

2025 HOUSE INDUSTRY, BUSINESS AND LABOR

HB 1191

2025 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee Room JW327C, State Capitol

HB1191
1/27/2025

A BILL for an Act to create and enact a new section to chapter 54-60 of the North Dakota Century Code, relating to the creation of an office of entrepreneurship; to provide for a legislative management report; and to provide an appropriation.

8:31 a.m. Vice Chairman Ostlie opened the meeting.

Members Present: Chairman Warrey, Vice Chairman Ostlie, Vice Chairman Johnson, Representatives Bahl, Brown, Christy, Finley-DeVille, Grindberg, Kasper, Koppelman, D. Ruby, Schatz, Schauer, Vollmer

Discussion Topics:

- Start and operate a business
- Resource providers
- Cross referrals
- Department of Commerce
- Circumvent red tape
- Business start-up help
- Emerging Prairie's
- Young companies to 5 years.
- Timing and resources
- Government contracts
- How to do business with ND

8:32 a.m. Representative Jonathon Warrey, District 22, Casselton, ND, introduced, testified and submitted testimony #36247, #37996.

8:38 a.m. Bryce Wuori, Co-founder and CEO, Pavewise, Inc., testified in favor.

8:46 a.m. Christine Staley, Magic City Hoagies, testified in favor.

9:05 a.m. Greg Tehven, Co-founder and CEO, Emerging Prairie testified in favor.

9:08 a.m. George Woodward, Trilogy Networks, Inc., testified in favor.

9:08 a.m. Amy Whitney, Director, UND Center for Innovation, testified as neutral.

9:16 a.m. Jason Grill, Right to Start, Kansas City, MO, testified in favor and submitted testimony #31324.

9:25 a.m. Wendy Bagley, Minot, ND, testified in favor.

9:30 a.m. Sherry Neas, Director of Central Services, Office of Management and Budget testified as neutral.

Additional written testimony:

Cale Dunwoody, Vice President of Public Policy, Fargo Moorhead West Fargo (FMWF) Chamber of Commerce, submitted testimony in favor #31652.

Jaye Sandstrom, New Town, ND submitted testimony in opposition #31420.

Tiffany Ford, State Director, ND Small Business Development Centers & ND APERX Accelerator, submitted testimony as neutral #31601.

9:32 a.m. Vice Chairman Ostlie closed the hearing.

Diane Lillis, Committee Clerk

New businesses create almost all net new jobs in the United States. Entrepreneurs create stronger communities, grow GDP, create homegrown jobs, increase community wealth, diversity goods and services, increase lifetime incomes, and fight inequality and poverty. Yet government processes and the system overall make it harder on them to start and grow with many barriers. Survey data from the Kauffman Foundation shows that entrepreneurs are left out. 81% of entrepreneurs says that government favors big businesses over them. 69% say government doesn't care about them at all.

Nonetheless, the entrepreneurial spirit is deep in our DNA. 94% of voters – nearly unanimously across party lines – say “it’s important to America’s future” that citizens have a fair opportunity to start and grow their own businesses. However, 92% of voters say that starting a new business today is difficult or very difficult. Young businesses create jobs, while older businesses shed jobs. This bill sets the path to remove obstacles and barriers that hinder entrepreneurship.

This policy expands entrepreneurial opportunity for all. Having an Office of Entrepreneurship would help entrepreneurs with a dedicated liaison for them inside state government. Coordinating policies affecting entrepreneurs, cutting red tape, streamlining processes, and tracking important entrepreneurial data and metrics on government contracts for young companies is vital. One government contract can make a major difference on the trajectory of a young company’s growth and offer real legitimacy for a newer business. Entrepreneurs need at least one person at the state government level in North Dakota working on their behalf who eat, breathe, and sleep their issues and help them navigate and streamline processes, as well as working to enhance entrepreneurship as economic development in the state.

This policy will remove barriers and streamline processes to starting, advance homegrown job creation, and build a stronger connection between entrepreneurs and state government. It’s an impactful first step along the path to enabling every aspiring entrepreneur to start and grow a business for the benefit of their communities and North Dakota. In recent years, Nevada, Missouri, Kansas, Michigan, Colorado, Utah and New Mexico [have all created an Office of Entrepreneurship](#) or have a dedicated official inside state government dedicated to entrepreneurship and new, young businesses. Additionally, Nebraska, Washington, West Virginia, Indiana, Hawaii and Alaska are looking to also do so in 2025.

Please support this measure because entrepreneurs are critical to the North Dakota’s economy – for jobs, growth, incomes, lowering inequality, lowering poverty, competitiveness – and it’s time to unleash the entrepreneurial power of North Dakota’s citizens.

Chairman Warrey and members of the House Industry, Business and Labor Committee,

My name is Jaye Sandstrom, New Town, ND 58763.

