

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2018 - Summary of House Action**

	<b>Executive Budget</b>	<b>Senate Version</b>	<b>House Changes</b>	<b>House Version</b>
Office of Management and Budget				
Total all funds	\$0	\$0	\$15,000,000	\$15,000,000
Less estimated income	0	0	0	0
General fund	\$0	\$0	\$15,000,000	\$15,000,000
Department of Emergency Services				
Total all funds	\$0	\$0	\$1,594,567	\$1,594,567
Less estimated income	0	0	0	0
General fund	\$0	\$0	\$1,594,567	\$1,594,567
Department of Commerce				
Total all funds	\$88,198,900	\$137,012,900	(\$34,990,627)	\$102,022,273
Less estimated income	53,708,861	69,208,861	2,457,609	71,666,470
General fund	\$34,490,039	\$67,804,039	(\$37,448,236)	\$30,355,803
Bill total				
Total all funds	\$88,198,900	\$137,012,900	(\$18,396,060)	\$118,616,840
Less estimated income	53,708,861	69,208,861	2,457,609	71,666,470
General fund	\$34,490,039	\$67,804,039	(\$20,853,669)	\$46,950,370

**Senate Bill No. 2018 - Office of Management and Budget - House Action**

	<b>Executive Budget</b>	<b>Senate Version</b>	<b>House Changes</b>	<b>House Version</b>
Centers of excellence			\$15,000,000	\$15,000,000
Total all funds	\$0	\$0	\$15,000,000	\$15,000,000
Less estimated income	0	0	0	0
General fund	\$0	\$0	\$15,000,000	\$15,000,000
FTE	0.00	0.00	0.00	0.00

**Department No. 110 - Office of Management and Budget - Detail of House Changes**

	<b>Provides Funding for Centers of Excellence<sup>1</sup></b>	<b>Total House Changes</b>
Centers of excellence	\$15,000,000	\$15,000,000
Total all funds	\$15,000,000	\$15,000,000
Less estimated income	0	0
General fund	\$15,000,000	\$15,000,000
FTE	0.00	0.00

<sup>1</sup> This amendment provides a \$15 million general fund appropriation to the Office of Management and Budget for funding the centers of excellence program for the 2009-11 biennium.

**Senate Bill No. 2018 - Department of Emergency Services - House Action**

	<b>Executive Budget</b>	<b>Senate Version</b>	<b>House Changes</b>	<b>House Version</b>
Grants			\$1,594,567	\$1,594,567
Total all funds	\$0	\$0	\$1,594,567	\$1,594,567
Less estimated income	0	0	0	0
General fund	\$0	\$0	\$1,594,567	\$1,594,567
FTE	0.00	0.00	0.00	0.00

**Department No. 542 - Department of Emergency Services - Detail of House Changes**

	<b>Provides Funding for Emergency and Disaster Recovery<sup>1</sup></b>	<b>Total House Changes</b>
Grants	\$1,594,567	\$1,594,567
Total all funds	\$1,594,567	\$1,594,567
Less estimated income	0	0
General fund	\$1,594,567	\$1,594,567
FTE	0.00	0.00

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<sup>1</sup> This amendment provides a \$1,594,567 general fund appropriation to the Department of Emergency Services for providing grants to eligible political subdivisions for emergency and disaster recovery.

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

	<b>Executive Budget</b>	<b>Senate Version</b>	<b>House Changes</b>	<b>House Version</b>
Salaries and wages	\$10,185,967	\$10,185,967	(\$176,627)	\$10,009,340
Operating expenses	14,428,272	15,028,272	(600,000)	14,428,272
Capital assets	25,000	25,000		25,000
Grants	53,886,058	81,436,058	(14,550,000)	66,886,058
Discretionary funds	928,083	928,083		928,083
Economic development initiatives	186,846	186,846		186,846
Agricultural products utilization	2,536,630	2,536,630		2,536,630
North Dakota Trade Office	2,000,000	2,164,000	(164,000)	2,000,000
Partner programs	2,022,044	2,022,044		2,022,044
Transfer - Workforce enhancement fund	2,000,000	2,000,000	(1,000,000)	1,000,000
Transfer - Centers of excellence fund		20,000,000	(20,000,000)	
Contingent borrowing authority		500,000	(500,000)	
Federal fiscal stimulus funds			2,000,000	2,000,000
<b>Total all funds</b>	<b>\$88,198,900</b>	<b>\$137,012,900</b>	<b>(\$34,990,627)</b>	<b>\$102,022,273</b>
Less estimated income	53,708,861	69,208,861	2,457,609	71,666,470
<b>General fund</b>	<b>\$34,490,039</b>	<b>\$67,804,039</b>	<b>(\$37,448,236)</b>	<b>\$30,355,803</b>
FTE	68.00	68.00	0.00	68.00

