

HB 1018

Description	Commerce Ask	House Approved	House Adjustments (+ or -)	Additions not requested
Base payroll changes	727,512	727,512	0	
Cost to continue salary increase	100,495	100,495	0	
Salary increase	1,021,284	751,106	(270,178)	
Health insurance	303,792	305,518	1,726	
Salary equity increases	100,000	0	(100,000)	
Underfunded salaries	140,000	140,000	0	
Funds for temporary salaries	591,000	591,000	0	
Global Engagement Office - includes 1 FTE	619,404	619,404	0	
Travel	490,534	490,534	0	
Operating expenses, primarily professional development, services, and fees	1,004,666	1,004,666	0	
Discretionary funds- includes \$150,000 for state magazine support		350,000		350,000

Description	Commerce Ask	House Approved	House Adjustments (+ or -)	Additions not requested
FTE position for the Main Street Initiative community development program	226,922	0	(226,922)	
Weatherization and furnace cooling assistance programs	2,085,834	2,085,834	0	
Rural Health Care Grant Program	250,000	444,000	194,000	
Homeless Shelter Program to HFA	1,330,212	1,330,212	0	
Emergency Shelter Grant Program to HFA	1,387,341	1,387,341	0	
Rural workforce housing grant program	5,500,000	7,000,000	1,500,000	
Main Street Initiative community development grants	800,000	400,000	(400,000)	
Rural revitalization and redevelopment grants	10,000,000	0	(10,000,000)	
Energy conservation grant program	14,081,719	14,081,719	0	
Heating and cooling grant program	1,172,250	1,172,250	0	
BVLOS UAS grant program	30,000,000	30,000,000	0	
Enhanced use lease grant program	7,000,000	28,000,000	21,000,000	

Description	Commerce Ask	House Approved	House Adjustments (+ or -)	Additions not requested
Automation workforce equipment grants (Automation grant)	10,000,000	5,000,000	(5,000,000)	
Office of Automation - includes 1 FTE	1,000,000	1,000,000	0	
Transfer from OMB: Legacy Investment fund for technology	20,000,000	20,000,000	0	
Transfer from OMB: SIIF - North Dakota Development Fund	30,000,000	30,000,000	0	
Transfer from OMB: SIIF - Fertilizer development program		120,000,000		120,000,000
Tourism awareness marketing	5,000,000	5,000,000	0	
Tourism destination development initiative	50,000,000	25,000,000	(25,000,000)	
Parks and recreation administered - EDA tourism grant	1,550,000	1,550,000	0	
FTE position for the workforce talent attraction initiative	202,940	202,940	0	
FTE position for the workforce investment grant program	202,940	202,940	0	
Workforce talent attraction initiative operating expenses	24,797,060	8,000,000	(16,797,060)	
Workforce investment program grants	20,000,000	15,000,000	(5,000,000)	

Description	Commerce Ask	House Approved	House Adjustments (+ or -)	Additions not requested
Automation workforce transition training grants	5,000,000	5,000,000	0	
Technical skills training grants	2,000,000	2,000,000	0	
AmeriCorps volunteer generation fund grant program	878,571	0	(878,571)	
AmeriCorps workforce community services program	785,000	785,000	0	
Workforce safety grant		1,500,000		1,500,000
New Americans workforce development and training grants		2,000,000		2,000,000
Workforce grants to tribally controlled community colleges		5,000,000		5,000,000
Transfer from OMB: Operation Intern	1,000,000	1,006,896	6,896	

Administration
Community Services
Economic Development & Finance
Tourism & Marketing
Workforce Development

House Bill 1018

1) Commerce Ask and House Approved

- a) Base payroll changes
- b) Health Insurance
- c) Underfunded Salaries
- d) Funds for Temp Salaries
- e) Travel
- f) Operating expenses, primarily professional development, services, and fees
- g) Weatherization and heating / cooling assistance programs
- h) Automation workforce transition training grants
- i) Technical skills training grants
- j) Tourism awareness marketing
- k) BVLOS UAS grant program

Approved previously at Emergency Commission meetings in the 21-23 biennium added as an appropriation to the Commerce budget for the 23-25 biennium

- l) AmeriCorps Workforce Community Services program: \$785,000 (Federal)
- m) Parks and Recreation grant program: \$1.55 Million (Federal)
- n) Energy Conservation grant program: \$14,081,719 (Federal)
- o) Heating and Cooling grant program: \$1,172,250 (Federal)

