

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2018

- Page 1, line 2, after the semicolon insert "to provide an appropriation to Dickinson state university;"
- Page 1, line 2, replace "chapter to title 6" with "section to chapter 6-09.15, a new subsection to section 6-09.15-01"
- Page 1, line 3, replace "section 54-45.5-10, and three" with "two new sections to chapter 54-60, two"
- Page 1, line 3, after "54-65" insert ", and a new subsection to section 57-35.3-05"
- Page 1, line 4, replace "program" with "for child care facilities, an unmanned aircraft systems program"
- Page 1, line 4, remove "the energy"
- Page 1, line 5 remove "conservation fund, and"
- Page 1, line 5, after "program" insert ", the research North Dakota biotechnology program, and housing incentive fund tax credits"
- Page 1, line 6, after the second comma insert "and"
- Page 1, line 6, after the third comma insert "subsection 1 of section 6-09.15-01, and sections"
- Page 1, line 6, remove "54-17-07.3,"
- Page 1, line 6, after the seventh comma insert "57-38-01.32,"
- Page 1, line 8, after the first comma insert "the beginning entrepreneur loan guarantee program, the"
- Page 1, line 9, replace "finance programs" with "incentive fund tax credits"
- Page 1, line 10, replace "for an upper great plains" with "a statement of legislative intent"
- Page 1, line 11, remove "transportation institute study"
- Page 1, line 11, after the second semicolon insert "to provide an effective date; to provide an expiration date;"
- Page 1, remove lines 22 through 24

Page 2, replace lines 1 through 14 with:

"Salaries and wages	\$10,858,251	\$1,327,174	\$12,185,425
Accrued leave payments	0	243,767	243,767
Operating expenses	13,876,650	1,059,099	14,935,749
Capital assets	70,018	(60,018)	10,000
Grants	59,977,994	(4,155,044)	55,822,950
Discretionary funds	928,082	0	928,082
Workforce enhancement fund	0	2,000,000	2,000,000
Economic development initiatives	186,846	0	186,846
Flood impact grants/loans	0	18,358,866	18,358,866

Agricultural products utilization commission	2,739,767	500,727	3,240,494
Research North Dakota	0	6,000,000	6,000,000
North Dakota trade office	2,613,400	0	2,613,400
Partner programs	2,022,044	0	2,022,044
Federal fiscal stimulus funds	<u>0</u>	<u>796,770</u>	<u>796,770</u>
Total all funds	\$93,273,052	\$26,071,341	\$119,344,393
Less estimated income	<u>69,666,470</u>	<u>3,656,143</u>	<u>73,322,613</u>
Total general fund	\$23,606,582	\$22,415,198	\$46,021,780"

Page 2, replace line 25 with:

"Flood impact grants/loans	235,000,000	18,358,866"
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Page 2, replace line 27 with:

"Research North Dakota	0	6,000,000"
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Page 2, remove lines 30 and 31

Page 3, replace lines 1 and 2 with:

"Tourism large infrastructure grants	0	500,000"
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Page 3, replace lines 5 through 7 with:

"Total all funds	\$272,121,750	\$36,655,636
Less estimated income	<u>259,496,750</u>	<u>21,655,636</u>
Total general fund	\$12,625,000	\$15,000,000"

Page 3, after line 11, insert:

**"SECTION 3. APPROPRIATION - TRANSFER - GENERAL FUND TO HOUSING INCENTIVE FUND.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$15,000,000, or so much of the sum as may be necessary, which the office of management and budget shall transfer to the housing incentive fund, for the period beginning with the effective date of this Act and ending June 30, 2015. The funding provided in this section is considered one-time funding.

**SECTION 4. APPROPRIATION - DICKINSON STATE UNIVERSITY.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$6,000,000, or so much of the sum as may be necessary, and from special funds from private gifts and donations, the sum of \$3,000,000, or so much of the sum as may be necessary, to Dickinson state university for the purpose of constructing a Theodore Roosevelt center, for the biennium beginning July 1, 2013, and ending June 30, 2015. The funding provided in this section is considered a one-time funding item. Dickinson state university may not spend any of the funds appropriated from the general fund under this section until it has raised \$3,000,000 from nonstate sources for the project."

