

FIRST ENGROSSMENT**ENGROSSED SENATE BILL NO. 2018**

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 commerce; to create and enact a new section to chapter 54-60 of the North Dakota Century
3 Code, relating to department of commerce grant reporting requirements; to amend and reenact
4 section 54-60-31 of the North Dakota Century Code, relating to changing the name of the office
5 of legal immigration to the office of global talent; to provide for a transfer; to provide an
6 exemption; and to provide for a legislative management report.

7 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

8 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
9 as may be necessary, are appropriated out of any moneys in the general fund in the state
10 treasury, not otherwise appropriated, and from other funds derived from special funds and
11 federal funds, to the department of commerce for the purpose of defraying the expenses of the
12 department of commerce, for the biennium beginning July 1, 2025, and ending June 30, 2027,
13 as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> | |
|----|-------------------------|--|----------------------|--------------|
| 14 | | | | |
| 15 | | | | |
| 16 | Salaries and wages | \$15,785,306 | \$1,723,056 | \$17,508,362 |
| 17 | New and vacant FTE pool | 0 | 582,600 | 582,600 |
| 18 | Operating expenses | 19,462,643 | 9,210,023 | 28,672,666 |
| 19 | Grants | 47,636,118 | 40,746,197 | 88,382,315 |
| 20 | Discretionary funds | 2,150,000 | 0 | 2,150,000 |
| 21 | Workforce programs | 0 | 8,000,000 | 8,000,000 |
| 22 | Partner programs | 907,920 | 0 | 907,920 |

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| | | | | |
|---|--------------------------------------|-------------------|-------------------|--------------------|
| 1 | Entrepreneurship grants and vouchers | <u>948,467</u> | <u>759,044</u> | <u>1,707,511</u> |
| 2 | Total all funds | \$86,890,454 | \$61,020,920 | \$147,911,374 |
| 3 | Less other funds | <u>53,344,371</u> | <u>52,870,336</u> | <u>106,214,707</u> |
| 4 | Total general fund | \$33,546,083 | \$8,150,584 | \$41,696,667 |
| 5 | Full-time equivalent positions | 62.80 | (1.00) | 61.80 |

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO

SEVENTIETH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act which are not included in the entity's base budget for the 2027-29 biennium and which the entity shall report to the appropriations committees of the seventieth legislative assembly regarding the use of this funding:

| 11 | <u>One-Time Funding Description</u> | <u>General Fund</u> | <u>Other Funds</u> | <u>Total</u> |
|----|--|---------------------|--------------------|------------------|
| 12 | Temporary salaries | \$50,000 | \$103,590 | \$153,590 |
| 13 | Tourism marketing awareness | 0 | 7,000,000 | 7,000,000 |
| 14 | Operation intern | 2,000,000 | 0 | 2,000,000 |
| 15 | Office of global talent | 1,000,000 | 0 | 1,000,000 |
| 16 | Tourism destination development grants | 0 | 20,000,000 | 20,000,000 |
| 17 | Beyond visual line of sight uncrewed | | | |
| 18 | aircraft system program | 0 | 10,000,000 | 10,000,000 |
| 19 | Enhanced use lease grant | 0 | 5,000,000 | 5,000,000 |
| 20 | Autonomous agriculture grants | 0 | 5,000,000 | 5,000,000 |
| 21 | Base enhancement grants | 0 | 1,000,000 | 1,000,000 |
| 22 | Tribally controlled community college grants | 750,000 | 0 | 750,000 |
| 23 | Entrepreneurship grants and vouchers | 759,044 | 0 | 759,044 |
| 24 | Regional workforce impact program grants | 0 | 5,000,000 | 5,000,000 |
| 25 | Technical skills training grants | <u>2,000,000</u> | <u>0</u> | <u>2,000,000</u> |
| 26 | Total | \$6,559,044 | \$53,103,590 | \$59,662,634 |

SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST. The

department of commerce may not spend funds appropriated in the new and vacant FTE pool line item in section 1 of this Act, but may request the office of management and budget to transfer funds from the new and vacant FTE pool line item to the salaries and wages line item in

1 accordance with the guidelines and reporting provisions included in House Bill No. 1015, as
2 approved by the sixty-ninth legislative assembly.

3 **SECTION 4. TRANSFER - INTERNSHIP FUND.** The office of management and budget
4 shall transfer \$3,000,000 of the amount appropriated in the operating expenses line item in
5 section 1 of this Act to the internship fund for the purpose of administering the operation intern
6 program, for the biennium beginning July 1, 2025, and ending June 30, 2027.