Transfers

Transfer - General fund to internship fund (Operation Intern)

Transfer - Legacy earnings fund to Legacy Investment Fund for technology

Transfer - SIF to North Dakota Development Fund

House removed/changed

- p) Salary Increase: 6%/4% --- **House Approved (4%/4%)**
- q) FTE: 5 --- **House Approved (4)**
 - i) 4 House Approved
 - (1) Workforce talent attraction initiative
 - (2) Workforce investment grant program
 - (3) Office of Automation
 - (4) Global Engagement Office
 - ii) **1 house removed**
 - (1) Main Street Initiative Community Development program
- r) Equity: \$100,000 – **House removed all**
- s) Rural workforce housing grant program: \$5.5 Million / Combined the rural revitalization and redevelopment grants \$10 million = \$15.5 Million --- **House approved (\$7 million)**
- t) Workforce talent attraction initiative operating expenses \$ 24,797,060 --- **House approved (\$8 million)**

- u) Workforce investment program grants: \$20 Million --- House approved (\$15 million)
- v) Tourism destination development initiative: \$50 Million --- House approved (\$25 million)
- w) Main Street Initiative community development grants: \$800,000 --- House approved (\$400,000)
- x) Enhanced use lease grant program: \$7 Million --- House approved (\$28 Million)
- y) Transfer - SIF to North Dakota Development Fund - Fertilizer development program --- House approved (\$120 Million)

2) Additional Request after Crossover

- a) FTE – Requesting 3 additional (DCS)

3) House Additions to Budget (not requested by Commerce)

- a) Rural health care grant program: \$194,000
- b) New American workforce development and training grants: \$2 Million
- c) Workforce grants to tribally controlled community colleges: \$5 Million
- d) Workforce safety grant: \$1.5 Million
- e) Discretionary funds: \$350,000
- f) State magazine (ND Horizons) support from discretionary: \$150,000

4) Standalone Bills with Financial Impact to Commerce (affect/coming)

- a) Office of immigration SB2142 - \$242,500
- b) Base retention grants SB2240 - \$1,900,000
- c) Rural grocery grants SB2273N- \$2,000,000

1. Cite the North Dakota Century Code chapter(s) associated with the agency and list its major statutory responsibilities.

1. Chapter 54-60: ND Department of Commerce
2. Chapter 54-34.3: Economic Development - The Department of Commerce Division of Economic Development and Finance is established to assume the functions, powers, and duties of the department of economic development and finance with respect to programs and other efforts intended to enhance the economic development of the state. The mission of the division is to develop strategies and programs to:
 1. Facilitate the growth, diversification, and expansion of existing enterprises and the attraction and creation of new wealth-generating enterprises in the state;
 2. Promote economic diversification and innovation within the basic industries and economic sectors of this state, including strategies and programs designed to specialize and focus the state's economy on identified target industries;
 3. Promote increased productivity and value-added products, processes, and services in the state, and the export of those goods and services by North Dakota enterprises to the nation and to the world;
 4. Maintain and revitalize economically depressed rural areas by working in close collaboration with local communities and by encouraging communities to enter into cooperative relationships for more efficient and effective education, health care, government service, and infrastructure maintenance;
 5. Forge a supportive partnership with the Bank of North Dakota, the board of higher education and the state's institutions of higher education, regional planning councils, local development organizations and authorities, the state's nonprofit development corporations, and other appropriate private and public sector organizations in achieving the economic goals of the state; and
 6. Identify those statutes, administrative rules, and policies that impede the attraction, creation, and expansion of businesses and job creation in this state.
3. Chapter 54-34.4: Division of Tourism- The division of tourism is established to foster and promote tourism to, and within, the state and the full development of the state's tourism resources and to serve as a planning and coordinating agency for tourism-related programs of the state and the state's tourism partners. The director shall supervise and control the division of tourism.
4. Chapter 54-44.5: Division of Community Services - The division of community services is established in the department to provide technical assistance to local governments, state agencies, and the executive branch in the area of community and rural planning and development, policy research and development, and grant program implementation
5. Chapter 54-60-09. Division of Workforce Development - The division of workforce development shall:
 1. Actively monitor local, regional, and national private and public workforce development initiatives.
 2. Develop and implement the state's talent strategy.
 3. Develop and implement a statewide intelligence coordination strategy.

