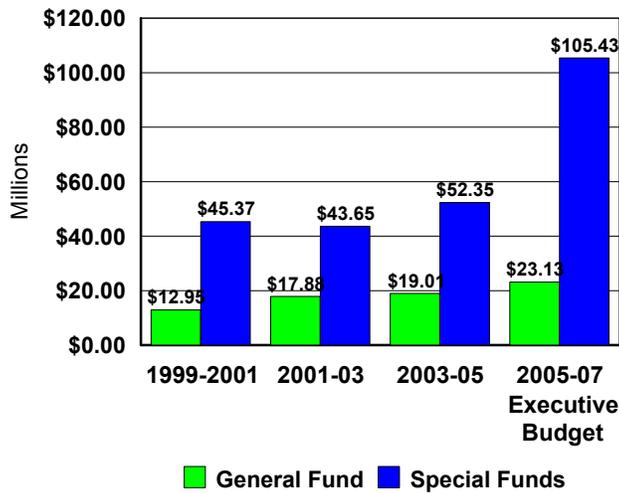


**Department 601 - Department of Commerce
 Senate Bill No. 2018**

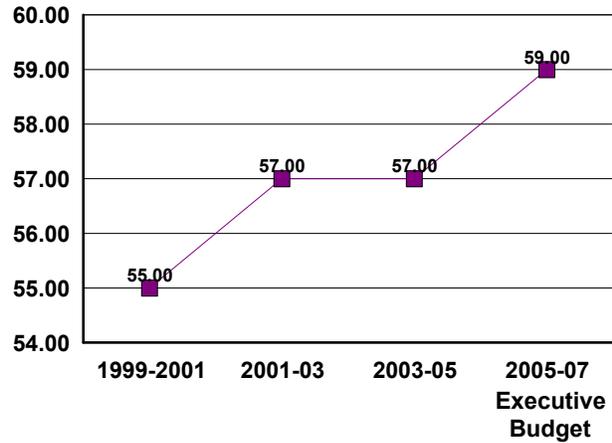
	FTE Positions	General Fund	Other Funds	Total
2005-07 Executive Budget	59.00	\$23,129,164	\$105,432,496	\$128,561,660
2003-05 Legislative Appropriations	57.00	19,014,723	52,353,107 ¹	71,367,830 ¹
Increase (Decrease)	2.00	\$4,114,441	\$53,079,389	\$57,193,830

¹The 2003-05 appropriation amounts do not include \$5,397,389 of additional special funds authority resulting from Emergency Commission action during the 2003-05 biennium.

Agency Funding



FTE Positions



Executive Budget Highlights

	General Fund	Other Funds	Total
1. Adds funding for 1 FTE economic analyst to provide information on the impact of economic development incentives on the state's economy	\$112,320		\$112,320
2. Authorizes an additional FTE position in Section 17 of the bill for the Development Fund. Funding for the position will be provided from the Development Fund pursuant to a continuing appropriation (NDCC Section 10-30.5-10); therefore, the position will be considered "off-budget."			
3. Removes funding for grants to the Lewis and Clark Interpretive Center in Washburn (\$150,000) and to Fort Abraham Lincoln in Mandan (\$150,000)	(\$300,000)		(\$300,000)
4. Increases funding for Lewis and Clark marketing due to estimated additional revenue from the 1 percent lodging tax during the 2005-07 biennium	\$176,610		\$176,610
5. Reduces funding for workforce development programs due to loss of federal funds		(\$987,033)	(\$987,033)
6. Provides funding from the general fund for grants to centers of excellence and authorizes the department to borrow up to \$50 million from the Bank of North Dakota for additional grants to centers of excellence	\$5,000,000	\$50,000,000	\$55,000,000

7. Removes funding provided by the 2003 Legislative Assembly for transfer to the Development Fund	(\$1,550,000)		(\$1,550,000)
8. Requires the department to provide up to \$500,000 to the Trade Promotion Authority from the Development Fund to match other funds raised by the authority			
9. Provides \$400,000 from the general fund for a marketing grant to the Red River Valley Research Corridor compared to the \$200,000 provided for the second year of the 2003-05 biennium	\$200,000		\$200,000
10. Provides \$250,000 for the partners in marketing program compared to \$175,000 for the 2003-05 biennium	\$75,000		\$75,000
11. Adds funding for a grant to the Center for Technology	\$50,000		\$50,000
12. Adds funding for grants to recruit and retain dairy farmers in the state	\$50,000		\$50,000
13. Reduces funding for Agricultural Product Utilization Commission grants from \$3.2 million to \$2.5 million	\$3,922	(\$724,664)	(\$720,742)

Centers of Excellence

Sections 6 through 9 of the bill provide for the centers of excellence program being recommended by the Governor. Section 9 includes the statutory provisions for the centers of excellence program. Section 7 authorizes the department to borrow up to \$50,000,000 from the Bank of North Dakota and provides a continuing appropriation to the department to spend the amount borrowed for grants to centers of excellence. Section 8 allows the department to carry over any unspent amounts of the \$5 million general fund appropriation for centers of excellence grants into the 2007-09 biennium.

Major Related Legislation

Senate Bill No. 2032 - This bill addresses a number of economic development and business climate issues, including the creation of a centers of excellence commission, and appropriates \$1,038,103, of which \$938,103 is from the general fund to the Department of Commerce for economic development programs.

Senate Bill No. 2051 - This bill provides for economic development accountability reporting.

House Bill No. 1185 - This bill continues the department's rural growth incentive grant program that under current law will be discontinued on July 31, 2005.