

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2018 - Funding Summary

	Base Budget	Final Legislative Action	Comparison to Base Budget
Department of Commerce			
Salaries and wages	\$13,217,286	\$12,835,431	(\$381,855)
Operating expenses	14,873,203	23,883,192	9,009,989
Grants	52,638,527	87,832,330	35,193,803
Discretionary funds	2,150,000	2,150,000	
North Dakota Trade Office	1,600,000		(1,600,000)
Entrepreneurship grants and vouchers	948,467	948,467	
Partner programs	<u>1,562,531</u>	<u>1,562,531</u>	
Total all funds	\$86,990,014	\$129,211,951	\$42,221,937
Less estimated income	<u>54,123,293</u>	<u>95,544,379</u>	<u>41,421,086</u>
General fund	\$32,866,721	\$33,667,572	\$800,851
FTE	61.80	58.80	(3.00)
Department of Transportation			
Grants	<u></u>	<u>\$5,000,000</u>	<u>\$5,000,000</u>
Total all funds	\$0	\$5,000,000	\$5,000,000
Less estimated income	<u>0</u>	<u>5,000,000</u>	<u>5,000,000</u>
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00
Bill total			
Total all funds	\$86,990,014	\$134,211,951	\$47,221,937
Less estimated income	<u>54,123,293</u>	<u>100,544,379</u>	<u>46,421,086</u>
General fund	\$32,866,721	\$33,667,572	\$800,851
FTE	61.80	58.80	(3.00)

Senate Bill No. 2018 - Department of Commerce - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$13,217,286	(\$353,133)	\$12,864,153
Operating expenses	14,873,203	9,444,557	24,317,760
Grants	52,638,527	28,543,803	81,182,330
Discretionary funds	2,150,000	(600,000)	1,550,000
North Dakota Trade Office	1,600,000	(1,600,000)	
Entrepreneurship grants and vouchers	948,467		948,467
Partner programs	<u>1,562,531</u>		<u>1,562,531</u>
Total all funds	\$86,990,014	\$35,435,227	\$122,425,241
Less estimated income	<u>54,123,293</u>	<u>26,424,774</u>	<u>80,548,067</u>
General fund	\$32,866,721	\$9,010,453	\$41,877,174
FTE	61.80	(3.00)	58.80

Department 601 - Department of Commerce - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes¹	Adds Funding for Salary and Benefit Increases²	Underfunds Salaries³	Transfers Position to ITD for IT Unification⁴	Transfers the HOME Program to HFA⁵	Adjusts Base Level Funding⁶
Salaries and wages	(\$32,430)	\$325,510	(\$140,000)	(\$149,792)	(\$356,421)	
Operating expenses				153,317	(286,950)	(\$321,810)
Grants					(7,700,000)	(353,716)
Discretionary funds						
North Dakota Trade Office						
Entrepreneurship grants and vouchers						
Partner programs						
Total all funds	(\$32,430)	\$325,510	(\$140,000)	\$3,525	(\$8,343,371)	(\$675,526)
Less estimated income	16,577	57,043	0	0	(8,343,371)	327,218
General fund	(\$49,007)	\$268,467	(\$140,000)	\$3,525	\$0	(\$1,002,744)
FTE	0.00	0.00	0.00	(1.00)	(2.00)	0.00

	Reduces Funding for Operation Intern⁷	Adds Funding for the UAS Program⁸	Adjusts Funding for Grants⁹	Adds Funding for Apprenticeship Expansion Program¹⁰	Reduces Funding for Discretionary Funds¹¹	Transfers the North Dakota Trade Office¹²
Salaries and wages						
Operating expenses	(\$100,000)	\$3,000,000				
Grants		7,020,150	(\$269,788)	\$347,157		
Discretionary funds					(\$600,000)	
North Dakota Trade Office						(\$1,600,000)
Entrepreneurship grants and vouchers						
Partner programs						
Total all funds	(\$100,000)	\$10,020,150	(\$269,788)	\$347,157	(\$600,000)	(\$1,600,000)
Less estimated income	0	7,020,150	0	347,157	0	0
General fund	(\$100,000)	\$3,000,000	(\$269,788)	\$0	(\$600,000)	(\$1,600,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One-Time Funding for Tourism Marketing¹³	Adds One-Time Funding for UAS Programs¹⁴	Adds One-Time Funding for Technical Skills Grants¹⁵	Adds One-Time Funding for Tribal Grants¹⁶	Total Senate Changes
Salaries and wages					(\$353,133)
Operating expenses	\$7,000,000				9,444,557
Grants		\$28,000,000	\$1,000,000	\$500,000	28,543,803
Discretionary funds					(600,000)
North Dakota Trade Office					(1,600,000)
Entrepreneurship grants and vouchers					
Partner programs					
Total all funds	\$7,000,000	\$28,000,000	\$1,000,000	\$500,000	\$35,435,227
Less estimated income	0	27,000,000	0	0	26,424,774
General fund	\$7,000,000	\$1,000,000	\$1,000,000	\$500,000	\$9,010,453
FTE	0.00	0.00	0.00	0.00	(3.00)