7 **SECTION 5. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO**
8 **LEGACY INVESTMENT FOR TECHNOLOGY FUND.** The office of management and budget
9 shall transfer the sum of \$5,000,000 from the strategic investment and improvements fund to
10 the legacy investment for technology fund for the purpose of providing legacy investment
11 technology loans, for the biennium beginning July 1, 2025, and ending June 30, 2027.

12 **SECTION 6. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO**
13 **NORTH DAKOTA DEVELOPMENT FUND.** The office of management and budget shall transfer
14 the sum of \$30,000,000 from the strategic investment and improvements fund to the North
15 Dakota development fund for programs under chapter 10-30.5, for the biennium beginning
16 July 1, 2025, and ending June 30, 2027.

17 **SECTION 7. RURAL HEALTH CARE GRANT PROGRAM - MATCHING FUNDS**
18 **REQUIREMENT.** The grants line item in section 1 of this Act includes \$444,000 from the
19 general fund for providing matching funds to an organization assisting in the recruitment,
20 distribution, and supply, and enhancing the quality and efficiency of personnel providing health
21 services in rural areas of the state. The department of commerce may spend the funds
22 appropriated in this section only to the extent the organization has secured matching funds from
23 nonstate sources on a dollar-for-dollar basis.

24 **SECTION 8. OTHER FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.**
25 The other funds line item in section 1 of this Act includes the sum of \$53,000,000 from the
26 strategic investment and improvements fund, of which:

- 27 1. \$7,000,000 is for tourism marketing awareness, including \$150,000 for supporting the
28 continuation of the North Dakota state magazine with the current publisher of the
29 magazine;
- 30 2. \$20,000,000 is for tourism destination development grants;
- 31 3. \$10,000,000 is for the beyond visual line of sight uncrewed aircraft system program;

- 1 4. \$5,000,000 is for the enhanced use lease grant program;
- 2 5. \$5,000,000 is for autonomous agriculture grants, which may be provided for
- 3 autonomous trucking grants;
- 4 6. \$1,000,000 is for providing base enhancement grants to communities with an air force
- 5 base or air national guard facilities, including \$600,000 to eligible organizations in
- 6 Minot, \$250,000 to eligible organizations in Grand Forks, and \$150,000 to eligible
- 7 organizations in Fargo; and
- 8 7. \$5,000,000 is for regional workforce impact program grants.

9 **SECTION 9. TRIBALLY CONTROLLED COMMUNITY COLLEGE GRANTS -**

10 **LEGISLATIVE MANAGEMENT REPORT.** The grants line item in section 1 of this Act includes
11 \$750,000 from the general fund for the purpose of providing workforce development grants to a
12 tribally controlled community college in the Turtle Mountain area. To be eligible for a grant under
13 this section, a tribally controlled community college shall partner with at least one high school in
14 the state for programs under section 54-60.2-02. During the 2025-26 interim, a tribally
15 controlled community college receiving funding under this program shall report to the
16 department of commerce by August 1, 2026, regarding the use of grant funds and the
17 department of commerce shall provide a report to the legislative management by October 1,
18 2026, regarding the use of grant funds.

19 **SECTION 10. DISCRETIONARY FUNDS - NATIVE AMERICAN SMALL BUSINESS**

20 **GRANT.** The discretionary funds line item in section 1 of this Act includes \$2,150,000 from the
21 general fund, of which \$600,000 is designated for a grant to support an organization dedicated
22 to assisting Native American small businesses in North Dakota.

23 **SECTION 11.** A new section to chapter 54-60 of the North Dakota Century Code is created
24 and enacted as follows:

25 **Reporting requirements - Budget section - Grant programs.**

26 The department shall compile a report regarding grant programs administered by the
27 department, excluding federally funded programs, to be provided semiannually to the budget
28 section. The report must include the following for each grant program:

- 29 1. The purpose of the grant program;
- 30 2. Funding history;
- 31 3. The number of days the grant application was open to applicants;

- 1 4. The name of each grant recipient and the amount of each grant award; and
- 2 5. The distribution date of grant funds or the anticipated distribution date of grant funds.

