Prepared by the Legislative Council staff for
Senator Holmberg
April 9, 2015

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1018

Page 1, line 2, after the third semicolon insert "to amend and reenact section 54-60-17 of the North Dakota Century Code, relating to workforce development;"

Page 1, replace line 12 with:

"Salaries and wages	$12,361,114	$834,068	$13,195,182"

Page 1, replace line 14 with:

"Operating expenses	15,635,749	3,049,374	18,685,123"

Page 1, replace line 16 with:

"Grants	56,622,950	14,076,506	70,699,456"

Page 1, remove line 24

Page 2, replace lines 1 through 4 with:

"Entrepreneurship grants and vouchers	0	3,250,000	3,250,000
Partner programs	2,022,044	200,000	2,222,044
Total all funds	$93,864,446	$38,908,728	$132,773,174
Less estimated income	51,707,386	23,812,087	75,519,473
Total general fund	$42,157,060	$15,096,641	$57,253,701"

Page 2, replace lines 20 through 22 with:

"Enhanced use lease grant	2,500,000	7,500,000
Child care facility grants	0	3,000,000
Homeless shelter grants	0	1,500,000"

Page 2, replace line 24 with:

"Tribal community college grants	0	4,000,000"

Page 2, replace line 27 with:

"Workplace safety training facility grant	0	4,000,000
Workforce recruitment campaign	0	300,000"

Page 2, remove lines 29 and 30

Page 3, replace lines 1 and 2 with:

"Entrepreneurship grants and vouchers	0	1,750,000
Tourism international	0	247,836
Educators and industry externships	0	50,000
Total all funds	$45,955,636	$46,176,325
Less estimated income	23,655,636	22,359,869
Total general fund	$22,300,000	$23,816,456"

Page 3, line 7, after the boldfaced hyphen insert "**CONTINGENCY -**"

Page 3, line 8, replace "$2,000,000" with "$4,000,000"

Page 3, line 9, remove "acquiring land, site"

Page 3, line 10, replace "development, and design for" with "constructing"

Page 3, line 11, after the period insert "The grant is contingent upon the organization raising at least $4,000,000 of non-state funds for the construction of the workplace safety training facility."

Page 3, line 20, replace "$2,500,000" with "$7,500,000"

Page 3, line 24, replace "funds" with "up to $3,100,000, or additional amounts as necessary,"

Page 3, line 25, remove "and construction"

Page 3, line 26, remove "commences"

Page 3, line 27, replace "Funds" with "Remaining funds"

Page 3, line 27, remove "and construction commences"

Page 3, line 30, remove ", such as fiber"

Page 4, line 2, replace "$1,875,000" with "$3,000,000"

Page 4, line 9, replace "$2,500,000" with "$3,250,000"

Page 4, line 9, replace "$2,350,000" with "$3,100,000"

Page 4, line 13, remove "use"

Page 4, line 14, replace "up to" with "provide a"

Page 4, line 14, remove "to provide a"

Page 4, line 15, after "located" insert "and provide a $300,000 grant to each of the two entrepreneurial centers associated with a research university located in a city with a population of at least 50,000 according to the most recent decennial census"

Page 4, after line 26, insert:

"**SECTION 9. TRIBAL COLLEGE GRANTS.** The grants line item in section 1 of this Act includes the sum of $4,000,000 for tribal college grants, $2,000,000 of which is from the general fund and $2,000,000 is from the student loan trust fund, for the biennium beginning July 1, 2015, and ending June 30, 2017."

Page 5, line 22, replace "$1,500,000" with "$1,550,000"

Page 5, line 29, after the period insert "The department of commerce shall make available $1,000,000 of the funds transferred to the research North Dakota fund for research North Dakota for grants to conduct research on and commercialization for the prevention of, treatment of, or cure for viral diseases, cancer, and other pathogens, for the period beginning July 1, 2015, and ending June 30, 2016. If the grants are not awarded by June 30, 2016, the funds must be made available for other authorized purposes of research North Dakota."

Page 7, after line 3, insert:

"**SECTION 24. AMENDMENT.** Section 54-60-17 of the North Dakota Century Code is amended and reenacted as follows:

54-60-17. Division of workforce development - Internships, apprenticeships, and work experience opportunities.

The division of workforce development shall administer a program to increase use of internships, apprenticeships, and work experience opportunities for higher education students ~~and~~, high school students enrolled in grade eleven or twelve, and educators. The primary focus of this program must be higher education internships in target industries. This program shall provide services to employers, communities, and business organizations to increase internship, apprenticeship, and work experience opportunities. The department shall maintain records of the number of internship, apprenticeship, and work experience opportunities subsidized within each funding recipient."