Page 3, line 14 remove "**- Continuing**"

Page 3, line 15 remove "**appropriation**"

Page 3, line 18 remove the overstrike over "~~The fund must be used to~~"

Page 3, line 19 remove the overstrike over "~~defray~~"

Page 3, line 19 remove "All moneys in the fund are appropriated to the department of commerce on a continuing"

Page 3, line 20, remove "basis for the purpose of defraying"

Page 4, remove lines 22 through 30

Page 5, replace lines 1 through 30 with:

**"SECTION 8. AMENDMENT.** Subsection 1 of section 6-09.15-01 of the North Dakota Century Code is amended and reenacted as follows:

1. "Beginning entrepreneur" means a resident of this state who:
  - a. Has graduated from high school or has received a general equivalency certificate.
  - b. Has had some training, by education or experience, in the type of revenue-producing enterprise which that person wishes to begin.
  - c. Has, including the net worth of that person's dependents and spouse, if any, a net worth of less than ~~two hundred thousand dollars~~ an amount determined by the Bank of North Dakota.

**SECTION 9.** A new subsection to section 6-09.15-01 of the North Dakota Century Code is created and enacted as follows:

"Child care provider" means a child care home, group, or center licensed by the department of human services.

**SECTION 10.** A new section to chapter 6-09.15 of the North Dakota Century Code is created and enacted as follows:

**Loan guarantee for child care facility.**

A beginning entrepreneur who receives a loan for a child care facility must be a child care provider."

Page 6, remove lines 25 through 31

Page 7, remove lines 1 through 31

Page 8, remove lines 1 through 5

Page 8, line 10, replace "fifty" with "thirty"

Page 8, line 13, after the period insert "The housing finance agency shall disburse from the fund:

- a. Two million six hundred thousand dollars for grants to child care providers for new construction, rehabilitation, or acquisition of child care facilities. The housing finance agency shall establish guidelines to qualify for a grant under this section which must include a matching requirement of one dollar of matching funds for every three dollars of grant funds and a maximum grant amount of one hundred eighty-seven thousand five hundred dollars.
- b. Four hundred thousand dollars for grants to licensed early childhood services providers that provide care for children with disabilities or

developmental delays pursuant to section 5-11.1-18. The grants may be used for equipment, renovation of facilities used to provide the services, and staff."

Page 8, line 16, overstrike "with a population of not more than ten"

Page 8, line 17, overstrike "thousand individuals"

Page 8, line 18, overstrike "At least fifty percent" and insert immediately thereafter "A portion"

Page 8, line 18, after "fund" insert "as determined by the housing finance agency in the annual allocation plan"

Page 8, line 18, overstrike "households with"

Page 8, line 19, overstrike "incomes at not more than fifty percent of the area median" and insert immediately thereafter "individuals and families of low income or moderate"

Page 8, line 20, after "fund" insert ", project developers, applicants, or grant recipients"

Page 8, line 22, after "housing" insert "or child care facility"

Page 8, line 24, after "project" insert "or a child care facility"

Page 9, line 2, after the third semicolon insert "nonprofit organizations and for-profit child care providers;"

Page 9, replace lines 15 through 21 with:

**"SECTION 15.** A new section to chapter 54-60 of the North Dakota Century Code is created and enacted as follows:

**Unmanned aircraft systems program - Report to legislative management.**

The department may establish and administer an unmanned aircraft systems test site, contingent upon receiving official designation by the federal aviation administration. The department shall cooperate with the university of North Dakota, the North Dakota aeronautics commission, the adjutant general, and private parties appointed by the governor in the administration of the test site. The department may charge fees sufficient to operate the test site. The department shall, to the extent possible, use competitive bidding in the establishment and administration of the test site. The commissioner may charter a public corporation to operate the test site. The corporation must possess all of the powers of a business corporation consistent with this chapter. The department shall report to the legislative management semiannually on the status of the program.

