

**Department of Commerce - Budget No. 601**  
**Senate Bill No. 2018**  
**Base Level Funding Changes**

	Senate Version				House Changes to Senate Version			
	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease) - Senate Version			
					FTE Positions	General Fund	Other Funds	Total
<b>2021-23 Biennium Base Level</b>	61.80	\$32,866,721	\$54,123,293	\$86,990,014	0.00	\$0	\$0	\$0
<b>2021-23 Ongoing Funding Changes</b>								
Base payroll changes		(\$49,007)	\$16,577	(\$32,430)				\$0
Salary increase		266,126	56,512	322,638				0
Health insurance increase		2,341	531	2,872				0
Underfunds salaries		(140,000)		(140,000)				0
Transfers 1 FTE IT position to ITD for IT unification	(1.00)	3,525		3,525				0
Transfers the HOME program to the Housing Finance Agency	(2.00)		(8,343,371)	(8,343,371)				0
Adds funding for Microsoft Office 365 license expenses		5,486	1,013	6,499				0
Adjusts funding for the Community Services Division		(216,576)	329,488	112,912				0
Reduces funding for the Workforce Development Division		(199,664)		(199,664)				0
Reduces funding for the Economic Development and Finance Division		(195,000)		(195,000)				0
Reduces funding for the administration division		(396,990)	(3,283)	(400,273)				0
Reduces funding for the Operation Intern program		(100,000)		(100,000)				0
Adds funding for the UAS program		3,000,000	7,020,150	10,020,150				0
Transfers \$505,000 for contractual fees from grants to operating expenses				0				0
Transfers \$151,284 for the early childhood education program from operating to grants				0				0
Removes funding for the biotechnology grant program		(300,000)		(300,000)				0
Reduces funding for homeless shelter grants		(169,788)		(169,788)				0
Adds funding for rural health care grants		200,000		200,000				0
Adds funding for a state apprenticeship expansion program			347,157	347,157				0
Reduces funding for discretionary funds		(600,000)		(600,000)				0
Transfers funding for the North Dakota Trade Office to the Agriculture Commissioner		(1,600,000)		(1,600,000)				0
<b>Total ongoing funding changes</b>	<b>(3.00)</b>	<b>(\$489,547)</b>	<b>(\$575,226)</b>	<b>(\$1,064,773)</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>One-time funding items</b>								
Adds funding for tourism marketing		\$7,000,000		\$7,000,000				\$0
Adds funding for UAS program grants			\$1,000,000	1,000,000				0
Adds funding for the beyond visual line of sight UAS program		1,000,000	19,000,000	20,000,000				0
Adds funding for enhanced use lease grants			7,000,000	7,000,000				0
Adds funding for technical skills training grants		1,000,000		1,000,000				0
Adds funding for workforce grants to tribally controlled community colleges		500,000		500,000				0
<b>Total one-time funding changes</b>	<b>0.00</b>	<b>\$9,500,000</b>	<b>\$27,000,000</b>	<b>\$36,500,000</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Changes to Base Level Funding</b>	<b>(3.00)</b>	<b>\$9,010,453</b>	<b>\$26,424,774</b>	<b>\$35,435,227</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**2021-23 Total Funding**

58.80	\$41,877,174	\$80,548,067	\$122,425,241	0.00	\$0	\$0	\$0
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*Total ongoing changes as a percentage of base level*  
*Total changes as a percentage of base level*

(4.9%)	(1.5%)	(1.1%)	(1.2%)
(4.9%)	27.4%	48.8%	40.7%

**Other Sections in Department of Commerce - Budget No. 601**

**Senate Version**

Appropriation - Department of Transportation - Beyond visual line of sight unmanned aircraft system program - One-time funding

Section 3 appropriates \$28 million to the Department of Transportation from grant funds received from the Department of Commerce pursuant to Section 11 for the purpose of defraying tower infrastructure construction expenses of the beyond visual line of sight UAS program during the 2021-23 biennium. The Department of Transportation may bid, award, and administer any contracts necessary to complete the construction of the tower infrastructure. This funding is considered a one-time funding item.

Internship fund transfer

Section 4 transfers \$755,000 from the general fund to the internship fund in the operating expenses line item for the Operation Intern program.