2. Explain the purpose of the agency's various divisions/programs - Attach organizational chart.

1. **Commerce Mission:** The North Dakota Department of Commerce works to improve the quality of life for North Dakota citizens by leading efforts to attract, retain and expand wealth. Commerce serves businesses and communities statewide through committed people and partners who offer valuable programs and dynamic services.
Commerce assists our citizens to live, work, do business and play in North Dakota.

2. **Community Services** was established to provide technical assistance to local governments and state agencies in the areas of community and rural planning and development, policy research and development, and grant program implementation.
We provide the people of North Dakota with effective, efficient, and customer-oriented administration of federal and state programs for:

(1) Community Development	(3) Housing
(2) Energy Efficiency	(4) Self Sufficiency
3. **Economic Development & Finance** is charged with coordinating the state's economic development resources to attract, retain and expand wealth.
Strategic economic development is important to communities across North Dakota. This proactive work to support economic diversification, community building and workforce development keeps North Dakota growing.
Business incentives, government accessibility, and workforce performance, combined with North Dakota's favorable position as one of the lowest cost states for operating a business, are driving top companies to establish operations in North Dakota.
4. **Tourism & Marketing Mission:** We build the positive public image of North Dakota as a dynamic place to live and work. By showcasing opportunities and inspiring visitors to Be Legendary, we strengthen the economy and provide opportunity for people across our communities.
5. The North Dakota Department of Commerce **Workforce Development Division** partners with other state agencies and public sector industry to deliver specialized programs and services to assist in enhancing the workforce of North Dakota. It monitors and delivers workforce strategies for North Dakota such as:
 - (1) Ensuring employers have access to a skilled talent pool.
 - (2) Growing opportunities for youth in careers and civic engagement.
 - (3) Expanding volunteerism.

3. Report any audit findings included in the most recent audit of your department or institution and action taken to address each finding.

- **Commerce LIHEAP Finding – lack of subrecipient risk assessments.**
 - Finding relates to the global pandemic.
 - Corrective action plan has been completed as of December 31, 2022.
- **Statewide Coronavirus Relief Fund (CRF) Total of Three Findings**
 - Eight duplicate grant payments totaling \$174,422.48 out of \$82,387,566 (6,139 payments).
 - One beneficiary did not provide support for applicable COVID-19 expenditures. Beneficiary has been turned over the ND Attorney General's Office.
 - Capital Improvement Project Finding as it relates to Legislative Intent.

4. Discuss current biennium accomplishments and challenges and next biennium goals and plans.

Community Services

Community Development Block Grant (CDBG)

- Provide grants to local governments with public facilities, economic development, housing and public services. Primary beneficiaries must be low to moderate income.
 - 2020 Award from HUD \$3,961,967
 - 2021 Award from HUD \$4,023,769
- CDBG CARES Funding - DCS received an additional \$6.1M

Community Services Block Grant (CSGB)

- Locally designed to promote self-sufficiency, family stability and community revitalization.

- Impacted 35,246 low-income individuals
 - 13,000 children; 5,605 persons with disabilities; 5,379 people who lacked health insurance

CSGB CARES Funding - DCS received additional \$4,209,178.50

- Community Action Agencies assisted 4,984 low-income clients in 2020 and 2021

Weatherization/LIHEAP

- Goals are to increase energy efficiency in homes for low-income persons across the state
 - 1,200 homes have been weatherized since January 1, 2020, including 623 families with children.
 - Weatherization program shows an ROI of \$2.78 in non-energy benefits for every \$1 invested in the program.

ESG and NDHG

- Provide financial assistance to facilities and programs across the state.
 - 10,471 persons served by Homeless grants
 - CARES ESG - An additional \$5,142,580 was received and distributed to provide support to the ESG grant.

State Energy

- Promoting energy conservation and efficiency with a variety of grant resources including energy education, installation of energy efficient features and new and expanding energy technology.
 - \$1.34M in project funding to 42 projects across the state

Main Street Initiative

- 99 communities engaged through the Main Street program
- Partners in Planning Grants
 - 20 communities in the amounts of \$169,587.
 - ROI 25:1 - The total state and local investment for these grants totaled over \$10M
- Vibrancy Grants
 - 59 grants totaling \$73,528
 - ROI 10:1
- Youth involvement
 - Launching leadership, youth participation in community meetings, active engagement in tribal areas
- EDA funded six communities with \$506,000 in Placemaking grants

Goals:

MSI Statewide Targeted Outcomes

- Population gain
- Workforce attraction and retention
- Increased understanding regarding effective zoning regulation
- Awareness of taxpayer burden due to development decisions and impacts
- Increased value per acre of development
- Involvement of youth in discussions around community evolution
- Enhanced community culture
- Funding program criteria changes across state funding programs and potentially federal.