**SECTION 16.** A new section to chapter 54-60 of the North Dakota Century Code is created and enacted as follows:

**Unmanned aircraft systems program fund - Continuing appropriation.**

There is created in the state treasury a special fund known as the unmanned aircraft systems fund, which must be used to defray the expenses of the operations of an unmanned aircraft systems test site officially designated by the federal aviation administration. The fund consists of fees collected for the administration of the test site. All moneys in the fund are appropriated to the department of commerce on a

continuing basis for the purpose of defraying the expenses of the unmanned aircraft systems program. Interest earned on moneys in the fund must be credited to the fund."

Page 9, remove lines 22 through 31

Page 10, replace lines 1 through 12 with:

"**SECTION 17.** A new section to chapter 54-65 of the North Dakota Century Code is created and enacted as follows:

**Research North Dakota biotechnology grants.**

The department shall establish and administer a research North Dakota biotechnology grant program to provide grants to eligible tax-exempt nonprofit organizations or foundations with principal offices in North Dakota that shall award grants to eligible private companies with research facilities and principal operations located within the state to conduct research on and develop and commercialize vaccines and antibodies for the treatment of or cure for cancer or virally infectious diseases. To be eligible for a grant under this section, a tax-exempt nonprofit organization or foundation:

1. Must be an independent grantmaking organization that has previous experience administering grants within the state for health-related purposes, including projects designed to improve health and access to health care;
2. Shall provide the department with detailed documentation:
  - a. Of private sector participation, including the private company's:
    - (1) Establishment of a partnership with a research university or a related research university organization to conduct research on and develop and commercialize vaccines and antibodies for the treatment of or cure for cancer or virally infectious diseases; and
    - (2) Establishment of research facilities and principal operations within the state; and
  - b. Of the availability of one dollar of matching funds from private or other public sources for each dollar of state funds to be distributed. Matching funds must be in the form of cash and may not include in-kind assets;
3. May not retain more than five percent of the grant award for administrative costs; and
4. May not provide indirect cost reimbursement to a research university or a related research university organization of more than five percent of the amount of the grant award relating to the research university's involvement or the related research university organization's involvement."

Page 10, line 15, after "**Dakota**" insert "**biotechnology**"

Page 10, line 16, after "Dakota" insert "biotechnology"

Page 10, line 17, after "Dakota" insert "biotechnology"

Page 10, line 18, replace "this chapter" with "a research North Dakota biotechnology grant program"

Page 10, after line 19, insert:

**"SECTION 19.** A new subsection to section 57-35.3-05 of the North Dakota Century Code is created and enacted as follows:

There is allowed a credit against the tax imposed by sections 57-35.3-01 through 57-35.3-12 in an amount equal to the contribution to the housing incentive fund under section 54-17-40. For the purposes of the credit allowed in this subsection, subsections 2 through 9 of section 57-38-01.32 apply.

**SECTION 20. AMENDMENT.** Section 57-38-01.32 of the North Dakota Century Code is amended and reenacted as follows:

**57-38-01.32. (Effective for the first two taxable years beginning after December 31, ~~2010~~2012) Housing incentive fund tax credit.**

1. A taxpayer is entitled to a credit as determined under this section against state income tax liability under section 57-38-30 or 57-38-30.3 for contributing to the housing incentive fund under section 54-17-40. The amount of the credit is equal to the amount contributed to the fund during the taxable year.
2. North Dakota taxable income must be increased by the amount of the contribution upon which the credit under this section is computed but only to the extent the contribution reduced federal taxable income.
3. The contribution amount used to calculate the credit under this section may not be used to calculate any other state income tax deduction or credit allowed by law.
4. If the amount of the credit exceeds the taxpayer's tax liability for the taxable year, the excess may be carried forward to each of the ten succeeding taxable years.
5. The aggregate amount of tax credits allowed to all eligible contributors is limited to fifteen million dollars ~~per biennium~~. This limitation applies to all contributions for which tax credits are claimed under section 57-35.3-05 and this section.
6. Within thirty days after the date on which a taxpayer makes a contribution to the housing incentive fund, the housing finance agency shall file with each contributing taxpayer, and a copy with the tax commissioner, completed forms that show as to each contribution to the fund by that taxpayer the following:
  - a. The name, address, and social security number or federal employer identification number of the taxpayer that made the contribution.
  - b. The dollar amount paid for the contribution by the taxpayer.
  - c. The date the payment was received by the fund.