**Department No. 601 - Department of Commerce - Detail of House Changes**

	<b>Adjusts Funding for Biofuel Blender Pumps<sup>1</sup></b>	<b>Removes Funding for Grants to Expand Child Care<sup>2</sup></b>	<b>Decreases Funding for the North Dakota Trade Office<sup>3</sup></b>	<b>Removes Contingent Borrowing Authority<sup>4</sup></b>	<b>Removes One-Time Funding for the Workforce Enhancement Fund<sup>5</sup></b>	<b>Removes Funding for Student-Based Technology Grants<sup>6</sup></b>
Salaries and wages						
Operating expenses						
Capital assets						
Grants	(1,000,000)	(2,000,000)				(200,000)
Discretionary funds						
Economic development initiatives						
Agricultural products utilization						
North Dakota Trade Office			(164,000)			
Partner programs						
Transfer - Workforce enhancement fund					(1,000,000)	
Transfer - Centers of excellence fund						
Contingent borrowing authority				(500,000)		
Federal fiscal stimulus funds						
<b>Total all funds</b>	<b>(\$1,000,000)</b>	<b>(\$2,000,000)</b>	<b>(\$164,000)</b>	<b>(\$500,000)</b>	<b>(\$1,000,000)</b>	<b>(\$200,000)</b>
Less estimated income	1,000,000	0	0	(500,000)	0	0
<b>General fund</b>	<b>(\$2,000,000)</b>	<b>(\$2,000,000)</b>	<b>(\$164,000)</b>	<b>\$0</b>	<b>(\$1,000,000)</b>	<b>(\$200,000)</b>
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	<b>Removes Funding for Regional Technical Assistance Grants<sup>7</sup></b>	<b>Removes Funding for Youth Entrepreneur Grants<sup>8</sup></b>	<b>Removes Funding for Grants for University Patent Office Support<sup>9</sup></b>	<b>Removes Funding for Commercial Business District Improvement Projects<sup>10</sup></b>	<b>Removes Funding for a Great Plains Applied Energy Research Center Grant<sup>11</sup></b>	<b>Removes Funding for a Base Realignment Grant Program<sup>12</sup></b>
Salaries and wages						
Operating expenses						
Capital assets						
Grants	(1,000,000)	(400,000)	(200,000)	(200,000)	(5,000,000)	(5,000,000)
Discretionary funds						
Economic development initiatives						
Agricultural products utilization						
North Dakota Trade Office						
Partner programs						
Transfer - Workforce enhancement fund						
Transfer - Centers of excellence fund						
Contingent borrowing authority						
Federal fiscal stimulus funds						
<b>Total all funds</b>	<b>(\$1,000,000)</b>	<b>(\$400,000)</b>	<b>(\$200,000)</b>	<b>(\$200,000)</b>	<b>(\$5,000,000)</b>	<b>(\$5,000,000)</b>
Less estimated income	0	0	0	0	0	0
<b>General fund</b>	<b>(\$1,000,000)</b>	<b>(\$400,000)</b>	<b>(\$200,000)</b>	<b>(\$200,000)</b>	<b>(\$5,000,000)</b>	<b>(\$5,000,000)</b>
FTE	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Removes Funding for a Grant to the Dakota Defense Alliance Organization<sup>13</sup></b>	<b>Decreases Funding for Tourism Marketing<sup>14</sup></b>	<b>Decreases Funding for the InnovateND Program<sup>15</sup></b>	<b>Removes Salary Equity Funding<sup>16</sup></b>	<b>Removes Funding for Transfer to Centers of Excellence Fund<sup>17</sup></b>	<b>Provides Funding for Tourism Infrastructure Grants<sup>18</sup></b>
Salaries and wages				(\$176,627)		
Operating expenses		(500,000)	(100,000)			
Capital assets						
Grants	(50,000)					500,000
Discretionary funds						
Economic development initiatives						
Agricultural products utilization						
North Dakota Trade Office						
Partner programs						
Transfer - Workforce enhancement fund						
Transfer - Centers of excellence fund					(20,000,000)	
Contingent borrowing authority						
Federal fiscal stimulus funds						
<b>Total all funds</b>	<b>(\$50,000)</b>	<b>(\$500,000)</b>	<b>(\$100,000)</b>	<b>(\$176,627)</b>	<b>(\$20,000,000)</b>	<b>\$500,000</b>
Less estimated income	0	0	0	(42,391)	0	0
<b>General fund</b>	<b>(\$50,000)</b>	<b>(\$500,000)</b>	<b>(\$100,000)</b>	<b>(\$134,236)</b>	<b>(\$20,000,000)</b>	<b>\$500,000</b>
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	<b>Appropriates Federal Fiscal Stimulus Funds<sup>19</sup></b>	<b>Total House Changes</b>
Salaries and wages		(\$176,627)
Operating expenses		(600,000)
Capital assets		
Grants		(14,550,000)
Discretionary funds		
Economic development initiatives		
Agricultural products utilization		
North Dakota Trade Office		(164,000)
Partner programs		
Transfer - Workforce enhancement fund		(1,000,000)
Transfer - Centers of excellence fund		(20,000,000)
Contingent borrowing authority		(500,000)
Federal fiscal stimulus funds	2,000,000	2,000,000
<b>Total all funds</b>	<b>\$2,000,000</b>	<b>(\$34,990,627)</b>
Less estimated income	2,000,000	2,457,609
<b>General fund</b>	<b>\$0</b>	<b>(\$37,448,236)</b>
FTE	0.00	0.00

