

**FIRST ENGROSSMENT
with Conference Committee Amendments
ENGROSSED SENATE BILL NO. 2018**

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 commerce; to provide an appropriation to the department of human services for early childhood
3 service provider grants; to provide an appropriation to Dickinson state university; to create and
4 enact a new section to chapter 10-30.5, two new sections to chapter 54-60, and three new
5 sections to chapter 54-65 of the North Dakota Century Code, relating to the research North
6 Dakota venture program, an unmanned aircraft systems program, and the research North
7 Dakota program; to amend and reenact sections 4-14.1-02, 4-14.1-03, 4-44-03, 17-02-05, and
8 54-18-21, subdivision d of subsection 5 of section 54-44.7-03, and sections 57-43.1-03,
9 57-43.1-03.1, 57-43.1-03.3, and 57-43.1-08 of the North Dakota Century Code and section 1 of
10 Senate Bill No. 2218, as approved by the sixty-third legislative assembly, relating to the
11 agricultural fuel tax fund, the ethanol production incentive fund, the agricultural research fund,
12 and workforce development grants to tribally controlled community colleges; to provide
13 exemptions; to provide for transfers; to provide continuing appropriations; to provide statements
14 of legislative intent; to provide for legislative management studies; and to declare an
15 emergency.

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

17 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
18 as may be necessary, are appropriated out of any moneys in the general fund in the state
19 treasury, not otherwise appropriated, and from special funds derived from federal funds and
20 other income, to the department of commerce for the purpose of defraying the expenses of the
21 department of commerce, for the biennium beginning July 1, 2013, and ending June 30, 2015,
22 as follows:

23		Adjustments or	
24	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>

Sixty-third
Legislative Assembly

1	Salaries and wages	\$10,858,251	\$1,502,863	\$12,361,114
2	Accrued leave payments	0	243,767	243,767
3	Operating expenses	13,876,650	2,059,099	15,935,749
4	Capital assets	70,018	(60,018)	10,000
5	Grants	59,977,994	(3,605,044)	56,372,950
6	Discretionary funds	928,082	0	928,082
7	Workforce enhancement fund	0	2,000,000	2,000,000
8	Economic development initiatives	186,846	0	186,846
9	Flood impact grants/loans	0	18,358,866	18,358,866
10	Agricultural products utilization commission	2,739,767	500,727	3,240,494
11	Research North Dakota	0	12,000,000	12,000,000
12	North Dakota trade office	2,613,400	0	2,613,400
13	Partner programs	2,022,044	0	2,022,044
14	Federal fiscal stimulus funds	0	796,770	796,770
15	Visual North Dakota	<u>0</u>	<u>250,000</u>	<u>250,000</u>
16	Total all funds	\$93,273,052	\$34,047,030	\$127,320,082
17	Less estimated income	<u>69,666,470</u>	<u>3,696,552</u>	<u>73,363,022</u>
18	Total general fund	\$23,606,582	\$30,350,478	\$53,957,060
19	Full-time equivalent positions	68.25	1.00	69.25

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO

SIXTY-FOURTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-second legislative assembly for the 2011-13 biennium and the 2013-15 one-time funding items included in the appropriation in section 1 of this Act:

	<u>One-Time Funding Description</u>	<u>2011-13</u>	<u>2013-15</u>
24			
25	Workforce enhancement fund	\$375,000	\$2,000,000
26	Electronic portfolio pilot project	150,000	0
27	2020 and beyond	50,000	0
28	American Indian business office	50,000	0
29	Flood impact grants/loans	235,000,000	18,358,866
30	Centers of research excellence	12,000,000	0
31	Research North Dakota	0	12,000,000

Sixty-third
Legislative Assembly

1	Unmanned aircraft system	0	5,000,000
2	Base retention grants	0	1,500,000
3	Tourism large infrastructure grants	0	750,000
4	Visual North Dakota	0	250,000
5	Innovation grants	0	300,000
6	Federal fiscal stimulus	24,496,750	796,770
7	Enhanced use lease grant	<u>0</u>	<u>2,500,000</u>
8	Total all funds	\$272,121,750	\$43,455,636
9	Less estimated income	<u>259,496,750</u>	<u>21,655,636</u>
10	Total general fund	\$12,625,000	\$21,800,000

11 The 2013-15 one-time funding amounts are not a part of the entity's base budget for the
12 2015-17 biennium. The department of commerce shall report to the appropriations committees
13 of the sixty-fourth legislative assembly on the use of this one-time funding for the biennium
14 beginning July 1, 2013, and ending June 30, 2015.