Page 7, line 4, replace "$1,500,000" with "$1,550,000"

Page 7, line 5, after "1" insert "relating to the operation intern program"

Page 7, line 5, replace "10" with "14"

Page 7, line 5, remove ", relating to the operation intern program,"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1018 - Summary of Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Adjutant General				
Total all funds	$0	$200,000	$0	$200,000
Less estimated income	0	0	0	0
General fund	$0	$200,000	$0	$200,000
Department of Commerce				
Total all funds	$93,864,446	$120,997,699	$11,775,475	$132,773,174
Less estimated income	51,707,386	68,527,697	6,991,776	75,519,473
General fund	$42,157,060	$52,470,002	$4,783,699	$57,253,701
Bill total				
Total all funds	$93,864,446	$121,197,699	$11,775,475	$132,973,174
Less estimated income	51,707,386	68,527,697	6,991,776	75,519,473
General fund	$42,157,060	$52,670,002	$4,783,699	$57,453,701

House Bill No. 1018 - Department of Commerce - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	$12,361,114	$13,207,534	($12,352)	$13,195,182
Operating expenses	15,635,749	18,315,874	369,249	18,685,123
Capital assets	10,000			
Grants	56,622,950	60,130,878	10,568,578	70,699,456
Discretionary funds	928,082	928,082		928,082
Economic development initiatives	186,846			
Ag products utilization commission	3,240,494	3,320,018		3,320,018
North Dakota trade office	2,613,400	2,613,400		2,613,400

Partner programs	2,022,044	2,122,044	100,000	2,222,044
Accrued leave payments	243,767			
Research North Dakota		4,000,000		4,000,000
Workforce enhancement fund		1,000,000		1,000,000
Flood impact grants/loans		12,859,869		12,859,869
Entrepreneurship grants and vouchers		2,500,000	750,000	3,250,000
Total all funds	$93,864,446	$120,997,699	$11,775,475	$132,773,174
Less estimated income	51,707,386	68,527,697	6,991,776	75,519,473
General fund	$42,157,060	$52,470,002	$4,783,699	$57,253,701
FTE	69.25	69.40	0.00	69.40

Department No. 601 - Department of Commerce - Detail of Senate Changes

	Adjusts Funding for Health Insurance Premium Increases[1]	Increases Funding for Partner Program[2]	Increases One-Time Funding [3]	Total Senate Changes
Salaries and wages	($49,525)		$37,173	($12,352)
Operating expenses			369,249	369,249
Capital assets				
Grants			10,568,578	10,568,578
Discretionary funds				
Economic development initiatives				
Ag products utilization commission				
North Dakota trade office				
Partner programs		100,000		100,000
Accrued leave payments				
Research North Dakota				
Workforce enhancement fund				
Flood impact grants/loans				
Entrepreneurship grants and vouchers			750,000	750,000
Total all funds	($49,525)	$100,000	$11,725,000	$11,775,475
Less estimated income	(8,224)	0	7,000,000	6,991,776
General fund	($41,301)	$100,000	$4,725,000	$4,783,699
FTE	0.00	0.00	0.00	0.00

[1] Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of $1,130.22 per month.

[2] Funding is increased for partner programs related to small business development programs to provide a total of $300,000.

[3] One-time funding is increased for the following one-time funding items:

	House Version	General Fund Increase	Other Funds Increase	Senate Version
Child care facility grant program	$1,875,000	$1,125,000		$3,000,000
Tribal college grants	2,000,000		2,000,000	4,000,000
Enhanced use lease grant	2,500,000		5,000,000	7,500,000
Entrepreneurial centers and vouchers	1,000,000	750,000		1,750,000
Workforce recruitment campaign		300,000		300,000
Educators and externship grants		50,000		50,000
Workplace safety facility	2,000,000	2,000,000		4,000,000
Homeless shelter grants	1,000,000	500,000		1,500,000
Total	$10,375,000	$4,725,000	$7,000,000	$22,100,000

This amendment also:

- Requires the organization receiving the workplace safety grant to raise at least $4 million of nonstate funds for the construction of a workplace safety facility.
- Makes available $1 million of Research North Dakota funding for grants to conduct research on and commercialization for the prevention of, treatment of, or cure of viral diseases, cancer, and other pathogens, until June 30, 2016. If the grants are not awarded by June 30, 2016, the funds become available for other Research North Dakota grants.
- Allows the department to provide grants of up to $3.1 million or additional amounts if necessary under the enhanced used lease grant program for taxiway reconnection and alert pad refurbishment.
- Requires the department to provide three separate grants of $300,000 to the IDEA Center, North Dakota State University Research & Technology Park, and the University of North Dakota Center for Innovation.
- Designates $2 million of the $4 million provided for tribal college grants from the student loan trust fund.
- Amends North Dakota Century Code Section 54-60-17 to include educators under the workforce development program.
- Transfers $247,836 for tourism international from ongoing funding to one-time funding.