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2021-23 biennium salary adjustments of 2 percent on July 1, 2021, with a minimum monthly increase of \$80 and a maximum monthly increase of \$300 and 2 percent on July 1, 2022, and increases in health insurance premiums from \$1,427 to \$1,429 per month:

	General Fund	Other Funds	Total
Salary increase	\$266,126	\$56,512	\$322,638
Health insurance increase	<u>2,341</u>	<u>531</u>	<u>2,872</u>
Total	\$268,467	\$57,043	\$325,510

³ Funding for salaries is reduced from the general fund by \$140,000, for anticipated savings from vacant positions and employee turnover.

⁴ One FTE information technology position and related funding is transferred to the Information Technology Department (ITD) for the IT unification initiative, including a decrease of \$149,792 of salaries and wages and an increase of \$153,317 of operating expenses.

⁵ Funding of \$8,343,371 for the HOME program, including 2 FTE positions, is transferred to the Housing Finance Agency, of which \$7,643,371 is from federal funds and \$700,000 is from the intergovernmental assistance fund, also known as the community development loan fund.

⁶ Base level funding is adjusted as follows:

	General Fund	Other Funds	Total
Adds funding for Microsoft Office 365 license expenses	\$5,486	\$1,013	\$6,499
Adjusts funding for the Community Services Division	(216,576)	329,488	112,912
Reduces funding for the Workforce Development Division	(199,664)	0	(199,664)
Reduces funding for the Economic Development and Finance Division	(195,000)	0	(195,000)
Reduces funding for the administration division	(396,990)	(3,283)	(400,273)
Transfers funding of \$505,000 for contractual fees from the grants line item to the operating expenses line item	0	0	0
Transfers \$151,284 for the early childhood education program from the operating expenses line item to the grants line item to provide a total of \$1.5 million from the general fund, the same as provided for the 2019-21 biennium	<u>0</u>	<u>0</u>	<u>0</u>
Total	(\$1,002,744)	\$327,218	(\$675,526)

⁷ Funding for the Operation Intern program is reduced by \$100,000 from the general fund to provide a total of \$755,000 from the general fund. A separate section is added to provide for a transfer of \$755,000 from the general fund to the internship fund.

⁸ Funding of \$10,020,150 is added for the unmanned aircraft systems (UAS) program, of which \$3,000,000 is from the general fund, \$7,000,000 is from federal funds, and \$20,150 is from the UAS fund. Of the total, \$3,000,000 is for operating expenses of the Northern Plains UAS Test Site and \$7,020,150 is for grants. Total ongoing funding provided for the UAS program is \$12,020,150, including \$2,000,000 in the agency's base budget for grants, of which \$1,000,000 is from federal funds and \$1,000,000 is from the UAS fund.

⁹ Funding of \$269,788 from the general fund is reduced for grants, including the removal of \$300,000 for biotechnology grants to provide a total of \$0, a reduction of \$169,788 for homeless shelter grants to provide a total of \$1,330,212 from the general fund, and the addition of \$200,000 for rural health care grants to provide a total of \$200,000 from the general fund.

¹⁰ Funding of \$347,157 is added from federal funds for a state apprenticeship expansion program. The funding will be transferred to the North Dakota State College of Science for the administration of the program. In August 2020, the Emergency Commission and Budget Section approved a request to accept and spend \$694,317 of federal funds for this program for the remainder of the 2019-21 biennium.

¹¹ Funding of \$600,000 from the general fund for discretionary funds is reduced to provide a total of \$1,550,000 from the general fund.

¹² Funding of \$1.6 million from the general fund is transferred from the Department of Commerce to the Agriculture Commissioner for providing funding to the North Dakota Trade Office.