I stand opposed to HB 1191 for the most elementary of reasons. For one, I do not believe that a free-market society such as ours needs interference and in this case, more interference with business and entrepreneurship from the state government. Good intentions on the part of government always turn into a conundrum and I doubt very much this will be any difference. In a state economy such as existing in North Dakota, what is needed is less government intervention. Government needs downsizing, not upsizing. Our state has more institutions of higher education per capita than most so it seems that these institutions should be turning out the trained entrepreneurs to go about life without the waste of yet another addition to government bureaucracy and outlet for more grants paid for by the taxpayer. The proposed half million-dollar budget would sit well better left in the pockets of the taxpayer.

I encourage you to DO NOT PASS HB 1191 recommendation and further ask that you consider all action to reduce the size and waste of the Commerce Department as a whole.

Thank you for your time.



TESTIMONY of TIFFANY FORD

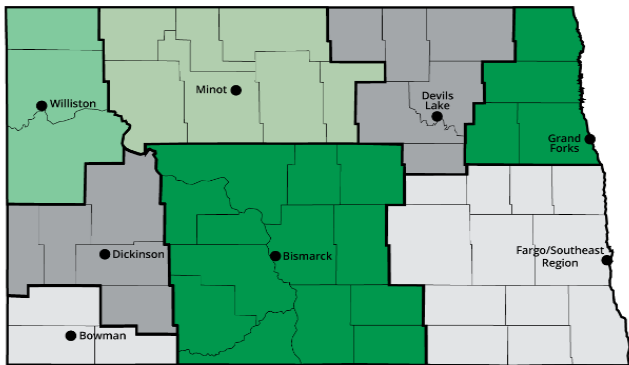
HB 1191

JANUARY 27, 2025

Chairman Warrey and members of the Committee:

I am fortunate to serve as the State Director of the North Dakota Small Business Development Centers (ND SBDC). We are the state's largest and most impactful entrepreneur and small business development program. Our team of credentialed advisors serves small business owners and entrepreneurs across the state, in any industry and with any business project. We provide expertise, insights, and leverage resources to ensure client success, resulting in economic impacts that strengthen local communities. All services are confidential and provided at no cost to the client (federally mandated).

Since its inception in 1986, the *nationally accredited* North Dakota Small Business Development Centers program continues to be a model for successful public-private partnerships. Nationally, the SBDC program is administered and funded at the federal level by the U.S. Small Business Administration and at the local level by the Bank of North Dakota and community investors. We serve our state from eight physical locations, as shown.



Since the start of the 2023-2025 state biennium, our efforts to diversify our state and local economies served clients from each of the 53 counties in North Dakota. We served more than 3,100 unique individuals with business advising and training workshops. From these clients, 216 new business starts were reported to us, and 9,216 jobs were supported by our work with these businesses. Through the direct assistance of our business advisors, **our clients reported more than \$90 million in capital investment** – fueling small business creation, expansion, and success. These aren't just numbers, they represent real opportunities for families, the foundation for generational wealth, stronger communities, and a more resilient North Dakota economy.

The ND SBDC is a crucial resource for businesses, state agencies, and program partners across the state, providing guidance, support, and innovative solutions that enable entrepreneurs and small businesses to thrive in our communities. We are a key leader of the state's entrepreneurial ecosystem. Our partnerships are wide and deep, and we are intentional about providing all our clients with connections to only quality resources and at the right time in their journey.

I am also grateful to wear the "hat" of the ND APEX Accelerator Project Director, alongside my Program Manager, David Kleppe. The ND APEX Accelerator (formerly known as the Procurement Technical Assistance Center), is federally funded by the Department of Defense, and was historically funded at the state level by the ND Department of Commerce. This program's mission is to expand the number of businesses capable of participating in government contracts. Offerings focus on building a strong, sustainable, and resilient U.S. supply chain by assisting a wide range of businesses that pursue and perform under contracts with the DoD, other federal agencies, state and local governments, and with government prime contractors. APEX

Accelerators work with partners to provide the opportunity for companies new to government contracting to acquire the skills and know-how to compete in the government marketplace.

APEX Accelerators provide a critical entry point for industry and is another vital partner in our state's entrepreneur ecosystem. This direct support to North Dakota businesses results in diversification of revenue streams and real job creation in our communities. *Federal, state, and local governments reap the reward of having strong suppliers to keep costs down, and specifically for state and local governments, to keep dollars in their own local economy.* North Dakota's investment in this program is very small, measured against its economic impact. Since the beginning of the 2023-25 biennium, the ND APEX Accelerator has assisted nearly 600 small and large businesses in our state enter the government marketplace. **Many of these clients have been successful, having received more than \$736 million in government contracts.**

When we combine the capital investment amount and the annual sales of ND SBDC clients, and the contracts (federal, state, and local) awarded to businesses in North Dakota being supported by the ND APEX Accelerator program, our network's total economic impact in our state in 2024 was **over \$1.23 billion.**

North Dakota's entrepreneurial ecosystem is large and can be intimidating and confusing for entrepreneurs and small businesses. However, there has been considerable efforts expended at local levels, regionally, and with statewide partners, to clarify messaging, differentiate between service providers, and make the options easier to understand and connect with. We, and other resources, are aware of the challenges and we have taken on the task to ensure that solutions are found to meet the needs of the ecosystem and those looking for support. The strong connections in our ecosystem, the pro-business climate in our state, and the ease of access to these two programs through many "front-doors" makes the opportunity to start and grow a business possible in our state.

