

Introduced by

1 A BILL for an Act to provide for a study of economic development incentives and for a report to
2 the legislative council.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. ECONOMIC DEVELOPMENT INCENTIVES STUDY - REPORT TO**
5 **LEGISLATIVE COUNCIL.** During the 2005-06 interim, the department of commerce shall
6 conduct a study of the state's economic development incentives. The study must include an
7 inventory of all of the state's economic development incentives, a review of the nature of each
8 incentive, an indication of the targeted class of recipients of each incentive, an indication of the
9 stage of business targeted by each incentive, an analysis of possible barriers to using the
10 incentives, an analysis of possible gaps and overlaps in the state's economic development
11 incentive system, a review of the effectiveness of each incentive and how to gauge the
12 effectiveness of each incentive, and a review of economic development incentive best practices
13 and how the state's incentives compare to best practices. The department of commerce may
14 contract with a third party in performing this study. Before July 1, 2006, the commissioner of
15 commerce shall report to the legislative council the outcome of the study and identify proposed
16 legislative changes necessary to implement any recommended changes to the state's
17 economic development incentive system to make the state's business environment more
18 effective, efficient, and competitive.