¹³ One-time funding of \$7 million is added from the general fund for tourism marketing and branding initiatives.

¹⁴ One-time funding of \$28 million is added for grants related to the following UAS programs, of which \$1 million is from the general fund, \$26 million is from the strategic investment and improvements fund, and \$1 million is from the UAS fund:

	General Fund	Other Funds	Total
UAS program	\$0	\$1,000,000	\$1,000,000
Beyond visual line of sight UAS program	1,000,000	19,000,000	20,000,000
Enhanced use lease grant program	<u>0</u>	<u>7,000,000</u>	<u>7,000,000</u>
Total	\$1,000,000	\$27,000,000	\$28,000,000

¹⁵ One-time funding of \$1 million is added from the general fund for a technical skills training grant program. In June 2020, the Emergency Commission and Budget Section approved an allocation of \$1 million from the state's allocation from the federal Coronavirus Relief Fund for this program for the 2019-21 biennium.

¹⁶ One-time funding of \$500,000 is added from the general fund for workforce grants to tribally controlled community colleges, the same as provided for the 2019-21 biennium.

This amendment also:

- Amends a section relating to the amount of funding transferred from the general fund to the internship fund for the Operation Intern program.
- Removes a section related to biotechnology grants.
- Removes a section designating \$200,000 for rural area health grants from the discretionary grants line item. This funding is appropriated in the grants line item in Section 1 of the bill.
- Removes a section related to the North Dakota Trade Office.
- Adds a section to identify \$26 million in Section 1 from the strategic investment and improvements fund, of which \$19 million is for providing beyond visual line 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.
- Adds a section to identify \$1 million from the general fund in Section 1 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.
- Adds a section to create a new section to North Dakota Century Code 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.
- Adds a section to amend 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.
- Adds a section to repeal Section 54-60-16 related to the North Dakota Trade Office, as part of the transfer of the program from the Department of Commerce to the Agriculture Commissioner.
- Adds a section to provide an exemption for the \$28 million 2017-19 biennium supplemental appropriation for the beyond visual line of sight UAS program that was continued into the 2019-21 biennium to continue into the 2021-23 biennium. The Department of Commerce may provide grants of up to \$28 million from this funding to the Department of Transportation for tower infrastructure construction of the beyond visual line of sight UAS program during the 2021-23 biennium.
- Adds a section to provide an exemption for the \$2.25 million appropriated from the general fund for UAS program operating expenses during the 2019-21 biennium to continue into the 2021-23 biennium.
- Adds a section to provide an exemption for the \$3 million appropriated from the general fund for the enhanced use lease grant program during the 2019-21 biennium to continue into the 2021-23 biennium.
- Adds a section to provide an exemption for the \$1.5 million appropriated from the general fund for the early childhood education program during the 2019-21 biennium to continue into the 2021-23 biennium.
- Adds a section to provide an exemption of \$320,000 for the nonresident nurse employment recruitment program and to expand program eligibility to include 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.
- Adds a section to provide an exemption for the \$2.15 million appropriated from the general fund in the discretionary grants line item during the 2019-21 biennium to continue into the 2021-23 biennium.

Senate Bill No. 2018 - Department of Commerce - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$13,217,286	\$12,864,153	\$125,177	\$12,989,330
Operating expenses	14,873,203	24,317,760	(253,317)	24,064,443
Grants	52,638,527	81,182,330	6,650,000	87,832,330
Discretionary funds	2,150,000	1,550,000	600,000	2,150,000
North Dakota Trade Office	1,600,000			
Entrepreneurship grants and vouchers	948,467	948,467		948,467
Partner programs	<u>1,562,531</u>	<u>1,562,531</u>		<u>1,562,531</u>
Total all funds	\$86,990,014	\$122,425,241	\$7,121,860	\$129,547,101
Less estimated income	<u>54,123,293</u>	<u>80,548,067</u>	<u>2,996,312</u>	<u>83,544,379</u>
General fund	\$32,866,721	\$41,877,174	\$4,125,548	\$46,002,722
FTE	61.80	58.80	1.00	59.80