Our work has led to the realization of many dreams and provided individuals with the opportunity to achieve financial independence and better balance. Regardless of industry or interest, from manufacturing to childcare, innovation to rural vitality, and workforce development to business transition planning, we as a network of passionate and invested individuals look forward to leading the efforts in this state for years to come.

I appreciate having this opportunity to share this information with you. Thank you for your time.

Respectfully,
Tiffany Ford
State Director, North Dakota Small Business Development Centers
Project Director, ND APEX Accelerator



Letter of Support – HB 1191

Monday, January 27, 2025

Chairman Warrey and members of the House Industry, Business, and Labor Committee,

For the record, my name is Cale Dunwoody, and I have the distinct pleasure of serving as the Vice President of Public Policy for the Fargo Moorhead West Fargo Chamber of Commerce (FMWF Chamber). On behalf of our over 1,700 members, I respectfully offer testimony in support of House Bill 1191.

At the FMWF Chamber, our mission is to protect and promote business, inspire individuals, cultivate communities, and influence action. Establishing an office of entrepreneurship supports the further development and growth of our state's vibrant economy.

Innovation is a fundamental part of North Dakota, with the state and its citizens constantly striving to create dynamic solutions and ideas. Supporting these unique ideas offers enhanced economic development opportunities and increases the potential for new businesses to take root in our state. These new business ideas will augment existing industries and inspire the establishment of new.

A robust, statewide entrepreneurship ecosystem is critical to the continued vitality of our state. If passed, we believe the entrepreneurial spirit across North Dakota will continue to flourish with this additional support – driving innovative solutions and economic diversity. We stand in support of this HB 1191 and urge this committee give the bill a DO PASS recommendation.

Thank you for your attention to this matter and your commitment to North Dakota.

Sincerely,

Cale Dunwoody
Vice President of Public Policy
Fargo Moorhead West Fargo Chamber of Commerce

HOUSE BILL 1191 AMENDMENT

Legislative Assembly
of North Dakota

Introduced by

Representatives Warrey, Bosch

Senator Klein

1 A BILL for an Act to create and enact a new section to chapter 54-60 of the North Dakota
2 Century Code, relating to the creation of an office of entrepreneurship; to provide for a
3 legislative management report; and to provide an appropriation.

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

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

7 Office of entrepreneurship - Duties - Report.

8 1. As used in this section:

- 9 a. "Business" means a corporation, partnership, company, cooperative, sole
10 proprietorship, or other legal entity organized or operating for pecuniary or
11 nonpecuniary gain.
- 12 b. "Entrepreneur" means an individual who initiates and assumes the financial risk
13 of a business.
- 14 c. "State agency" means an agency, board, commission, bureau, office,
15 department, institution, and any other state governmental entity. The term
16 excludes the legislative and judicial branches of state government.

17 2. There is created an office of entrepreneurship within the department of commerce.

18 Employees of the office of entrepreneurship report to the commissioner. The office of
19 entrepreneurship shall:

- 20 a. Work to strengthen policies and programs supporting the growth of
21 entrepreneurship in the state, including across demographic segments and
22 geographic areas.
- 23 b. Work with stakeholders and organizations supporting entrepreneurship to:
24 (1) Enhance the learning and skills of entrepreneurs;

Legislative Assembly

- 1 (2) Provide technical support to entrepreneurs; and
- 2 (3) Expand access to resources for entrepreneurs.
- 3 c. Serve as a point of contact to assist businesses that have been in operation less
- 4 than five years, in their interactions with state agencies and, when appropriate,
- 5 refer the businesses to other state or local agencies that provide assistance to
- 6 businesses.
- 7 3. A state agency shall cooperate with and assist the office of entrepreneurship in the
- 8 performance of its duties and functions.
- 9 4. Before August of each ~~even-numbered~~ year, the office of entrepreneurship shall
- 10 provide a report to the legislative management which includes:
- 11 a. A summary of work accomplished in support of growing entrepreneurship in the
- 12 state, events held to drive collaboration with stakeholders and organizations
- 13 supporting entrepreneurship, number of participating businesses that have been
- 14 in operation less than five years, types of resources provided, and outcomes of
- 15 the entrepreneurship program;.~~The number and total dollar amount of state~~
- 16 ~~contracts awarded to businesses that have been in operation less than five~~
- 17 ~~years, including a breakdown by demographic segments and geographical areas~~
- 18 ~~of the state;~~
- 19 ~~b. The percentage of state contracts awarded to businesses that have been in~~
- 20 ~~operation less than five years compared to the total number of contracts~~
- 21 ~~awarded;~~
- 22 ~~c. The percentage of the dollar amount of state contracts awarded to businesses~~
- 23 ~~that have been in operation less than five years compared to the total dollar~~
- 24 ~~amount of contracts awarded;~~
- 25 ~~d. The types of businesses awarded a state contract;~~
- 26 ~~e. Recommendations for improving access to state contracts for businesses that~~
- 27 ~~have been in operation less than five years, including those businesses in~~
- 28 ~~statistically underrepresented demographic segments and geographic areas of~~
- 29 ~~the state;~~
- 30 b.f. Recommendations for improving entrepreneurship in the state, including
- 31 identifying regional challenges to entrepreneurship; and

1 c.g. Any additional information deemed necessary to provide an accurate depiction of
2 the condition of entrepreneurship in the state.