Entrepreneurship grants and vouchers program

Section 5 identifies \$948,467 included in Section 1, of which \$740,956 is from the general fund and \$207,511 is from the economic development fund for the entrepreneurship grants and vouchers program, also known as Innovate ND, for the 2021-23 biennium.

Estimated income - Strategic investment and improvements fund - Beyond visual line of sight UAS program - Enhanced use lease grants program

Section 6 identifies \$26 million from the strategic investment and improvements fund in Section 1, of which \$19 million is for providing beyond visual light of sight UAS grants and \$7 million is for providing enhanced use lease grants during the 2021-23 biennium. This funding is considered a one-time funding item.

Beyond visual line of sight UAS program - Matching fund requirement - One-time funding

Section 7 identifies \$1million from the general fund in Section 1 is for providing grants to an organization dedicated to expanding workforce opportunities, training, and education related to the beyond visual line of sight UAS industry, which the Department of Commerce may provide only to the extent the organization provides \$1 of matching funds from private or other public sources for each \$1 provided by the department during the 2021-23 biennium. This funding is considered a one-time funding item.

**Other Sections in Department of Commerce - Budget No. 601**

**Senate Version**

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North Dakota Trade Office - Advisory board - Continuing appropriation

Section 8 creates a new section to Chapter 4.1-01 to transfer the international business and trade office, also known as the North Dakota Trade Office, from the Department of Commerce to the Agriculture Commissioner.

UAS-related programs continuing appropriation

Section 9 amends Section 54-60-29 to expand the continuing appropriation provided to the Department of Commerce from the UAS fund for expenses of the UAS program to also include expenses of the beyond visual line of sight UAS program and the enhanced use lease grant program.

North Dakota Trade Office - Repeal

Section 10 repeals Section 54-60-16 related to the international business and trade office, also known as the North Dakota Trade Office, as part of the transfer of the program from the Department of Commerce to the Agriculture Commissioner.

Exemption - Beyond visual line of sight UAS program

Section 11 provides an exemption for unexpended 2017-19 biennium funds continued into the 2019-21 biennium for the beyond visual line of sight UAS program to continue into the 2021-23 biennium. The 2019 Legislative Assembly provided a \$28 million supplemental appropriation from the general fund for this purpose for the 2017-19 biennium. The Department of Commerce may provide grants of up to \$28 million to the Department of Transportation, pursuant to the appropriation in Section 3, for the purpose of defraying tower infrastructure construction expenses of the beyond visual line of sight UAS program during the 2021-23 biennium.

Exemption - UAS program

Section 12 provides an exemption for the UAS program to continue any unexpended 2019-21 biennium funds for the operating expenses of this program into the 2021-23 biennium. A total of \$2.25 million was appropriated from the general fund to the department for this purpose for the 2019-21 biennium.

Exemption - Enhanced use lease grant program

Section 13 provides an exemption for the enhanced use lease grant program to continue any unexpended 2019-21 biennium funds for the program into the 2021-23 biennium. A total of \$3 million was appropriated from the general fund to the department for this purpose for the 2019-21 biennium.

**Other Sections in Department of Commerce - Budget No. 601**

Exemption - Early childhood education program

Exemption - Nonresident nurse employment recruitment program

Exemption - Discretionary funds

**Senate Version**

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Section 14 provides an exemption to continue unexpended 2019-21 biennium funds for the early childhood education program into the 2021-23 biennium. A total of \$1.5 million was appropriated from the general fund to the department for this purpose for the 2019-21 biennium.

Section 15 provides an exemption to continue \$320,000 of the \$500,000 appropriated from the general fund for the nonresident nurse employment recruitment program for the 2019-21 biennium into the 2021-23 biennium. In addition to the program eligibility guidelines established for the 2019-21 biennium, the Department of Commerce is required to provide funding for the program to eligible nursing students in the state who have not been employed by a health care provider on a full-time basis in the year preceding the grant award.

Section 16 provides an exemption for discretionary funds to continue any unexpended 2019-21 biennium funds in the discretionary funds line item into the 2021-23 biennium. A total of \$2.15 million was appropriated from the general fund to the department for this purpose for the 2019-21 biennium.