7. To receive the tax credit provided under this section, a taxpayer shall claim the credit on the taxpayer's state income or financial institutions tax return in the manner prescribed by the tax commissioner and file with the return a copy of the form issued by the housing finance agency under subsection 6.
8. Notwithstanding the time limitations contained in section 57-38-38, this section does not prohibit the tax commissioner from conducting an examination of the credit claimed and assessing additional tax due under section 57-38-38.
9. A partnership, subchapter S corporation, limited partnership, limited liability company, or any other passthrough entity making a contribution to the housing incentive fund under this section is considered to be the taxpayer for purposes of this section, and the amount of the credit allowed must be determined at the passthrough entity level. The amount of the total credit determined at the entity level must be passed through to the partners, shareholders, or members in proportion to their respective interests in the passthrough entity."

Page 12, line 7, replace "The amount" with "Of the \$1,000,000"

Page 12, line 9, after "Laws" insert ", \$700,000"

Page 12, line 10, after the period insert "The department of commerce shall spend these funds for the purposes provided in this section. The department of commerce shall use up to \$300,000 for a grant to a not-for-profit organization assisting individuals with business ideas. The department of commerce shall use any remaining amount for the technology-based entrepreneurship grant program."

Page 12, line 18, replace "for" with "during the biennium beginning July 1, 2013, and ending June 30, 2015. The department of commerce shall spend these funds for the purposes provided in this section. The department of commerce shall award a grant of up to \$100,000 for promotion and marketing of the USS North Dakota. The department of commerce shall award"

Page 12, line 19, replace "and" with ". The department of commerce shall award a direct grant and not a cost reimbursement grant"

Page 12, line 22, remove "during the biennium beginning July 1, 2013, and ending June 30, 2015"

Page 12, line 29, replace "\$1,500,000" with "\$1,000,000"

Page 13, line 1, after "**DAKOTA**" insert "**BIOTECHNOLOGY**"

Page 13, line 3, after "Dakota" insert "biotechnology"

Page 13, line 4, after "Dakota" insert "biotechnology grant"

Page 13, line 5, remove "The department of commerce may use up to"

Page 13, remove lines 6 through 10

Page 13, line 24, after the period insert "The grant program must award direct grants and not cost reimbursement grants."

Page 13, remove lines 26 through 30

Page 14, remove lines 1 and 2

Page 14, line 3, remove "STRATEGIC INVESTMENT AND IMPROVEMENTS FUND -"

Page 14, line 7, remove "strategic investment and"

Page 14, line 8, replace "improvements" with "general"

Page 14, remove lines 29 through 31

Page 15, remove lines 1 through 8

Page 15, after line 15, insert:

**"SECTION 40. LEGISLATIVE MANAGEMENT STUDY - INTELLECTUAL PROPERTY AT RESEARCH UNIVERSITIES.** During the 2013-14 interim, the legislative management shall consider studying the intellectual property policies and procedures at research universities within the state. The study must include consideration of the current and potential income generated through the commercialization of intellectual property. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly."

Page 15, after line 20, insert:

**"SECTION 42. EFFECTIVE DATE - EXPIRATION DATE.** Sections 19 and 20 of this Act are effective for the first two taxable years beginning after December 31, 2012, and are thereafter ineffective."