Department 601 - Department of Commerce - Detail of House Changes

	Adjusts Funding for Salary and Benefit Increases¹	Restores IT Position²	Transfers Early Childhood Education Program to DHS³	Adds Funding for Rural Health Care Grants⁴	Restores Funding for Discretionary Funds⁵	Reduces One-Time Funding for Tourism Marketing⁶
Salaries and wages	(\$24,615)	\$149,792				
Operating expenses		(153,317)				(\$100,000)
Grants			(\$1,500,000)	\$50,000		
Discretionary funds					\$600,000	
North Dakota Trade Office						
Entrepreneurship grants and vouchers						
Partner programs						
Total all funds	(\$24,615)	(\$3,525)	(\$1,500,000)	\$50,000	\$600,000	(\$100,000)
Less estimated income	<u>(3,688)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	(\$20,927)	(\$3,525)	(\$1,500,000)	\$50,000	\$600,000	(\$100,000)
FTE	0.00	1.00	0.00	0.00	0.00	0.00

	Adds One-Time Funding for Film and Theater Production Grant⁷	Adds One-Time Funding for Economic Development and Growth Grant⁸	Adds One-Time Funding for Job Development Grant⁹	Adds One-Time Funding for Workforce Safety Grant¹⁰	Total House Changes
Salaries and wages					\$125,177
Operating expenses					(253,317)
Grants	\$100,000	\$5,000,000	\$1,500,000	\$1,500,000	6,650,000
Discretionary funds					600,000
North Dakota Trade Office					
Entrepreneurship grants and vouchers					
Partner programs					
Total all funds	\$100,000	\$5,000,000	\$1,500,000	\$1,500,000	\$7,121,860
Less estimated income	<u>0</u>	<u>0</u>	<u>1,500,000</u>	<u>1,500,000</u>	<u>2,996,312</u>
General fund	\$100,000	\$5,000,000	\$0	\$0	\$4,125,548
FTE	0.00	0.00	0.00	0.00	1.00

¹ Salaries and wages funding is adjusted for salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100 and 2 percent on July 1, 2022. The Senate provided salary adjustments of 2 percent with a minimum monthly increase of \$80 and a maximum monthly increase of \$300 on July 1, 2021, and 2 percent on July 1, 2022.

² One FTE information technology position and related funding is restored. The Senate transferred 1 FTE information technology position to ITD for the IT unification initiative. The House amendments do not transfer the FTE position to ITD.

³ Funding of \$1.5 million from the general fund for the early childhood education program is removed in the Department of Commerce budget. The House and Senate have added \$1.5 million for this program in the Department of Human Services budget relating to the changes in House Bill No. 1466.

⁴ Funding of \$50,000 is added from the general fund for rural health care grants to provide a total of \$250,000 from the general fund. The Senate provided \$200,000 from the general fund. A separate section is added to the bill requiring a dollar-for-dollar match.

⁵ Funding of \$600,000 from the general fund, removed by the Senate, is restored to provide a total of \$2.15 million from the general fund in the discretionary funds line item, the same as the base level. The Senate provided a total of \$1.55 million.

⁶ One-time funding of \$100,000 from the general fund for tourism marketing and branding operating expenses is removed to provide a total of \$6.9 million for tourism marketing and branding. The Senate authorized a total of \$7 million.

⁷ One-time funding of \$100,000 is added from the general fund to provide a film and theater production grant directly to an organization dedicated to the preservation and honor of North Dakota land, history, and citizens.

⁸ One-time funding of \$5 million is added from the general fund for providing a grant to an organization dedicated to expanding economic development, growth, and diversification for the 2021-23 biennium. A separate section of the bill is added to provide the organization receiving the grant funding must have:

- Secured a loan under the legacy infrastructure loan fund program established in House Bill No. 1425 as approved by the 67th Legislative Assembly for construction of an event and entertainment venue focused on highlighting North Dakota history and attractions;
- Obtained \$5 million of matching funds from nonstate sources; and
- Entered a lease with the State of North Dakota for use of land for the event and entertainment venue.

Grant funds awarded may be used only for the operating costs of an event and entertainment venue used to promote the expansion of tourism and economic development and growth in the state.

⁹ One-time funding of \$1.5 million is added from the strategic investment and improvements fund to provide a job development and economic growth grant directly to an organization dedicated to promoting job development and economic growth in the state.

¹⁰ One-time funding of \$1.5 million is added from the strategic investment and improvements fund to provide a workforce safety grant directly to an organization that provides workforce safety.