15 **SECTION 3. APPROPRIATION - DEPARTMENT OF HUMAN SERVICES - EARLY**
16 **CHILDHOOD SERVICE PROVIDER GRANTS.** There is appropriated out of any moneys in the
17 general fund in the state treasury, not otherwise appropriated, the sum of \$400,000, or so much
18 of the sum as may be necessary, to the department of human services for the purpose of
19 providing grants to licensed early childhood services providers that provide care for children
20 with disabilities or developmental delays pursuant to section 50-11.1-18, for the biennium
21 beginning July 1, 2013, and ending June 30, 2015. The grants may be used for equipment,
22 renovation of facilities used to provide the services, and staff. The funding provided in this
23 section is considered a one-time funding item.

24 **SECTION 4. APPROPRIATION - DICKINSON STATE UNIVERSITY - THEODORE**
25 **ROOSEVELT PRESIDENTIAL LIBRARY.** There is appropriated out of any moneys in the
26 general fund in the state treasury, not otherwise appropriated, the sum of \$6,000,000, or so
27 much of the sum as may be necessary, to Dickinson state university for the purpose of awarding
28 a grant to the Theodore Roosevelt center or the Theodore Roosevelt presidential library for the
29 construction of a Theodore Roosevelt presidential library, for the biennium beginning July 1,
30 2013, and ending June 30, 2015. Dickinson state university may not use any of the funds
31 appropriated in this section for administrative costs and may not award any of the funds until the

1 grant recipient has raised at least \$3,000,000 from nonstate sources for the project. A grant
2 awarded under this section may be used only for construction costs of the Theodore Roosevelt
3 presidential library. The facility constructed may be used only to house the Theodore Roosevelt
4 presidential library. The funding provided in this section is considered a one-time funding item.

5 **SECTION 5. CONTINGENT APPROPRIATION - DICKINSON STATE UNIVERSITY -**

6 **THEODORE ROOSEVELT PRESIDENTIAL LIBRARY.** There is appropriated out of any

7 moneys in the general fund in the state treasury, not otherwise appropriated, the sum of

8 \$6,000,000, or so much of the sum as may be necessary, to Dickinson state university for the

9 purpose of awarding a grant to the Theodore Roosevelt center or the Theodore Roosevelt

10 presidential library for the construction of a Theodore Roosevelt presidential library, for the

11 biennium beginning July 1, 2013, and ending June 30, 2015. The funding provided under this

12 section is available to Dickinson state university only if actual general fund revenues, excluding

13 transfers into the general fund from the strategic investment and improvements fund, the mill

14 and elevator, the lottery, and the gas tax administration, for the period July 1, 2013, through

15 June 30, 2014, exceed estimated general fund revenues, excluding transfers into the general

16 fund from the strategic investment and improvements fund, the mill and elevator, the lottery, and

17 the gas tax administration, for that period by at least five percent, as determined by the office of

18 management and budget, based on the legislative estimates made at the close of the 2013

19 regular legislative session. Dickinson state university may not use any of the funds appropriated

20 in this section for administrative costs and may not award any of the funds until the grant

21 recipient has raised at least \$3,000,000 from nonstate sources for the project. A grant awarded

22 under this section may be used only for construction costs of the Theodore Roosevelt

23 presidential library. The facility constructed may be used only to house the Theodore Roosevelt

24 presidential library. The funding provided in this section is considered a one-time funding item.

25 **SECTION 6. AMENDMENT.** Section 4-14.1-02 of the North Dakota Century Code is

26 amended and reenacted as follows:

27 **4-14.1-02. Agricultural ~~fuel tax~~products utilization fund - Purposes.**

28 There is created in the state treasury a fund known as the agricultural ~~fuel tax~~products

29 utilization fund which must be used to fund programs for the enhancement of agricultural

30 research, development, processing, technology, and marketing. The fund must be used to

31 defray the expenses of the North Dakota agricultural products utilization commission necessary

1 to implement the purposes of this chapter. Interest earned on moneys in the fund must be
2 credited to the fund.