3 **SECTION 12. AMENDMENT.** Section 54-60-31 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **54-60-31. Office of ~~legal immigration~~global talent - Duties.**

6 There is created an office of ~~legal immigration~~global talent within the department of
7 commerce. Employees of the office of ~~legal immigration~~global talent report to the commissioner.
8 The office of ~~legal immigration~~global talent:

- 9 1. Shall develop and implement a statewide strategy to support businesses in recruiting
10 and retaining foreign labor, including immigrants already in the United States and
11 integration of immigrants into the state to promote economic opportunities for
12 immigrant communities.
- 13 2. Shall advise and make recommendations to the governor, legislative assembly, and
14 state agencies regarding immigrant integration and foreign labor issues.
- 15 3. Shall develop a pilot program to support businesses pursuing or employing legal
16 immigrants and to support communities to develop immigration integration plans and
17 activities.
- 18 4. May contract with other state agencies to develop and administer programs or
19 services related to immigration integration and access to basic needs that promote
20 entrance and movement throughout the workforce.
- 21 5. May contract with an organization with expertise related to the goals of the office of
22 ~~legal immigration~~global talent.

23 **SECTION 13. EXEMPTION - UNEXPENDED APPROPRIATIONS.** The following
24 appropriations are not subject to the provisions of section 54-44.1-11 and any unexpended
25 funds from these appropriations may be continued into the biennium beginning July 1, 2025,
26 and ending June 30, 2027:

- 27 1. The sum of \$3,000,000 appropriated from federal COVID-19 funds for the community
28 development block grant program in section 1 of chapter 27 of the 2021 Session Laws
29 and continued into the 2023-25 biennium in section 29 of chapter 18 of the 2023
30 Session Laws.

- 1 2. The sum of \$56,234,176 appropriated from federal COVID-19 funds for the state small
2 business credit initiative program in section 2 of chapter 28 of the 2021 Session Laws
3 and continued into the 2023-25 biennium in section 29 of chapter 18 of the 2023
4 Session Laws.
- 5 3. The sum of \$15,000,000 appropriated from the federal state fiscal recovery fund for
6 the workforce development incentive grant program in subsection 38 of section 1 of
7 chapter 550 of the 2021 Special Session Session Laws and continued into the
8 2023-25 biennium in section 29 of chapter 18 of the 2023 Session Laws.
- 9 4. The sum of \$5,000,000 appropriated from the federal state fiscal recovery fund for the
10 technical skills training grant program in subsection 39 of section 1 of chapter 550 of
11 the 2021 Special Session Session Laws and continued into the 2023-25 biennium in
12 section 29 of chapter 18 of the 2023 Session Laws.
- 13 5. The sum of \$28,500,000 appropriated from the general fund for workforce programs,
14 of which \$12,000,000 was for workforce talent attraction initiative operating expenses,
15 \$12,500,000 was for workforce investment program grants, \$2,000,000 was for
16 technical skills training grants, and \$2,000,000 was for new Americans workforce
17 development and training grants, in section 1 of chapter 18 of the 2023 Session Laws.
- 18 6. The sum of \$25,000,000 appropriated from the strategic investment and
19 improvements fund for the tourism destination development initiative in section 1 of
20 chapter 18 of the 2023 Session Laws.
- 21 7. The sum of \$10,000,000 appropriated from the strategic investment and
22 improvements fund for the enhanced use lease grant program in section 1 of
23 chapter 18 of the 2023 Session Laws.
- 24 8. The sum of \$120,000,000 appropriated from federal funds for weatherization and
25 energy assistance programs in section 1 of chapter 18 of the 2023 Session Laws.
- 26 9. The sum of \$2,150,000 appropriated from the general fund for discretionary funds in
27 section 1 of chapter 18 of the 2023 Session Laws.
- 28 10. The sum of \$3,258,084 appropriated from federal funds for heating, furnace, and
29 cooling assistance grants in section 1 of chapter 18 of the 2023 Session Laws.
- 30 11. The sum of \$14,081,719 appropriated from federal funds for energy conservation
31 assistance grants in section 1 of chapter 18 of the 2023 Session Laws.

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- 1 12. The sum of \$1,550,000 appropriated from federal funds for the parks and recreation
- 2 program in section 1 of chapter 18 of the 2023 Session Laws.
- 3 13. The sum of \$572,143 appropriated from federal funds for the state small business
- 4 credit initiative program in section 1 of chapter 18 of the 2023 Session Laws.
- 5 14. The sum of \$2,000,000 appropriated from the general fund for the office of legal
- 6 immigration in section 1 of chapter 639 of the 2023 Special Session Session Laws.