MSI Community Action Targeted Outcomes

- Zoning and ordinance reform
- Infill development (housing, multi-use, recreation, density) using existing infrastructure
- Blight reduction
- Residential housing inventory study and growth

- Effective use of planning- strategic, comprehensive, land use
- Policy changes
- Reduced property taxes without reducing revenues

Targeted Outcomes by Main Street Pillar

Pillar 1: Smart, Efficient infrastructure

- Increase infill development and mixed use
- Transportation design, including but not limited to traffic calming, streetscape, street width
- Potential policy changes to Renaissance Zone, ETZ, Special assessments
- Encouragement of programs through North Dakota state agencies to incentivize infill versus greenfield development, including but not limited to:
 - BND
 - NDHFA
 - NDDOT
 - ND Department of Water Resources
 - ND Parks and Recreation Department
- Engage subject matter experts, i.e., developers, Rural Development Council, Economic Development Foundation, and NDSU Extension Service to determine what programming and policy changes would encourage rural development.
- **Outcome: property tax reduction**

Pillar 2: 21st Century Workforce (Commerce Workforce, CTE, Higher Ed, K-12, Workforce Development Council, ND Job Service)

- Increase quantity of employable residents
- Minimize skill and education gaps
- Educate incoming workforce on high need jobs
- Reskilling for future workforce needs
- **Outcome: Skillset and workforce expansion**

Pillar 3: Healthy, Vibrant Communities

- Zoning updates
- Blight reduction
- Renovation of historical buildings
- Walkability improvements
- Community amenities
- **Outcome: increase in community offerings resulting designed for workforce attraction**

Pillar 4: Economic Diversification

- Diversifying the economy- sustainability
 - Raw commodities to value added
 - Expand our leading industries, ag and energy
 - Enhance entrepreneurial ecosystems
 - Increase businesses on Main Street
 - GDP per capita highest in the country
- **Outcome: GDP per capita**

Additional FTE support grant research for rural communities; coordination of state and federal programs with local communities; develop partnerships and training with state, federal and nonprofit organizations that provide funding; create and expand educational work including bringing together best practices and pilot programs.

Economic Development & Finance

- Gas to liquids project
- Sustainable plastics project
- Soy processing plants X 4
- Grand Farm
- Grand Sky
- Nickel processing facility
- Produced water processing
- Growing portfolio
- Local resistance to development
- Misinformation on projects
- Incentive values
- Compensation

Goals:

- Carbon capture, sequestration and use projects
- Develop several hubs (parks)
- Establish fertilizer producer
- Develop natural gas pipeline to east
- Support hydrogen hub
- Continue to bring in various projects seeking more business-friendly environment
- Support the existing incentives and help mature the portfolio of incentives to match the current project load
- UAS/Autonomy
- Energy & Economic Coordination Office

Tourism and Marketing

Find the Good Life

- Updated logo, website and targeting
- Campaign drives interested relocators into pipeline
 - \$438,000 resulted in 11M impressions, 55,000 visitors and 5,150 conversions
 - Synergies between tourism, talent attraction and economic development

Tourism business development

- Focus on recruiting and attracting new tourism businesses and offerings

Goals:

Marketing to address – Lack of Awareness for North Dakota

- \$5M (one-time) addition to tourism marketing
- \$12-\$15M – Find the Good Life marketing
- Break-through creative
- Synergy between tourism and workforce
 - 76% of new residents visited North Dakota prior to moving
 - Cross-sell to both audiences
 - Using best from 2022, to grow conversions and visitation
 - Potential new channels and longer campaigns

Destination Development

- Dedicated staff person and plan
- Value-added recreation and tourism
- Destination development fund - \$50M
 - Encourage non-state investments (1:1 match) in new and expanded attractions
 - New visitors, revenue, new residents, quality of life
 - Destination Development Council – goal legacy projects

Workforce Development

Regional Workforce Impact Program

Accomplishments

- Awarded 58 projects to date
- Areas of focus: infrastructure investments, talent attraction, affordable housing, career exploration, career and technical education, workforce training, and child care.
- Supported expansion of 33 child care facilities; 1,590 new slots statewide