<sup>1</sup> This amendment decreases funding for cost-share programs for installation of biofuel blender pumps by \$1 million, from \$2 million to \$1 million, and changes the funding source from the general fund to special funds.

<sup>2</sup> This amendment removes one-time funding for matching grants to local communities to establish or expand child care options to support working families.

<sup>3</sup> This amendment removes \$164,000 from the general fund added in the Senate for the North Dakota Trade Office.

<sup>4</sup> This amendment removes the authorization added by the Senate to allow the Department of Commerce to borrow up to \$500,000 from the Bank of North Dakota for providing a grant to the North Dakota Trade Office for implementing an export-related workforce recruitment program.

<sup>5</sup> This amendment decreases funding for a transfer to the workforce enhancement fund by \$1 million, from \$2 million as provided for in the executive budget to \$1 million.

<sup>6</sup> This amendment removes \$200,000 from the general fund added by the Senate for student-based technology grants.

<sup>7</sup> Funding of \$1 million from the general fund added by the Senate for regional technical assistance grants is removed.

<sup>8</sup> Funding of \$400,000 from the general fund added by the Senate for youth entrepreneurship grants is removed.

<sup>9</sup> This amendment removes \$200,000 from the general fund added by the Senate for grants to the University of North Dakota and North Dakota State University patent offices.

<sup>10</sup> This amendment removes \$200,000 from the general fund added by the Senate for providing grants for commercial business district improvement projects.

<sup>11</sup> This amendment removes \$5 million from the general fund added by the Senate for a grant for construction of a Great Plains applied energy research center on the Bismarck State College campus.

<sup>12</sup> This amendment removes one-time funding of \$5 million from the general fund added by the Senate for a base realignment grant program to enhance economic development and employment opportunities associated with the Grand Forks Air Force Base resulting from action by the federal Defense Base Closure and Realignment Commission.

<sup>13</sup> This amendment removes \$50,000 from the general fund added by the Senate for a grant to the Dakota Defense Alliance organization.

<sup>14</sup> This amendment removes \$500,000 from the general fund added by the Senate for tourism marketing. This amount was in addition to the \$912,000 increase included in the executive budget.

<sup>15</sup> This amendment decreases funding for the InnovateND program as follows:

	2007-09 Legislative Appropriation	2009-11 Executive Budget	2009-11 Senate Version	2009-11 House Version
General fund	\$150,000	\$250,000	\$350,000	\$250,000
Special funds	150,000	150,000	150,000	150,000
Total	\$300,000	\$400,000	\$500,000	\$400,000

<sup>16</sup> This amendment removes funding added in the executive budget for state employee salary equity adjustments.

<sup>17</sup> This amendment removes the \$20 million general fund appropriation added in the Senate for a transfer to the centers of excellence fund for funding the centers of excellence program for the 2009-11 biennium.

<sup>18</sup> This amendment provides funding of \$500,000 from the general fund for large tourism infrastructure grants for projects over \$25,000. The Department of Commerce may award grants to the extent matching funds are available from nonstate sources on a dollar-for-dollar basis.

<sup>19</sup> This amendment provides an appropriation of \$2 million from federal stimulus funding to the Department of Commerce for establishing a grant program relating to the purchase and installation of electrical generators that burn gas at well sites which would otherwise be flared or wasted.

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This amendment also:

- Removes Section 7 of the reengrossed bill that provides for an audit of the ethanol production incentive fund.
- Amends Section 8 of the reengrossed bill that increases the amount of North Dakota Trade Office funding that may be provided without requiring a match from 50 percent to 62.5 percent.
- Amends Section 19 of the reengrossed bill to remove reference to providing a Wade Westin memorial grant to the Theodore Roosevelt Medora Foundation.
- Adds a section to provide that the Division of Tourism is to develop criteria for large tourism infrastructure grants and a method for setting funding priorities for such grants in future bienniums.
- Adds a section to provide for a centers of excellence state tax revenue impact study.
- Removes Section 25 added by the Senate creating a new section to North Dakota Century Code (NDCC) Chapter 15-69 to create a centers of excellence fund.
- Adds sections to amend NDCC Section 15-69-02(1) and (4), Section 15-69-04(3), and Section 15-69-05(1) and (3) relating to the centers of excellence program.