This amendment also:

- Amends a section that provides an exemption for the \$28 million 2017-19 biennium supplemental appropriation for the beyond visual line of sight UAS program that was continued into the 2019-21 biennium to continue into the 2021-23 biennium. The Department of Commerce may provide grants of up to \$5 million from this funding to the Department of Transportation for infrastructure construction of the beyond visual line of sight UAS program during the 2021-23 biennium. The Senate authorized the Department of Commerce to provide a grant of up to \$28 million to the Department of Transportation.
- Amends a section identifying the amount of funding appropriated to the Department of Commerce from the strategic investment and improvements fund.
- Adds a section to amend North Dakota Century Code Section 54-34.3-13 to remove the requirement that businesses be "primary sector" businesses to qualify for the rural growth incentive program, which is administered by the North Dakota Development Fund in the rural growth incentive fund.
- Removes a section added by the Senate that provided an exemption to the Department of Commerce to continue 2019-21 biennium funding for the early childhood education program into the 2021-23 biennium.
- Adds a section of legislative intent that the Northern Plains UAS Test Site maximize earned revenue when possible.
- Adds a section providing for a Legislative Management study of data storage by state entities.
- Adds a section to declare the bill an emergency measure.

Senate Bill No. 2018 - Department of Commerce - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$13,217,286	\$12,864,153	(\$28,722)	\$12,835,431	\$12,989,330	(\$153,899)
Operating expenses	14,873,203	24,317,760	(434,568)	23,883,192	24,064,443	(181,251)
Grants	52,638,527	81,182,330	6,650,000	87,832,330	87,832,330	
Discretionary funds	2,150,000	1,550,000	600,000	2,150,000	2,150,000	
North Dakota Trade Office	1,600,000					
Entrepreneurship grants and vouchers	948,467	948,467		948,467	948,467	
Partner programs	1,562,531	1,562,531		1,562,531	1,562,531	
Total all funds	\$86,990,014	\$122,425,241	\$6,786,710	\$129,211,951	\$129,547,101	(\$335,150)
Less estimated income	54,123,293	80,548,067	14,996,312	95,544,379	83,544,379	12,000,000
General fund	\$32,866,721	\$41,877,174	(\$8,209,602)	\$33,667,572	\$46,002,722	(\$12,335,150)
FTE	61.80	58.80	0.00	58.80	59.80	(1.00)

Department 601 - Department of Commerce - Detail of Conference Committee Changes

	Adjusts Funding for Salary and Benefit Increases ¹	Transfers Early Childhood Education Program to DHS ²	Adds Funding for Rural Health Care Grants ³	Restores Funding for Discretionary Funds ⁴	Adds One-Time Funding for Film and Theater Production Grant ⁵	Adds One-Time Funding for Job Development Grant ⁶
Salaries and wages	(\$28,722)					
Operating expenses						
Grants		(\$1,500,000)	\$50,000		\$100,000	\$1,500,000
Discretionary funds				\$600,000		
North Dakota Trade Office						
Entrepreneurship grants and vouchers						
Partner programs						
Total all funds	(\$28,722)	(\$1,500,000)	\$50,000	\$600,000	\$100,000	\$1,500,000
Less estimated income	(3,688)	0	0	0	0	1,500,000
General fund	(\$25,034)	(\$1,500,000)	\$50,000	\$600,000	\$100,000	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One-Time Funding for Workforce Safety Grant ⁷	Adjusts One-Time Funding to the Coronavirus Relief Fund ⁸	Adds One-Time Funding from the Coronavirus Relief Fund ⁹	Adds One-Time Funding for Tourism Transportation Improvement Grant ¹⁰	Total Conference Committee Changes
Salaries and wages					(\$28,722)
Operating expenses		(\$434,568)			(434,568)
Grants	\$1,500,000	434,568	\$4,000,000	\$565,432	6,650,000
Discretionary funds				600,000	600,000
North Dakota Trade Office					
Entrepreneurship grants and vouchers					
Partner programs					
Total all funds	\$1,500,000	\$0	\$4,000,000	\$565,432	\$6,786,710
Less estimated income	1,500,000	8,000,000	4,000,000	0	14,996,312
General fund	\$0	(\$8,000,000)	\$0	\$565,432	(\$8,209,602)
FTE	0.00	0.00	0.00	0.00	0.00

¹ Salaries and wages funding is adjusted for salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100 and 2 percent on July 1, 2022, the same as the House. The Senate provided salary adjustments of 2 percent with a minimum monthly increase of \$80 and a maximum monthly increase of \$300 on July 1, 2021, and 2 percent on July 1, 2022.