Page 15, line 21, replace "\$1,500,000" with "\$1,000,000"

Page 15, line 24, replace "26" with "3, 13, 15, 16, 31,"

Page 15, line 24, replace "32" with "35"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

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

	Executive Budget	Senate Version	House Changes	House Version
Dickinson State University				
Total all funds	\$0	\$0	\$9,000,000	\$9,000,000
Less estimated income	0	0	3,000,000	3,000,000
General fund	\$0	\$0	\$6,000,000	\$6,000,000
Housing Finance Agency				
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 Commerce				
Total all funds	\$124,566,065	\$127,327,563	(\$7,983,170)	\$119,344,393
Less estimated income	68,241,034	70,801,179	2,521,434	73,322,613
General fund	\$56,325,031	\$56,526,384	(\$10,504,604)	\$46,021,780
Bill total				
Total all funds	\$124,566,065	\$127,327,563	\$16,016,830	\$143,344,393
Less estimated income	68,241,034	70,801,179	5,521,434	76,322,613
General fund	\$56,325,031	\$56,526,384	\$10,495,396	\$67,021,780

**Senate Bill No. 2018 - Dickinson State University - House Action**

	<b>Executive Budget</b>	<b>Senate Version</b>	<b>House Changes</b>	<b>House Version</b>
Theodore Roosevelt center			\$9,000,000	\$9,000,000
Total all funds	\$0	\$0	\$9,000,000	\$9,000,000
Less estimated income	0	0	3,000,000	3,000,000
General fund	\$0	\$0	\$6,000,000	\$6,000,000
FTE	0.00	0.00	0.00	0.00

**Department No. 239 - Dickinson State University - Detail of House Changes**

	<b>Adds Funding for Theodore Roosevelt Center<sup>1</sup></b>	<b>Total House Changes</b>
Theodore Roosevelt center	\$9,000,000	\$9,000,000
Total all funds	\$9,000,000	\$9,000,000
Less estimated income	3,000,000	3,000,000
General fund	\$6,000,000	\$6,000,000
FTE	0.00	0.00

<sup>1</sup> This amendment adds funding of \$6 million from the general fund and \$3 million from special funds to Dickinson State University for construction of a Theodore Roosevelt Center. The \$6 million of funding from the general fund may not be spent until Dickinson State University raises \$3 million from nonstate sources for the project.

**Senate Bill No. 2018 - Housing Finance Agency - House Action**

	<b>Executive Budget</b>	<b>Senate Version</b>	<b>House Changes</b>	<b>House Version</b>
Housing incentive fund			\$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. 473 - Housing Finance Agency - Detail of House Changes**

	<b>Provides a Transfer to Housing Incentive Fund<sup>1</sup></b>	<b>Total House Changes</b>
Housing incentive fund	\$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 transfer of \$15 million from the general fund to the housing incentive fund.

**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	\$12,396,970	\$12,658,468	(\$473,043)	\$12,185,425
Operating expenses	16,434,601	16,434,601	(1,498,852)	14,935,749
Capital assets	10,000	10,000		10,000
Grants	59,147,950	61,647,950	(5,825,000)	55,822,950
Discretionary funds	928,082	928,082		928,082
Workforce enhancement fund	2,000,000	2,000,000		2,000,000
Economic development initiatives	186,846	186,846		186,846
Flood impact grants and loans	11,782,866	11,782,866	6,576,000	18,358,866
Ag Products Utilization Commission	3,246,536	3,246,536	(6,042)	3,240,494
Research North Dakota	12,000,000	12,000,000	(6,000,000)	6,000,000
North Dakota Trade Office	2,613,400	2,613,400		2,613,400
Partner programs	2,022,044	2,022,044		2,022,044
Federal fiscal stimulus funds	796,770	796,770		796,770
North Dakota planning initiative	1,000,000	1,000,000	(1,000,000)	
Accrued leave payments			243,767	243,767
<b>Total all funds</b>	<b>\$124,566,065</b>	<b>\$127,327,563</b>	<b>(\$7,983,170)</b>	<b>\$119,344,393</b>
<b>Less estimated income</b>	<b>68,241,034</b>	<b>70,801,179</b>	<b>2,521,434</b>	<b>73,322,613</b>
<b>General fund</b>	<b>\$56,325,031</b>	<b>\$56,526,384</b>	<b>(\$10,504,604)</b>	<b>\$46,021,780</b>
FTE	69.25	69.25	0.00	69.25

