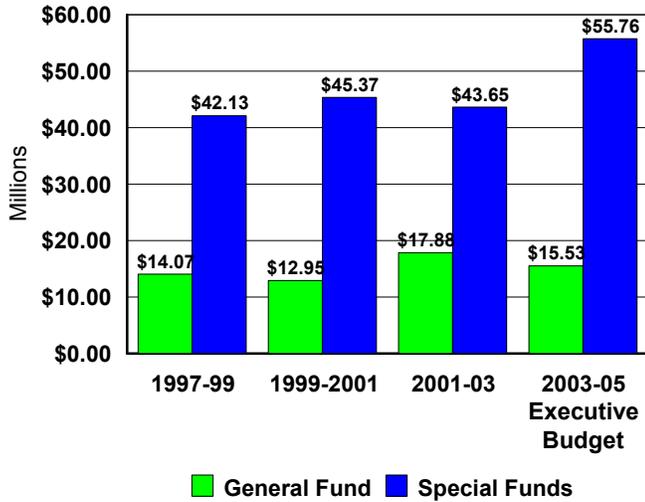
**Department 601 - Department of Commerce  
 House Bill No. 1019**

	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
2003-05 Executive Budget	57.00	\$15,529,445	\$55,759,805	\$71,289,250
2001-03 Legislative Appropriations	57.00	17,880,287 <sup>1</sup>	43,653,725	61,534,012 <sup>2</sup>
Increase (Decrease)	0.00	(\$2,350,842)	\$12,106,080	\$9,755,238

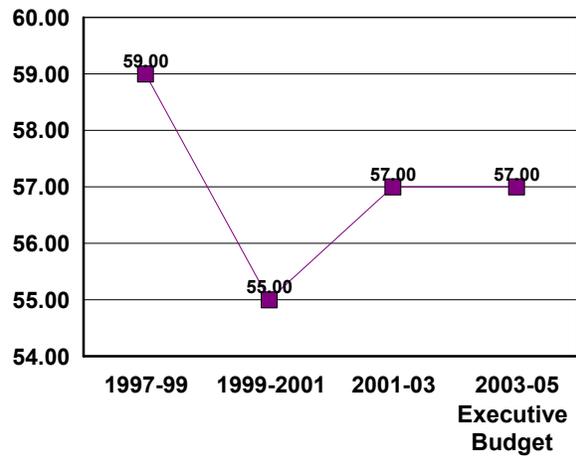
<sup>1</sup> The 2001-03 general fund appropriation is the amount appropriated by the 2001 Legislative Assembly and does not include a reduction of \$187,743 relating to the 1.05 percent budget allotment ordered by Governor Hoeven in July 2002.

<sup>2</sup> The 2001-03 appropriation amounts do not include \$2,931,908 of additional special funds authority resulting from Emergency Commission action during the 2001-03 biennium.

**Agency Funding**



**FTE Positions**



**Executive Budget Highlights**

	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
1. Removes funding for transfer to the Development Fund from \$2,350,000 for the 2001-03 biennium to \$0 for the 2003-05 biennium	(\$2,350,000)		(\$2,350,000)
2. Adds 1 FTE position in the Community Services Division		\$106,924	\$106,924
3. Adds 1 FTE position in the Workforce Development Division		\$111,634	\$111,634
4. Removes 2 FTE transitional positions authorized for only the first year of the 2001-03 biennium relating to the creation of the Department of Commerce	(\$68,938)	(\$12,166)	(\$81,104)
5. Removes funding provided for the 2001-03 biennium for grants to political subdivisions for extraordinary costs incurred in river rescues directly related to Lewis and Clark Bicentennial activities	(\$150,000)		(\$150,000)
6. Removes funding provided for the 2001-03 biennium for a grant to the North Dakota Cowboy Hall of Fame	(\$100,000)		(\$100,000)
7. Increases tourism funding for Lewis and Clark Bicentennial-related programs and projects	\$132,441		\$132,441
8. Provides funding to continue the public/private partnership statewide Talent Recruitment Initiative begun during the 2001-03 biennium with a	(\$100,000)	\$200,000	\$100,000

\$250,000 general fund appropriation. The executive budget provides \$350,000 for the initiative during the 2003-05 biennium, \$150,000 of which is from the general fund and \$200,000 of fee collections.

9. Reduces funding for professional services in the Economic Development and Finance Division to \$804,000	(\$483,511)	(\$483,511)
10. Reduces funding for operating fees and services to \$1,581,962 in the Economic Development and Finance Division	(\$311,734)	(\$311,734)
11. Reduces funding to \$1.4 million for economic development and finance grants and designates \$200,000 of these grants for the New Economy Initiative	(\$226,165)	(\$226,165)
12. Increases funding to \$3,785,000 from the highway tax distribution fund for ethanol incentives and recommends changing the formula for distributing the incentives to North Dakota ethanol plants. The recommended distribution formula is not included in the department's appropriations bill and to date, a bill providing for this formula has not been introduced.	\$1,285,000	\$1,285,000
13. Increases federal funding for the Division of Community Services for grants to community action agencies under the community services block grant and the weatherization assistance program	\$4,909,185	\$4,909,185
14. Recommends that up to \$1 million of funding available in the Development Fund be used for providing seed and early stage financing for possible new businesses		
15. Recommends that the Development Fund manage a \$10 million new venture fund, contingent on the availability of private funding for providing financing and technical assistance for new businesses		

### **Major Related Legislation**

The executive budget recommends changing the formula for distributing ethanol incentives to North Dakota ethanol plants. To date, a bill making this change has not been introduced.