² Funding of \$1.5 million from the general fund for the early childhood education program is removed in the Department of Commerce budget. The House and Senate have added \$1.5 million for this program in the Department of Human Services budget relating to the changes in House Bill No. 1466.

³ Funding of \$50,000 is added from the general fund for rural health care grants to provide a total of \$250,000 from the general fund, the same as the House. The Senate provided \$200,000 from the general fund. A separate section is added to the bill requiring a dollar-for-dollar match.

⁴ Funding of \$600,000 from the general fund, removed by the Senate, is restored to provide a total of \$2.15 million from the general fund in the discretionary funds line item, the same as the base level and as provided by the House. The Senate provided a total of \$1.55 million.

⁵ One-time funding of \$100,000 is added from the general fund to provide a film and theater production grant directly to Canticle Productions, which is an organization dedicated to the preservation and honor of North Dakota land, history, and citizens, the same as provided by the House.

⁶ One-time funding of \$1.5 million is added from the strategic investment and improvements fund to provide a job development and economic growth grant directly to the Cavalier County Job Development Authority, which is an organization dedicated to promoting job development and economic growth in the state, the same as provided by the House.

⁷ One-time funding of \$1.5 million is added from the strategic investment and improvements fund to provide a workforce safety grant directly to the North Dakota Safety Council, which is an organization that provides workforce safety, the same as provided by the House.

⁸ One-time funding of \$8 million, of which \$7 million is for tourism marketing and branding initiatives and \$1 million is for technical skills training grants, is removed from the general fund and added from the federal Coronavirus Relief Fund. Of the \$7 million for tourism marketing and branding initiatives, \$434,568 is for the tourism transportation improvement grant program and \$6,565,432 is for tourism marketing and branding initiative operating expenses. The \$434,568 for the tourism transportation improvement grant program is to be provided directly to the Theodore Roosevelt Medora Foundation, which is an organization dedicated to preserving and promoting a historic, tourism destination North Dakota city.

The House approved \$6.9 million for tourism marketing and branding operating expenses and \$1 million for technical skills training grants from the general fund. The Senate approved \$7 million for tourism marketing and branding operating expenses and \$1 million for technical skills training grants from the general fund.

⁹ One-time funding of \$4 million is added from the federal Coronavirus Relief Fund, of which \$2 million is for travel agent and tour operator emergency resiliency grants and \$2 million is for event center emergency resiliency grants. A separate section of the bill is added to identify all funding from the federal Coronavirus Relief Fund. Funding from the federal Coronavirus Relief Fund is declared an emergency measure.

¹⁰ One-time funding of \$565,432 is added from the general fund for a tourism transportation improvement grant to be provided directly to the Theodore Roosevelt Medora Foundation, which is an organization dedicated to preserving and promoting a historic, tourism destination North Dakota city, to provide a total of \$1,000,000 for the tourism transportation improvement grant program, including \$434,568 from the federal Coronavirus Relief Fund.

The Conference Committee version:

- Includes the transfer of 1 FTE information technology position and related funding to the Information Technology Department (ITD) for the IT unification initiative, the same as the Senate. The House amendments did not transfer the FTE position to ITD.
- Does not include funding for an economic development, growth, and diversification grant program for providing grants for the operating costs of an event and entertainment venue used to promote the expansion of tourism and economic development and growth in the state. The House added a \$5 million general fund appropriation for this program.

This amendment also:

- Amends a section that provides an exemption for the \$28 million 2017-19 biennium supplemental appropriation for the beyond visual line of sight unmanned aircraft system (UAS) program that was continued into the 2019-21 biennium to continue into the 2021-23 biennium. The Department of Commerce may provide grants of up to \$5 million from this funding to the Department of Transportation for infrastructure construction of the beyond visual line of sight UAS program during the 2021-23 biennium. This section was included by the House. The Senate authorized the Department of Commerce to provide a grant of up to \$28 million to the Department of Transportation.