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

	<b>Adjusts State Employee Compensation and Benefits Package<sup>1</sup></b>	<b>Provides Separate Line Item for Accrued Leave Payments<sup>2</sup></b>	<b>Reduces Funding for the State Data Center<sup>3</sup></b>	<b>Removes Funding for Child Care Facility Grants<sup>4</sup></b>	<b>Changes Funding Source for Unmanned Aircraft System<sup>5</sup></b>	<b>Reduces Funding for Tourism Large Infrastructure Grants<sup>6</sup></b>
Salaries and wages	(\$235,318)	(\$237,725)				
Operating expenses			(98,852)			
Capital assets						
Grants				(5,000,000)		(825,000)
Discretionary funds						
Workforce enhancement fund						
Economic development initiatives						
Flood impact grants and loans						
Ag Products Utilization Commission		(6,042)				
Research North Dakota						
North Dakota Trade Office						
Partner programs						
Federal fiscal stimulus funds						
North Dakota planning initiative						
Accrued leave payments		243,767				
<b>Total all funds</b>	<b>(\$235,318)</b>	<b>\$0</b>	<b>(\$98,852)</b>	<b>(\$5,000,000)</b>	<b>\$0</b>	<b>(\$825,000)</b>
<b>Less estimated income</b>	<b>(54,566)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(4,000,000)</b>	<b>0</b>
<b>General fund</b>	<b>(\$180,752)</b>	<b>\$0</b>	<b>(\$98,852)</b>	<b>(\$5,000,000)</b>	<b>\$4,000,000</b>	<b>(\$825,000)</b>
FTE	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Removes Funding for North Dakota Planning Initiative<sup>7</sup></b>	<b>Removes Funding for UGPTI Transportation Study<sup>8</sup></b>	<b>Reduces Funding for InnovateND Program<sup>9</sup></b>	<b>Reduces Funding for Operation Intern<sup>10</sup></b>	<b>Reduces Funding for Tourism Marketing<sup>11</sup></b>	<b>Adds Funding for Flood Grants and Loans<sup>12</sup></b>
Salaries and wages		(350,000)	(50,000)	(500,000)	(500,000)	
Operating expenses						

Capital assets						
Grants						
Discretionary funds						
Workforce enhancement fund						
Economic development initiatives						
Flood impact grants and loans						6,576,000
Ag Products Utilization Commission						
Research North Dakota						
North Dakota Trade Office						
Partner programs						
Federal fiscal stimulus funds						
North Dakota planning initiative	(1,000,000)					
Accrued leave payments						
Total all funds	(\$1,000,000)	(\$350,000)	(\$50,000)	(\$500,000)	(\$500,000)	\$6,576,000
Less estimated income	0	0	0	0	0	6,576,000
General fund	(\$1,000,000)	(\$350,000)	(\$50,000)	(\$500,000)	(\$500,000)	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	<b>Reduces Funding for Research North Dakota<sup>13</sup></b>	<b>Total House Changes</b>
Salaries and wages		(\$473,043)
Operating expenses		(1,498,852)
Capital assets		
Grants		(5,825,000)
Discretionary funds		
Workforce enhancement fund		
Economic development initiatives		
Flood impact grants and loans		6,576,000
Ag Products Utilization Commission		(6,042)
Research North Dakota	(6,000,000)	(6,000,000)
North Dakota Trade Office		
Partner programs		
Federal fiscal stimulus funds		
North Dakota planning initiative		(1,000,000)
Accrued leave payments		243,767
Total all funds	(\$6,000,000)	(\$7,983,170)
Less estimated income	0	2,521,434
General fund	(\$6,000,000)	(\$10,504,604)
FTE	0.00	0.00

<sup>1</sup> This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market component from 2 to 4 percent per year for employees below the midpoint of their salary range up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

<sup>2</sup> A portion of salaries and wages funding from the general fund (\$187,753) and from other funds (\$56,014) for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

<sup>3</sup> This amendment reduces the funding for the State Data Center by \$98,852, from \$498,852 to \$400,000. The executive recommendation provided \$498,852.