3 ~~5. The office of entrepreneurship shall encourage five percent of the number of state~~
4 ~~contracts to be awarded to businesses that have been in operation less than five years~~
5 ~~and which have the principal place of the business located in the state.~~

6 6. All financial records, or records containing financial information, made or received
7 ~~files, and communications of the office of entrepreneurship made or received in~~
8 accordance with this section are an exempt record under section 44-04-17.1.

9 **SECTION 2. APPROPRIATION - DEPARTMENT OF COMMERCE - OFFICE OF**

10 **ENTREPRENEURSHIP - FULL-TIME EQUIVALENT POSITIONS.** There is appropriated out of
11 any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of
12 \$485,000, or so much of the sum as may be necessary, to the department of commerce for the
13 purpose of providing salaries and benefits for office of entrepreneurship staff, for the biennium
14 beginning July 1, 2025, and ending June 30, 2027. The department of commerce is authorized
15 two full-time equivalent positions to administer the office of entrepreneurship.



Model “Office of Entrepreneurship”

Vision

Every citizen has a fundamental Right to Start and grow their entrepreneurial dreams. To fulfill that right, your state must unleash entrepreneurial opportunity for all. Regardless of race, place, or background. Across every community and region of the state. When the Right to Start is realized, prosperity spreads through homegrown jobs, higher incomes, stronger communities, more innovation, lower inequality, and less poverty. Changing minds, changing policies, and changing communities around the power of entrepreneurship is fundamental to expanding entrepreneurial opportunity.

Mission

Expand entrepreneurial opportunity and economic growth in your state through streamlining processes, reducing, or eliminating barriers to starting, tracking data / impact, and by identifying and sharing ways through engagement to increase young business success in the state.

Strategic Overview

1. **Stronger Coordination.** Coordinate and drive better policymaking across the entire government to remove barriers for entrepreneurs. (“Entrepreneurship Czar”)
2. **Stronger Experience.** Enhance the “customer experience” of entrepreneurs when engaging with government. Serve as the point of contact for businesses

- v. Run an annual survey of entrepreneurs to understand and identify their toughest barriers.

B. *Run the Inter-Agency Task Force on Entrepreneurship*

- a. Convene and assist all agencies that affect entrepreneurs to improve policies and processes.
- b. Manage Ongoing Lean Process to streamline the entrepreneurial “user experience” with government, including annual Lean Workshop. Can lead eventually to creation of one-stop shop for improved customer service.
- c. Refer entrepreneurs to other state and local agencies that provide assistance to businesses, where appropriate.

C. *Build an Ecosystem Network (Connecting & Coordinating with ESO's)*

- a. Support those who support entrepreneurs and entrepreneurship.
- b. Promote ESO success statewide by coordinating standard metrics, connectivity across organizations and geographies, information sharing, and media/storytelling efforts.
- c. Lead collective fundraising opportunities – including federal, corporate, philanthropic – to fund ESOs and others who can help entrepreneurs.

D. *Expansion of State Government Contracts*

- a. Encourage 5 percent of the total number of state contracts to be awarded to businesses that have been in operation for not more than 5 years and whose principal place of business is in your state.

Potential Job Description Framework (For Example: Two FTEs)

Lead FTE:

- Serve as the leader and official liaison of the Office of Entrepreneurship.
- Work to identify and address issues faced by entrepreneurs.

- Work with Lead FTE to put together the State of your State Entrepreneurship Report.
- Assist Lead FTE with collateral or research information for interactions with entrepreneurs, ecosystem leaders, stakeholders, and policymakers.
- Develop Entrepreneur Impact Statement after each legislative session.
- Analyze the economic impact of entrepreneurship in your state and identify areas for growth and development.

Please note the potential upside of expanding to three full time FTE's if able

- A Director, Strategic Managerial Role (Lead FTE)
- A Data Collection / Metrics, Reporting Role (Coordinator FTE)
- A Community Involvement / Engagement, Builder Role (Outreach FTE)

2025 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee Room JW327C, State Capitol

HB 1191
2/10/2025

A BILL for an Act to create and enact a new section to chapter 54-60 of the North Dakota Century Code, relating to the creation of an office of entrepreneurship; to provide for a legislative management report; and to provide an appropriation.

2:15 p.m. Vice Chairman Ostlie called the meeting to order.