- Amends a section identifying \$29 million provided from the strategic investment and improvements fund in Section 1, the same as provided by the House. The Senate provided a total of \$26 million.
- Adds a section to amend North Dakota Century Code Section 54-34.3-13 to remove the requirement that businesses be "primary sector" businesses to qualify for the rural growth incentive program, which is administered by the North Dakota Development Fund in the rural growth incentive fund. The House included this section.
- Removes a section added by the Senate that provided an exemption to the Department of Commerce to continue 2019-21 biennium funding for the early childhood education program into the 2021-23 biennium. The House also removed this section. The Department of Commerce anticipates \$565,432 related to the early childhood education grant program will not be used and will be canceled at the end of the 2019-21 biennium. This amount is included in the 2021-23 biennium general fund beginning balance.
- Amends a section to require of the 2019-21 biennium funding in the discretionary funds line item the Department of Commerce is authorized to continue into the 2021-23 biennium, \$200,000 must be used retrain up to 10 displaced energy industry workers to enhance programmer development and engineering skills. The Senate and House authorized the exemption for the discretionary funds line time but did not previously provide a designation for the \$200,000.
- Adds a section of legislative intent that the Northern Plains UAS Test Site maximize earned revenue when possible. The House included this section.
- Adds a section providing for a Legislative Management study of data storage by state entities. The House included this section.
- Declares \$12 million appropriated from the federal Coronavirus Relief Fund for various programs and \$100,000 from the general fund for a motion picture production and recruitment grant to be an emergency measure.

Senate Bill No. 2018 - Department of Transportation - Senate Action

	Base Budget	Senate Changes	Senate Version
Grants		\$28,000,000	\$28,000,000
Total all funds	\$0	\$28,000,000	\$28,000,000
Less estimated income	0	28,000,000	28,000,000
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

Department 801 - Department of Transportation - Detail of Senate Changes

	Adds One-Time Funding for UAS ¹	Total Senate Changes
Grants	\$28,000,000	\$28,000,000
Total all funds	\$28,000,000	\$28,000,000
Less estimated income	28,000,000	28,000,000
General fund	\$0	\$0
FTE	0.00	0.00

¹ A section is added providing one-time funding of \$28 million to the Department of Transportation from grant funds received from the Department of Commerce pursuant to Section 11 of the bill for tower infrastructure construction expenses of the beyond visual line of sight UAS program during the 2021-23 biennium.

Senate Bill No. 2018 - Department of Transportation - House Action

	Base Budget	Senate Version	House Changes	House Version
Grants		\$28,000,000	(\$23,000,000)	\$5,000,000
Total all funds	\$0	\$28,000,000	(\$23,000,000)	\$5,000,000
Less estimated income	0	28,000,000	(23,000,000)	5,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

Department 801 - Department of Transportation - Detail of House Changes

	Reduces One-Time Funding for UAS¹	Total House Changes
Grants	(\$23,000,000)	(\$23,000,000)
Total all funds	(\$23,000,000)	(\$23,000,000)
Less estimated income	(23,000,000)	(23,000,000)
General fund	\$0	\$0
FTE	0.00	0.00

¹ A separate section of the bill is amended to provide one-time funding of \$5 million to the Department of Transportation from grant funds received from the Department of Commerce pursuant to an exemption provided in the bill for infrastructure construction expenses of the beyond visual line of sight UAS program during the 2021-23 biennium. The Senate provided one-time funding of \$28 million. The House reduced this amount by \$23 million to reflect the most recent estimate of unspent funding the Department of Commerce will have available at the end of the 2019-21 biennium.

Senate Bill No. 2018 - Department of Transportation - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Grants		\$28,000,000	(\$23,000,000)	\$5,000,000	\$5,000,000	
Total all funds	\$0	\$28,000,000	(\$23,000,000)	\$5,000,000	\$5,000,000	\$0
Less estimated income	0	28,000,000	(23,000,000)	5,000,000	5,000,000	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department 801 - Department of Transportation - Detail of Conference Committee Changes

	Reduces One-Time Funding for UAS¹	Total Conference Committee Changes
Grants	(\$23,000,000)	(\$23,000,000)
Total all funds	(\$23,000,000)	(\$23,000,000)
Less estimated income	(23,000,000)	(23,000,000)
General fund	\$0	\$0
FTE	0.00	0.00

¹ A separate section of the bill is amended to provide one-time funding of \$5 million to the Department of Transportation from grant funds received from the Department of Commerce pursuant to an exemption provided in the bill for infrastructure construction expenses of the beyond visual line of sight UAS program during the 2021-23 biennium. The Senate provided one-time funding of \$28 million. The Conference Committee reduced this amount by \$23 million to reflect the most recent estimate of unspent funding the Department of Commerce will have available at the end of the 2019-21 biennium, the same as provided by the House.