3 **SECTION 7. AMENDMENT.** Section 4-14.1-03 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **4-14.1-03. Agricultural products utilization commission - Composition - Appointment.**

6 The agricultural ~~fuel tax~~products utilization fund must be administered by the agricultural
7 products utilization commission. The commission consists of nine members, five of whom must
8 be appointed by the governor for terms of two years each, arranged so that two terms expire in
9 odd-numbered years and three terms expire in even-numbered years. Three members
10 appointed by the governor must be actively engaged in farming in this state and two members
11 appointed by the governor must be actively engaged in business in this state. The agriculture
12 commissioner shall appoint one member for a term of two years which expires in odd-numbered
13 years. The member appointed by the commissioner must be actively engaged in farming in this
14 state. Commission members may be reappointed to the commission. Terms of commissioners
15 shall run from the first day of July. The commissioner of commerce, the president of North
16 Dakota state university, and the agriculture commissioner, or their designees, are members of
17 the commission. The commission shall elect one of its members as chairman.

18 **SECTION 8. AMENDMENT.** Section 4-44-03 of the North Dakota Century Code is amended
19 and reenacted as follows:

20 **4-44-03. (Effective through June 30, 2015) Crop insurance development board -**
21 **Duties.**

- 22 1. The crop insurance development board shall assess the feasibility and desirability of
23 proposals submitted by individuals and by public and nonpublic entities pertaining to
24 the development and implementation of crop insurance instruments. The board may
25 authorize the awarding of grants to assist with future actuarial and development costs.
- 26 2. Grants may be awarded for up to seventy-five percent of the first fifty thousand dollars
27 and up to fifty percent of the costs thereafter.
- 28 3. The board shall establish conditions pertaining to the receipt of grants, including the
29 repayment of some or all of the grants with moneys received by the applicant from the
30 federal crop insurance corporation for continued development of the proposal. The

1 board shall forward any moneys received as repayments under this section to the
2 state treasurer for deposit in the agricultural ~~fuel tax~~products utilization fund.

3 **SECTION 9.** A new section to chapter 10-30.5 of the North Dakota Century Code is created
4 and enacted as follows:

5 **Research North Dakota venture investment program.**

6 1. The corporation shall administer a research North Dakota venture investment program
7 that provides investments to startup or spinoff businesses that utilize technology
8 developed at a research university, as defined in section 54-65-01, or jointly developed
9 by a research university and the private sector.

10 2. A qualified applicant for a research North Dakota venture investment:

11 a. Must be a business operating in North Dakota that is in the startup or spinoff
12 state;

13 b. Must be utilizing technology that is licensed from a research university or a
14 nonprofit foundation affiliated with a research university; and

15 c. Must meet underwriting guidelines established by the corporation.

16 3. An investment under this section may not exceed two hundred fifty thousand dollars. A
17 recipient business may not receive more than one award under this section.

18 4. An investment under this section is not a business incentive under chapter 54-60.1.

19 **SECTION 10. AMENDMENT.** Section 17-02-05 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **17-02-05. Ethanol production incentive fund - Continuing appropriation.**

22 There is created in the state treasury a special fund known as the ethanol production
23 incentive fund. The fund consists of transfers made in accordance with section 39-04-39 and
24 ~~deposits made in accordance with section 57-43.1-03.1.~~ All moneys in the fund are appropriated
25 on a continuing basis to the office of renewable energy and energy efficiency for use in paying
26 ethanol production incentives under this chapter.

27 **SECTION 11. AMENDMENT.** Section 54-18-21 of the North Dakota Century Code is
28 amended and reenacted as follows:

1 **54-18-21. Annual transfer.**

2 Within thirty days after the conclusion of each fiscal year, the industrial commission shall
3 transfer five percent of the net income earned by the state mill and elevator association during
4 that fiscal year to the agricultural ~~fuel tax~~ products utilization fund.

5 **SECTION 12. AMENDMENT.** Subdivision d of subsection 5 of section 54-44.7-03 of the
6 North Dakota Century Code is amended and reenacted as follows:

7 d. Location, with higher priority given to firms headquartered in North Dakota.