<sup>4</sup> This amendment removes funding of \$5 million from the general fund for child care facility grants. The

executive recommendation provided \$5 million.

<sup>5</sup> The funding source for the \$4 million portion of the unmanned aircraft system grant is changed from the strategic investment and improvements fund to the general fund. The executive recommendation provided the strategic investment and improvements fund as the funding source.

<sup>6</sup> This amendment reduces the funding for tourism large infrastructure grants by \$825,000 to provide a total of \$500,000. The executive recommendation provided \$1,325,000.

<sup>7</sup> This amendment removes funding of \$1 million for the North Dakota planning initiative. The executive recommendation provided \$1 million.

<sup>8</sup> Funding of \$350,000 from the general fund is removed for an Upper Great Plains Transportation Institute study of transportation infrastructure needs. The executive recommendation provided \$350,000.

<sup>9</sup> This amendment reduces funding for the InnovateND program by \$50,000, from \$500,000 to \$450,000. The executive recommendation provided \$500,000.

<sup>10</sup> Funding for the Operation Intern is reduced by \$500,000, from \$1.5 million to \$1 million. The executive recommendation provided \$1.5 million.

<sup>11</sup> This amendment reduces funding for tourism-related marketing by \$500,000, from \$9,184,329 to \$8,684,329. The executive recommendation provided \$9,184,329.

<sup>12</sup> Funding of \$6,576,000 of federal funds is added for flood impact grants and loans to provide a total of \$18,358,866. The executive recommendation provided \$11,782,866.

<sup>13</sup> This amendment reduces funding from the general fund for Research North Dakota by \$6 million, from \$12 million to \$6 million. The executive recommendation provided \$12 million.

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This amendment also:

- Removes a section added by the Senate to create a new loan guarantee program for child care facility loans.
- Removes the transfer of \$200,000 from Bank of North Dakota profits to a child care facility loan guarantee program added by the Senate.
- Adds three new sections to expand the beginning entrepreneur loan guarantee program to include child care facilities.
- Removes a section providing for a child care facility grant program.
- Removes a section added by the Senate to expand the Housing Finance Agency programs to include a child care facility finance program.
- Changes the requirements of the housing incentive fund to allow for financing of child care facilities, to provide grants for child care facilities, to provide grants to child care providers that provide services to children with disabilities, and to limit the fund balance to \$30 million. The Senate provided a maximum fund balance of \$50 million.
- Adds two new sections to provide housing incentive fund tax credits for two years and to limit total tax credits to \$15 million.
- Adds a new section to provide an effective date and an expiration date for housing incentive fund tax credits.
- Adds two new sections to establish an unmanned aircraft systems program administered by the Department of Commerce, to provide for semiannual reports to the Legislative Management, and to create a new continuing appropriation to the Department of Commerce of money in the unmanned aircraft systems program fund.
- Adds a new section to establish a Research North Dakota biotechnology grant program.
- Removes a section to create a Research North Dakota program.

- Removes a section added by the Senate to create a Research North Dakota venture grants program.
- Removes the requirement that up to \$2 million of the funds transferred to the Research North Dakota fund be used for Research North Dakota venture grants.
- Renames the Research North Dakota fund the Research North Dakota biotechnology fund.
- Removes a new continuing appropriation to the agricultural fuel tax fund.
- Removes a section providing a continuing appropriation to the energy conservation grant fund.
- Changes the exemption for the technology-based entrepreneurship grant program to designate that the Department of Commerce use up to \$300,000 for a grant to the Incubator for Developing Entrepreneurial Activity (IDEA) Center in Bismarck.
- Changes the exemption for base retention grants to designate that the Department of Commerce use up to \$100,000 for grants to promote the USS North Dakota.
- Reduces the amount transferred to the internship fund by \$500,000, from \$1.5 million to \$1 million.
- Removes a section providing for an Upper Great Plains Transportation Institute transportation study.
- Adds a new section for a Legislative Management study of intellectual property at research universities.
- Changes the emergency clause section to include the transfer to the housing incentive fund, the requirements for the housing incentive fund, and the continuing appropriation for the unmanned aircraft systems program.