Challenges

- Limitations within federal funding source
- Modifying program during application window to accommodate applicant concerns
- Timeline to review and approve applications took longer than expected due to gaps and ineligibilities in proposals
- Program end date is causing concern for recipients

Technical Skills Training Grant

Accomplishments

- Expanded program to include incumbent worker training
- 20 programs supported this biennium
- Examples: welding, CNA, CDL, software development and cyber security, UAS, and more.
- Training providers include businesses, community colleges, area career and technology centers

Workforce Innovation Grant

Accomplishments

- Working to identify most innovative opportunities within ARPA guidelines

Challenges

- Administrative burden and challenges with RWIP caused Workforce Innovation Grant to stall
- Initial vision for grant is not allowable under ARPA guidelines
- Challenges in hiring a temporary employee to administer ARPA grant programs

Operation Intern

Accomplishments

- 148 businesses
- 470 interns

Challenges

- Demand was higher than available funding
- \$824,358

AMERICORPS

Accomplishments

- Increased number of projects; now at six
- Recruited 150+ AmeriCorps members
- 62 service locations

Find the Good Like in ND

Accomplishments

- Have 1,446 leads in the pipeline in six months
 - 28% to move immediately
 - 66% to move within 0-6 months
 - 77% new to ND
 - 12 relocated participants
 - 433 resumes
- Built a network of 75 community champions to assist job seekers
 - 433 leads connected to champions

Challenges

- Establishing direct connections between job seekers and employers

Goals:

- Build on FTGL to expedite conversion timeline and increase number of job seekers/families who relocate to ND
- Create more flexibility and opportunities for innovation in RWIP
- Lean into skilled workforce training and be more proactive in pursuing new programs

5. Compare the agency's first chamber totals, including full-time equivalent (FTE) positions, for the next biennium compared to the current biennium.

1. Current: 58.8 FTEs – Fully Funded with Benefits
2. 2023-2025: 63.8 FTEs – Fully Funded with Benefits – **House Approved 4: 62.8 FTEs**
 - (1) Request:
 - (a) Workforce Division (2 FTEs)
 - (b) Office of Automation (1 FTE)
 - (c) Community Services (4 FTE) - 3 FTEs are being asked for in an amendment – fully funded by federal dollars.
 - (d) Global Engagement (1 FTE)
3. Now requesting 2023-2025: 66.8 FTEs

6. Explain the funding included in each program/line item either in total or by division depending on the size of the agency:

1. Amounts included in the base budget and their purpose and use

Object/Revenue	2023-25 Total Budget Recommended
Description	
Administration	5,725,555
Tourism & Marketing	67,951,539
Workforce Development	69,136,507
Economic Development & Finance	65,968,256

Community Services	53,591,145
TOTAL BY APPROPRIATIONS ORGS	\$ 262,373,002
Salaries and Wages	17,229,540
Operating Expenses	50,275,941
Grants	188,120,689
COVID-19 Response	2,085,834
Discretionary Funds	2,150,000
Uncrewed Aircraft System	-
ND Trade Office	-
Partner Programs	1,562,531
Entrepreneurship Grants	948,467
CARES Act Funding - 2020	-
TOTAL BY OBJECT SERIES	\$ 262,373,002
General	119,274,111
Federal	46,555,556
Special	96,543,335
TOTAL BY FUNDS	\$ 262,373,002
TOTAL AUTHORIZED EMPLOYEES	63.80

Object/Revenue	2021-23 Biennium Appropriations	2023-25 Total Budget Recommended
Description		
Administration	6,112,340	5,725,555
Tourism & Marketing	24,222,308	67,951,539
Workforce Development	8,351,003	69,136,507
Economic Development & Finance	104,946,354	65,968,256
Community Services	42,814,122	53,591,145
TOTAL BY APPROPRIATIONS ORGS	\$ 186,446,127	\$ 262,373,002
Salaries and Wages	12,835,431	17,229,540
Operating Expenses	23,883,192	50,275,941
Grants	87,832,330	188,120,689
COVID-19 Response	56,234,176	2,085,834
Discretionary Funds	3,150,000	2,150,000
Uncrewed Aircraft System	-	-
ND Trade Office	-	-
Partner Programs	1,562,531	1,562,531
Entrepreneurship Grants	948,467	948,467
CARES Act Funding - 2020	-	-
TOTAL BY OBJECT SERIES	\$ 186,446,127	\$ 262,373,002
General	34,667,572	119,274,111
Federal	112,320,270	46,555,556
Special	39,458,285	96,543,335