Members Present: Chairman Warrey, Vice Chairman Ostlie, Vice Chairman Johnson, Representatives Bahl, Brown, Finley-DeVile, Grindberg, Kasper, Koppelman, D. Ruby, Schatz, Schauer, Vollmer

Member Absent: Representative Christy

Discussion Topics:

- Warrey amendment #36247
- Modeled from other States

2:22 p.m. Representative Bahl moved to Adopt Amendment LC# 25.0450.02001 (1/27/25 Warrey testimony #36247).

2:22 p.m. Representative Vollmer seconded the motion.

Voice vote.

Motion passed.

2:23 p.m. Representative Ostlie moved Do Pass as amended and rereferred to appropriations.

2:23 p.m. Representative Grindberg seconded the motion.

Representatives	Vote
Representative Jonathan Warrey	Y
Representative Mitch Ostlie	Y
Representative Landon Bahl	Y
Representative Collette Brown	Y
Representative Josh Christy	AB
Representative Lisa Finley-DeVile	Y
Representative Karen Grindberg	Y
Representative Jorin Johnson	N
Representative Jim Kasper	N
Representative Ben Koppelman	AB

Representative Dan Ruby	N
Representative Mike Schatz	AB
Representative Austin Schauer	AB
Representative Daniel R. Vollmer	Y

Motion passed 7-3-4.

2:29 p.m. Representative Warrey will carry the bill.

2:29 p.m. Chairman Warrey closed the hearing.

Diane Lillis, Committee Clerk

February 10, 2025

2/10/25
1 of 3

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1191

Introduced by

Representatives Warrey, Bosch

Senator Klein

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13 of a business.
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15 department, institution, and any other state governmental entity. The term
16 excludes the legislative and judicial branches of state government.
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- 2 entrepreneurship in the state, including across demographic segments and
- 3 geographic areas.
- 4 b. Work with stakeholders and organizations supporting entrepreneurship to:
- 5 (1) Enhance the learning and skills of entrepreneurs;
- 6 (2) Provide technical support to entrepreneurs; and
- 7 (3) Expand access to resources for entrepreneurs.
- 8 c. Serve as a point of contact to assist businesses that have been in operation less
- 9 than five years, in their interactions with state agencies and, when appropriate,
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- 13 performance of its duties and functions.
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- 15 provide a report to the legislative management which includes:
- 16 a. ~~The number and total dollar amount of state contracts awarded to businesses~~
- 17 ~~that have been in operation less than five years, including a breakdown by~~
- 18 ~~demographic segments and geographical areas of the state~~A summary of work
- 19 accomplished in support of growing entrepreneurship in the state;
- 20 b. ~~The percentage of state contracts awarded to businesses that have been in~~
- 21 ~~operation less than five years compared to the total number of contracts~~
- 22 ~~awarded~~A summary of events held to drive collaboration with stakeholders and
- 23 organizations supporting entrepreneurship;
- 24 c. ~~The percentage of the dollar amount of state contracts awarded to businesses~~
- 25 ~~that have been in operation less than five years compared to the total dollar~~
- 26 ~~amount of contracts awarded~~number of participating businesses that have been
- 27 in operation less than five years ;
- 28 d. ~~The types of businesses awarded a state contract;~~
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- 1 statistically underrepresented demographic segments and geographic areas of
2 the state;
- 3 ~~f.~~ Recommendations for improving entrepreneurship in the state, including
4 identifying regional challenges to entrepreneurship; and
- 5 ~~g.e.~~ Any additional information deemed necessary to provide an accurate depiction of
6 the condition of entrepreneurship in the state.
- 7 ~~5.~~ The office of entrepreneurship shall encourage five percent of the number of state
8 contracts to be awarded to businesses that have been in operation less than five years
9 and which have the principal place of the business located in the state.
- 10 ~~6.5.~~ All financial records, files, and communications of the office of entrepreneurship or
11 records containing financial information made or received in accordance with this
12 section are an exempt record under section 44-04-17.1.

13 **SECTION 2. APPROPRIATION - DEPARTMENT OF COMMERCE - OFFICE OF**
14 **ENTREPRENEURSHIP - FULL-TIME EQUIVALENT POSITIONS.** There is appropriated out of
15 any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of
16 \$485,000, or so much of the sum as may be necessary, to the department of commerce for the
17 purpose of providing salaries and benefits for office of entrepreneurship staff, for the biennium
18 beginning July 1, 2025, and ending June 30, 2027. The department of commerce is authorized
19 two full-time equivalent positions to administer the office of entrepreneurship.

**REPORT OF STANDING COMMITTEE
HB 1191**

Industry, Business and Labor Committee (Rep. Warrey, Chairman) recommends **AMENDMENTS** ([25.0450.02001](#)) and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (7 YEAS, 3 NAYS, 4 ABSENT AND NOT VOTING). HB 1191 was placed on the Sixth order on the calendar.

2025 HOUSE APPROPRIATIONS

HB 1191

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1191
2/19/2025

Relating to the creation of an office of entrepreneurship; to provide for a legislative management report; and to provide an appropriation.

