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Title.  
Fiscal No. 1

Prepared by the Legislative Council  
staff for Senate Appropriations -  
Government Operations Division  
Committee

April 4, 2025

Sixty-ninth  
Legislative Assembly  
of North Dakota

## PROPOSED AMENDMENTS TO SECOND ENGROSSMENT

### REENGROSSED HOUSE BILL NO. 1524

Introduced by

Representatives Monson, Brandenburg, Kempenich, O'Brien, Ostlie, Pyle

Senators Kessel, Meyer, Myrdal, Barta, Lemm

- 1 A BILL for an Act to create and enact a new section to chapter 54-40.1 of the North Dakota  
2 Century Code, relating to the funding of regional planning councils; and to provide an  
3 appropriation for an Act to create and enact a new section to chapter 54-60 of the North Dakota  
4 Century Code, relating regional planning council grants from the department of commerce.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

- 6 ~~SECTION 1. A new section to chapter 54-40.1 of the North Dakota Century Code is created~~  
7 ~~and enacted as follows:~~
- 8 ~~Biennial work plan - Funding.~~
- 9 ~~1. A regional council shall prepare a biennial work plan. The work plan must:~~
- 10 ~~a. Include proposed actions, targeted outcomes, and an itemized budget.~~
- 11 ~~b. Align with the comprehensive economic development strategy for the region~~  
12 ~~developed with input from regional stakeholders, including members of the~~  
13 ~~legislative assembly.~~
- 14 ~~c. Be approved by the regional council's executive board before submission.~~
- 15 ~~d. Address issues of rural capacity, including business development, zoning and~~  
16 ~~land use planning, grant writing and technical assistance, housing development,~~  
17 ~~child care support, workforce development, infrastructure planning, tourism and~~  
18 ~~placemaking initiatives, disaster recovery planning, and community leadership~~  
19 ~~development.~~

1 ~~2. A regional council shall submit:~~

2 ~~a. Copies of the biennial work plan no later than twelve months before the~~  
3 ~~beginning of each biennium to the commissioner of the department of commerce,~~  
4 ~~the governor, and members of the legislative assembly representing the region. A~~  
5 ~~county providing financial support to regional councils shall maintain or exceed~~  
6 ~~the funding to ensure the continuation of regional development efforts.~~

7 ~~b. Reporting metrics detailing program outcomes, expenditures, and other relevant~~  
8 ~~performance measures no later than forty five days before the end of the~~  
9 ~~biennium to the commissioner of the department of commerce, the governor, and~~  
10 ~~members of the legislative assembly representing the region.~~

11 ~~3. Subject to legislative appropriations, the department of commerce shall provide~~  
12 ~~funding to regional councils to implement the biennial work plan.~~

13 ~~4. Funds may:~~

14 ~~a. Be used to employ individuals or for contractual services to implement the~~  
15 ~~biennial work plan under this section.~~

16 ~~b. Not be used for debt repayment, loans, grants, lobbying, political activities, or~~  
17 ~~unrelated or nonessential expenses, including entertainment, luxury purchases,~~  
18 ~~or projects that do not demonstrate a regional benefit.~~

19 ~~5. Fifty percent of appropriated funding must be allocated equally among the eight~~  
20 ~~regions and fifty percent must be awarded based on a funding formula established~~  
21 ~~jointly by the department of commerce and the association of regional councils.~~

22 ~~6. The funding formula under subsection 5 must be reviewed and amended as necessary~~  
23 ~~every four years and provide equitable allocation of funding for a regional council~~  
24 ~~providing services for multiple service areas or counties.~~

25 ~~**SECTION 2. APPROPRIATION - DEPARTMENT OF COMMERCE - REGIONAL**~~

26 ~~**COUNCILS.** There is appropriated out of any moneys in the general fund in the state treasury,~~  
27 ~~not otherwise appropriated, the sum of \$2,400,000, or so much of the sum as may be~~  
28 ~~necessary, to the department of commerce for the purpose of funding regional planning~~  
29 ~~councils, for the biennium beginning July 1, 2025, and ending June 30, 2027.~~

30 **SECTION 1.** A new section to chapter 54-60 of the North Dakota Century Code is created  
31 and enacted as follows:

**Regional planning council grants - Purpose.**

The department may award grants to regional planning councils under chapter 54-40.1 to support local and regional implementation of state-authorized programs and initiatives, including housing, regional workforce, rural catalyst, local food and grocery, and other state authorized programs, subject to legislative appropriations. The department may approve grants to support program implementation, resource development, and efforts to attract and leverage public or private investment in local and regional areas of the state.



**STATEMENT OF PURPOSE OF AMENDMENT:****House Bill No. 1524 - Department of Commerce - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Regional planning councils		\$2,400,000	(\$2,400,000)	
Total all funds	\$0	\$2,400,000	(\$2,400,000)	\$0
Less estimated income	0	0	0	0
General fund	\$0	\$2,400,000	(\$2,400,000)	\$0
FTE	0.00	0.00	0.00	0.00

**Department 601 - Department of Commerce - Detail of Senate Changes**

	Removes Funding for Regional Planning Councils <sup>1</sup>	Total Senate Changes
Regional planning councils	(\$2,400,000)	(\$2,400,000)
Total all funds	(\$2,400,000)	(\$2,400,000)
Less estimated income	0	0
General fund	(\$2,400,000)	(\$2,400,000)
FTE	0.00	0.00

<sup>1</sup> One-time funding of \$2.4 million from the general fund for regional planning council grants is removed. Provisions included in the House version are removed and replaced with a new section added to North Dakota Century Code Chapter 54-60 to allow the Department of Commerce to award grants to regional planning councils, subject to legislative appropriations.