TOTAL BY FUNDS	\$ 186,446,127	\$ 262,373,002
TOTAL AUTHORIZED EMPLOYEES	58.80	63.80

2. Amounts included in the first chamber budget and justification for the change from the base budget. Discuss changes relating to:
 - a. Salary Increase: 6%/4% --- House Approved (4%/4%)
 - b. FTE: 5 --- House Approved (4)
 - i. 4 House Approved
 1. Workforce talent attraction initiative
 2. Workforce investment grant program
 3. Office of Automation
 4. Global Engagement Office
 - ii. 1 House Removed
 1. Main Street Initiative community development program
 - c. Equity: \$100,000 – House removed all
 - d. Rural workforce housing grant program: \$5.5 million / Combined the rural revitalization and redevelopment grants \$10 million = \$15.5 million --- House approved (\$7 million)
 - e. Workforce talent attraction initiative operating expenses \$ 24,797,060 --- House approved (\$8 million)
 - f. Workforce investment program grants: \$20 million --- House approved (\$15 million)
 - g. Tourism destination development initiative: \$50 million --- House approved (\$25 million)
 - h. Main Street Initiative community development grants: \$800 thousand --- House approved (\$400 thousand)
 - i. Enhanced use lease grant program: \$7 Million --- House approved (\$28 million)

7. Discuss the purpose and use of any one-time funding items for the current biennium.

- Beyond Visual Line of Sight Unmanned Aircraft System Enhanced Use Lease Grant: \$19 million was appropriated from the Strategic Investment and Improvements fund for Beyond Visual Line of Sight unmanned aircraft system grants.
- COVID-19 Response – State Small Business Credit Initiative: \$56 million of federal funding authority was appropriated in HB 1395 for purposes of funding state small business investment programs.
- Discretionary Funds - Tourism Planning Grants: \$1 million supported five Tourism Planning Grants to support tourism development.
- Job Development and Economic Growth Grant: \$1.5 million of specialized investment funds to the Cavalier County Job Development Authority, \$900,000 to the Frost Fire Park, and \$600,000 for the redevelopment of the Stanley Mickelson Safeguard Complex (SRMSC) at Nekoma (purchased by Bitzero). At the SRMSC site they removed asbestos \$386,336.30, performed electrical upgrades \$52,738.29, did ice blasting \$48,717.76, detailed plat prepared \$28,455.25 and created a concept building design & hazardous material specifications \$71,140.42.

- Motion Picture Production and Recruitment Grant: \$100,000 has been expended
- Technical Skills Training Grant: \$1 million to support the launch and expansion of accelerated skilled workforce training programs. This program requires a 1:1 match.
- Tourism Marketing: \$6,565,432 of Cares Act dollars utilized to support tourism marketing (expanded campaign to shoulder season, new test markets, new partnerships with media, improved website)
- Tourism Transportation Improvement Grant: \$1 million grant made up of \$565,432 of general funds and \$434,568 of Coronavirus Relief Funds to an organization dedicated to preserving and promoting a historic tourism destination in a ND city for the purpose of offsetting the costs for tourism transportation improvement related costs. The Theodore Roosevelt Medora Foundation (TRMF) was only response to the RFP. The TRMF used the funds to build a high-capacity elevator and improve existing escalators. See slide for additional funding.
- Travel Agency and Tour Operator Emergency Resiliency Grants: \$1.4 million of \$2 million awarded to 24 applicants.
- Event Center Emergency Resiliency Grants: \$2 million awarded to 28 applicants
- Uncrewed Aircraft Systems Grant: \$1 million grant was awarded to TrainND NW for the purpose of expanding workforce opportunities, training and education related to the beyond visual line of sight aircraft system industry.
- Workforce Grants to Tribally Controlled Community Colleges - \$500,000 allows for the development and enhancement of programs in high demand occupations. This was awarded to Turtle Mountain Community College.
- Workforce Safety Grant: This \$1.5 million grant was provided to the ND Safety Council The grant was used to prevent injuries and save lives by supporting community and workplace safety training and advocacy throughout North Dakota primarily through four focus areas: 1. Workforce Safety 2. Community Safety 3. Driver Safety 4. First Aid/Emergency Response.