5:30 p.m. Chairman Vigesaa Called the meeting to order

Members present: Chairman Vigesaa, Vice Chairman Kempenich, Representatives Anderson, Berg, Bosch, Brandenburg, Fisher, Hanson, Louser, Martinson, Meier, Mitskog, Monson, Murphy, Nathe, Nelson, O'Brien, Pyle, Richter, Sanford, Stemen, Swiontek, Wagner

Discussion Topics:

- Salaries and benefits
- 2 FTEs
- Statewide Program

5:30 p.m. Representative Warrey Introduced the bill and its purpose.

5:40 p.m. Chairman Vigesaa Closed the meeting for HB 1036.

Krystal Eberle for Risa Berube, Committee Clerk

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1191
2/19/2025

Relating to the creation of an office of entrepreneurship; to provide for a legislative management report; and to provide an appropriation.

6:54 p.m. Chairman Vigesaa Called the meeting to order

Members present: Chairman Vigesaa, Vice Chairman Kempenich, Representatives Anderson, Berg, Bosch, Brandenburg, Fisher, Hanson, Louser, Martinson, Meier, Mitskog, Monson, Murphy, Nathe, Nelson, O'Brien, Pyle, Richter, Sanford, Stemen, Swiontek, Wagner

Discussion Topics:

- Committee work

6:58 p.m. Representative Kempenich moved to amend to remove Section 2.

Representative Nathe seconded the motion.

7:02 p.m. Roll Call Vote

Representatives	Vote
Representative Don Vigesaa	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	Y
Representative Mike Berg	Y
Representative Glen Bosch	Y
Representative Mike Brandenburg	Y
Representative Jay Fisher	Y
Representative Karla Rose Hanson	Y
Representative Scott Louser	Y
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	Y
Representative David Monson	Y
Representative Eric J. Murphy	Y
Representative Mike Nathe	Y
Representative Jon O. Nelson	Y
Representative Emily O'Brien	Y
Representative Brandy L. Pyle	Y
Representative David Richter	Y
Representative Mark Sanford	Y
Representative Gregory Stemen	Y
Representative Steve Swiontek	Y

Representative Scott Wagner	Y
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Motion passed 23-0-0.

7:03 p.m. Representative O'Brien moved a Do Pass as Amended.

Representative Stemen seconded the motion.

7:04 p.m. Roll Call Vote

Representatives	Vote
Representative Don Vigesaa	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	Y
Representative Mike Berg	Y
Representative Glen Bosch	Y
Representative Mike Brandenburg	Y
Representative Jay Fisher	Y
Representative Karla Rose Hanson	Y
Representative Scott Louser	Y
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	Y
Representative David Monson	Y
Representative Eric J. Murphy	Y
Representative Mike Nathe	Y
Representative Jon O. Nelson	Y
Representative Emily O'Brien	Y
Representative Brandy L. Pyle	Y
Representative David Richter	Y
Representative Mark Sanford	Y
Representative Gregory Stemen	Y
Representative Steve Swiontek	Y
Representative Scott Wagner	Y

Motion passed 23-0-0. Representative Warrey will carry.

7:04 p.m. Chairman Vigesaa Closed the meeting.

Krystal Eberle for Risa Berube, Committee Clerk

February 19, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

ENGROSSED HOUSE BILL NO. 1191

Introduced by

Representatives Warrey, Bosch

Senator Klein

2-20-25

JG 143

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

7 **Office of entrepreneurship - Duties - Report.**

8 **1. As used in this section:**

- 9 a. "Business" means a corporation, partnership, company, cooperative, sole
10 proprietorship, or other legal entity organized or operating for pecuniary or
11 nonpecuniary gain.
- 12 b. "Entrepreneur" means an individual who initiates and assumes the financial risk
13 of a business.
- 14 c. "State agency" means an agency, board, commission, bureau, office,
15 department, institution, and any other state governmental entity. The term
16 excludes the legislative and judicial branches of state government.
- 17 **2. There is created an office of entrepreneurship within the department of commerce.**
18 Employees of the office of entrepreneurship report to the commissioner. The office of
19 entrepreneurship shall:

- 1 a. Work to strengthen policies and programs supporting the growth of
- 2 entrepreneurship in the state, including across demographic segments and
- 3 geographic areas.
- 4 b. Work with stakeholders and organizations supporting entrepreneurship to:
- 5 (1) Enhance the learning and skills of entrepreneurs;
- 6 (2) Provide technical support to entrepreneurs; and
- 7 (3) Expand access to resources for entrepreneurs.
- 8 c. Serve as a point of contact to assist businesses that have been in operation less
- 9 than five years, in their interactions with state agencies and, when appropriate,
- 10 refer the businesses to other state or local agencies that provide assistance to
- 11 businesses.
- 12 3. A state agency shall cooperate with and assist the office of entrepreneurship in the
- 13 performance of its duties and functions.
- 14 4. Before August of each year, the office of entrepreneurship shall provide a report to the
- 15 legislative management which includes:
- 16 a. A summary of work accomplished in support of growing entrepreneurship in the
- 17 state;
- 18 b. A summary of events held to drive collaboration with stakeholders and
- 19 organizations supporting entrepreneurship;
- 20 c. The number of participating businesses that have been in operation less than five
- 21 years;
- 22 d. Recommendations for improving entrepreneurship in the state, including
- 23 identifying regional challenges to entrepreneurship; and
- 24 e. Any additional information deemed necessary to provide an accurate depiction of
- 25 the condition of entrepreneurship in the state.
- 26 5. All financial records, or records containing financial information made or received in
- 27 accordance with this section are an exempt record under section 44-04-17.1.

~~**SECTION 2. APPROPRIATION - DEPARTMENT OF COMMERCE - OFFICE OF**~~

~~**ENTREPRENEURSHIP - FULL-TIME EQUIVALENT POSITIONS.** There is appropriated out of
any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of
\$485,000, or so much of the sum as may be necessary, to the department of commerce for the~~

- 1 ~~purpose of providing salaries and benefits for office of entrepreneurship staff, for the biennium~~
- 2 ~~beginning July 1, 2025, and ending June 30, 2027. The department of commerce is authorized~~
- 3 ~~two full-time equivalent positions to administer the office of entrepreneurship.~~

**REPORT OF STANDING COMMITTEE
ENGROSSED HB 1191**

Appropriations Committee (Rep. Vigesaa, Chairman) recommends **AMENDMENTS** ([25.0450.03001](#)) and when so amended, recommends **DO PASS** (23 YEAS, 0 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). HB 1191 was placed on the Sixth order on the calendar.

2025 SENATE INDUSTRY AND BUSINESS

HB 1191

2025 SENATE STANDING COMMITTEE MINUTES

Industry and Business Committee Fort Union Room, State Capitol

HB 1191
4/1/2025

A bill relating to the creation of an office of entrepreneurship; and to provide for a legislative management report.

10:07 a.m. Chairman Barta opened the hearing.

Members present: Chairman Barta, Vice-Chair Boehm, Senator Klein, Senator Kessel, Senator Enget

Discussion Topics:

- Economic diversification
- Policy coordination across the state
- Right To Start and Emerging Prairie
- Definition of an office of entrepreneurship
- Department of Commerce
- ND Business Optimization ecosystem
- Startup businesses and the importance of community
- Centralized hubs, connections, and networking
- Emerging Prairie and G-Beta
- One Million Cups, Score, and the Mandan Business Pitch Program
- Regional Workforce Impact Program
- Regional access and rural community opportunities

10:07 a.m. Representative Jonathan Warrey, District 22, testified in favor and introduced the bill.

10:28 a.m. Bryce Wuori, CEO of Pavewise, testified in favor.

10:43 a.m. Greg Tehven, CEO and Co-founder, Emerging Prairie, testified in favor.

10:48 a.m. Corey Peterson, testified in favor.

10:51 a.m. Todd Pringle, General Partner, 701 Fund, testified in favor.

10:54 a.m. Nathan Schneider, Economic Development Association of ND, testified in favor and submitted testimony #44503.

Additional written testimony:

Delore Zimmerman, Executive Director, Valley Prosperity Partnership, submitted testimony #44491 in favor.

11:06 a.m. Chairman Barta closed the hearing.

Audrey Oswald, Committee Clerk



Testimony
Senate Industry and Business Committee
House Bill 1191
April 1, 2025

Chairman Barta and members of the Senate Industry and Business Committee. The Valley Prosperity Partnership (VPP) is a membership organization led by business executives – joined by economic development, chamber of commerce, and higher education leaders – to advance and advocate for shared strategic economic development opportunities for the Red River Valley region and for North Dakota.

A robust entrepreneurial ecosystem and strong rate of business formation is essential to any healthy, growing economy, providing the primary sources of innovation and new job creation.

Many of the North Dakota's largest and most successful businesses began as small businesses. Now these businesses employ thousands and have attracted other businesses from outside the state as part of their supply and service chain. It is critical that North Dakota encourages and supports new entrepreneurial efforts by engaging legacy entrepreneurs, mentoring younger startups, and encouraging the spinout of new innovations from within existing industry and North Dakota's universities.

Therefore, The VPP supports the creation of an office of entrepreneurship within the department of commerce to 1) work to strengthen policies and programs supporting the growth of entrepreneurship in the state, 2) work with stakeholders and organizations supporting entrepreneurship, and 3) serve as a point of contact to assist businesses that have been in operation less than five years, in their interactions with state agencies and, when appropriate, refer the businesses to other state or local agencies that provide assistance to businesses.

The creation and mobilization of the office entrepreneurship can be a force multiplier for organizations throughout the state that provide support and resources to entrepreneurs and startup companies. This will have a significant impact on our state's future economy.