8. Identify and justify the need for any one-time funding included or being requested.

1. 2023-25 Biennium (Executive Budget Recommendation)
 - Rural workforce housing grant program \$5,500,000
 - Workforce talent attraction initiative \$24,797,060
 - Workforce investment program grants \$20,000,000
 - Automation workforce transition training grants \$5,000,000
 - Automation grants \$10,000,000
 - Technical skills training grants \$2,000,000
 - Tourism awareness marketing \$5,000,000
 - Main Street Initiative community development grants \$800,000
 - Rural revitalization and redevelopment \$10,000,000

9. Discuss agency collections that are deposited in the general fund or a special fund, and any anticipated changes from 2021 legislative session estimates during the 2021-23 biennium and estimated changes for the 2023-25 biennium. – N/A

10. Discuss the need for any other sections that are included or are requested to be included in the agency appropriation bill.

We are requesting an amendment to accept and administer \$15,131,495 funding along with the ability to hire two full-time employees to support both the fiscal and program administration. The federal government provides 100% of funding for projects and employees. We would like to have this funding on its own line item called Infrastructure Investment and Jobs Act (IIJA) Weatherization. The amendment request is:

- To accept and administer \$15,131,495 funding for the weatherization program
- 2 FTE's for fiscal and program administration

We are asking for an amendment to accept and administer up to \$120 million of funding along with the authority to hire one full-time employee to support the coordination and grant distribution of these dollars. The amount requested is higher than our known dollars as several states have indicated they will be turning back their dollars which will result in larger projected funds for the states which have plans for using the funds. The regular allocation requires a 20% match from state and local, but the additional federal funds allocated under the IIJA will not require a match or state funds.

The amendment request is:

- \$20 million IIJA SEP
- \$90 million IRA SEP rebate program
- 1 FTE

11. Discuss any other bills being considered by the Legislative Assembly and their potential budgetary impact on the agency.

- Office of immigration SB2142 - \$242,500
- Base retention grants SB2240 - \$1,900,000
- Rural grocery grants SB2273 - \$2,000,000
- Workforce development and enrichment fund HB1379 - \$10,000,000

12. Provide a one-page itemized listing of the changes your agency is requesting the committee to make to the budget as approved by the first chamber.

We would like our request restored to the Governor's executive budget recommendations.

13. Identify the purpose and amount of federal state fiscal recovery funding appropriated to your agency during the November 2021 special legislative session, the amount of funds spent to date, the timeline for obligating and spending the remaining funds, and any amounts that will not be obligated by December 2024.

Below is a summary of the state fiscal recovery funding appropriated to our agency; with the expenditures to date as of January 2023. All appropriated federal funding to our agency will be obligated and/or spent by December 2024.

	SB 2345	Amount	January 2023
ND Development Fund Autonomous Agriculture Matching Grants	Section 35	\$5,000,000.00	Transfer Completed
Workforce Development Incentive Grant Program	Section 37	\$10,000,000.00	\$279,697.25
Technical Skills Training Grant Program	Section 38	\$15,000,000.00	\$2,196,692.71
	Section 39	\$5,000,000.00	\$233,800.82
HB 1506			
Workforce Community Services Program	Section 19 (60163)	\$1,074,888.00	
Community Development Planning Grant Program	Section 20 (60164)	\$1,000,000.00	\$163,773.95
Workforce Innovation Network Grant Program	Section 21 (60167)	\$100,000.00	\$41,257.49

14. Identify the amount of federal funding available to your agency for the 2023-25 biennium, the purpose of the funding, federal deadlines for spending the funds, and your agency's plan for spending the funds.

The below information was provided to legislative council in a September information request.

Program Name/Description	Estimated Federal Funds to be Received
Community Development Block Grant/State's Program	\$8,200,000
Emergency Shelter Grants Program	\$1,000,000
Shelter Plus Care (Special Needs Assistance)	\$500,000
State Energy Program	\$881,360
Weatherization Assistance for Low-Income Persons	\$6,000,000
LIHEAP	\$10,000,000
Community Services Block Grant	\$7,000,000
SHOPP	\$5,000
State Commission	\$269,135
AmeriCorps	\$2,000,000
Commission Investment Fund (CIF)	\$250,000
Apprenticeship Grants	\$347,160
National Aeronautics and Space Administration	\$10,000,000
Total	\$54,018,402.50