Valley Prosperity Partnership Steering Committee

Chris Wolf, North Valley Market
President, Alerus Financial*

Mike McLean, Principal
JLG Architects Vice Co-Chair*

Shannon Roers Jones
Roers Construction &
Development
Vice Co-Chair*

Andrew Armacost, President
University of North Dakota

Paige E. Bjornson, Northern
Region President. Dacotah Bank

Steve Burian, President & CEO
Burian & Associates

Dan Conrad, President & CEO
Blue Cross Blue Shield North Dakota

David Cook, President
North Dakota State University

Tim Curoe, CEO
RD Offutt Company

Mylo Einarson, President & CEO
Nodak Electric Cooperative

Chad Flanagan, Partner
Eide Bailly

Rod Flanigan, President
North Dakota State College of Science

Todd Forkel, CEO
Altru Health System

Shannon Full, President/CEO
Fargo Moorhead West Fargo
Chamber of Commerce*

Shawn Gaddie, Director of
Infrastructure Management Services,
AE2S

Kevin Hanson, President &
CEO Gate City Bank

Brian Johnson, CEO, Choice Bank, Co-
Chair Valley Prosperity Partnership*

Tiffany Lawrence, CEO & President
Sanford Fargo

Keith Lund, President & CEO
Grand Forks Region EDC*

William C. Marcil, Sr. Chairman Forum
Communications Company

Paul Matthy, CEO
Cass County Electric Cooperative

Pat McAdaragh, President & CEO
Midco

Jeff Melgaard, Vice President
Construction Engineers

Joe Raso, President & CEO
Greater Fargo Moorhead EDC*

Jason Seger, President
Border States Electric

Barry Wilfahrt, President & CEO
The Chamber Grand Forks/East Grand
Forks*

Delore Zimmerman, Executive Director*

* Member Executive Committee



PO Box 1091 • Bismarck, ND 58502
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Testimony of Nathan Schneider
Economic Development Association of North Dakota
Neutral Testimony of HB 1191
April 1, 2025

Chairman Barta and members of the Senate Industry and Business Committee:

My name is Nathan Schneider, and I am Vice President of Economic Development for the Bismarck Mandan Chamber EDC and serve as the Secretary/Treasurer for the Economic Development Association of North Dakota (EDND). It is in the capacity of an EDND board member that I provide neutral testimony for HB 1191 today.

EDND fully supports the advancement of entrepreneurship in North Dakota and recognizes its vital role in fostering innovation, driving job creation, and strengthening our state's economy. As you consider this bill, we would like to offer a few points for consideration to help ensure the success of any new efforts.

North Dakota is already home to a robust network of entrepreneurial support programs and organizations, including:

- Local and regional economic development programs, such as the Mandan Business Pitch Challenge and Fusion, a regional workforce conference in Southwest ND.
- Statewide incubators and accelerators, including Gener8tor and ILT Academy.
- Higher education innovation centers, such as the Goldman Sachs 10,000 Small Businesses program at Bismarck State College.
- Existing Department of Commerce initiatives, including InnovateND.
- Technical assistance providers and Small Business Development Centers, such as the North Dakota Women's Business Center, USDA Rural Business Development Grants and Dakota Business Lending.

With these existing programs in mind, we encourage the committee to consider how a new office might complement and coordinate with existing programs to avoid duplication and ensure efficient use of resources. Strengthening, connecting, and investing in the organizations already doing this work could be a valuable strategy to enhance the overall entrepreneurial ecosystem.

Additionally, consideration could be given to distributing funding regionally, allowing each region to build entrepreneurship strategies that reflect their unique assets, opportunities, and needs. A model similar to the Regional Workforce Impact Program (RWIP) could provide the flexibility and local insight necessary to ensure meaningful outcomes across the state.

Thank you and I'd be happy to answer any questions.

2025 SENATE STANDING COMMITTEE MINUTES

Industry and Business Committee Fort Union Room, State Capitol

HB 1191
4/2/2025

A bill relating to the creation of an office of entrepreneurship; and to provide for a legislative management report.

9:41 a.m. Chairman Barta called the meeting to order.

Members present: Chairman Barta, Vice-Chair Boehm, Senator Klein, Senator Kessel, Senator Enget

Discussion Topics:

- Regional councils and the Small Business Bureau
- ND as a business-friendly state
- Role of the office
- Other state's statues
- Direction to existing resources
- Government growth and business growth
- Department of Commerce and administrative resources
- Private industry
- Fiscal requirements
- Quantifiable value added
- Existing programs, Generator, Right to Start, and Emerging Prairie
- Importance of accessible direction, coaching, and mentorship

9:42 a.m. Chairman Barta led the discussion.

10:01 a.m. Senator Kessel moved a Do Pass.

10:01 a.m. Senator Klein seconded the motion.

Senators	Vote
Senator Jeff Barta	Y
Senator Keith Boehm	N
Senator Mark Enget	N
Senator Greg Kessel	Y
Senator Jerry Klein	Y

Motion passed 3-2-0.

Senator Kessel will carry the bill.

10:12 a.m. Chairman Barta closed the hearing.

Audrey Oswald, Committee Clerk

REPORT OF STANDING COMMITTEE
REENGROSSED HB 1191 ([25.0450.04000](#))

Industry and Business Committee (Sen. Barta, Chairman) recommends **DO PASS** (3 YEAS, 2 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). Reengrossed HB 1191 was placed on the Fourteenth order on the calendar. This bill does not affect workforce development.