8 **SECTION 13.** A new section to chapter 54-60 of the North Dakota Century Code is created
9 and enacted as follows:

10 **Unmanned aircraft systems program - Report to legislative management.**

11 The department may establish and administer an unmanned aircraft systems test site,
12 contingent upon receiving official designation by the federal aviation administration. The
13 department shall cooperate with the university of North Dakota, the North Dakota aeronautics
14 commission, the adjutant general, and private parties appointed by the governor in the
15 administration of the test site. The department may charge fees sufficient to operate the test
16 site. The department shall, to the extent possible, use competitive bidding in the establishment
17 and administration of the test site. The commissioner may charter a public corporation to
18 operate the test site. The corporation must possess all of the powers of a business corporation
19 consistent with this chapter. The department shall report to the legislative management
20 semiannually on the status of the program.

21 **SECTION 14.** A new section to chapter 54-60 of the North Dakota Century Code is created
22 and enacted as follows:

23 **Unmanned aircraft systems program fund - Continuing appropriation.**

24 There is created in the state treasury a special fund known as the unmanned aircraft
25 systems fund, which must be used to defray the expenses of the operations of an unmanned
26 aircraft systems test site officially designated by the federal aviation administration. The fund
27 consists of fees collected for the administration of the test site. All moneys in the fund are
28 appropriated to the department of commerce on a continuing basis for the purpose of defraying
29 the expenses of the unmanned aircraft systems program. Interest earned on moneys in the fund
30 must be credited to the fund.

1 **SECTION 15.** A new section to chapter 54-65 of the North Dakota Century Code is created
2 and enacted as follows:

3 **Research North Dakota grants.**

4 The department shall establish and administer a research North Dakota grant program to
5 provide grants to a research university for research, development, and commercialization
6 activities related to a private sector partner. The centers of excellence commission, established
7 under chapter 15-69, shall make grant award determinations under this section. The department
8 shall work with the centers of excellence commission in establishing guidelines to qualify for a
9 grant under this section, including the requirement that an application must be accompanied by
10 a partnership agreement between the private sector partner and a research university. The
11 agreement must include details regarding the scope of the work, the budget, the location of the
12 work to be completed, the intellectual property ownership rights, and the intellectual property
13 income distribution. The commission may approve changes to the scope of the work or the
14 budget only to the extent that the changes are agreed upon by the private sector partner and
15 the research university. Before the commission directs the department to distribute funds
16 awarded under this section, the research university shall provide the commission with detailed
17 documentation of private sector participation and the availability of one dollar of matching funds
18 for each dollar of state funds to be distributed. Matching funds must be in the form of cash given
19 to the research university and may not include in-kind assets.

20 **SECTION 16.** A new section to chapter 54-65 of the North Dakota Century Code is created
21 and enacted as follows:

22 **Research North Dakota venture grants.**

23 The department shall establish and administer a research North Dakota venture grant
24 program to provide grants to a research university for pursuing further commercialization of
25 technology developed by the research university or developed jointly by the research university
26 and a startup or spinoff business operating in North Dakota. The department shall collaborate
27 with the centers of excellence commission in establishing guidelines to qualify for a grant under
28 this section.

29 **SECTION 17.** A new section to chapter 54-65 of the North Dakota Century Code is created
30 and enacted as follows:

1 **Research North Dakota fund - Continuing appropriation.**

2 The research North Dakota fund is a special fund in the state treasury. All moneys in the
3 research North Dakota fund are appropriated to the department of commerce on a continuing
4 basis for the purpose of implementing and administering the research North Dakota grant
5 program and the research North Dakota venture grant program. Interest earned on moneys in
6 the fund must be credited to the fund.

7 **SECTION 18. AMENDMENT.** Section 57-43.1-03 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **57-43.1-03. Refund of tax for fuel used for an industrial purpose - Reduction for**
10 **agricultural fuel tax products utilization fund.**

11 Any consumer who buys or uses any motor vehicle fuel for an industrial purpose on which
12 the motor vehicle fuel tax has been paid may file a claim with the commissioner for a refund
13 under this chapter. The amount of the tax refund provided for in this section must be reduced by
14 one-half cent per gallon [3.79 liters], except for those fuels used in aircraft or with respect to
15 refunds claimed by aircraft fuel users, and the one-half cent per gallon [3.79 liters] withheld from
16 the refund must be deposited in the agricultural ~~fuel tax~~ products utilization fund.

17 **SECTION 19. AMENDMENT.** Section 57-43.1-03.1 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **57-43.1-03.1. Refund of tax for fuel used for agricultural purposes - Reductions.**

20 Any consumer who buys or uses any motor vehicle fuel for an agricultural purpose on which
21 the motor vehicle fuel tax has been paid may file a claim with the commissioner for a refund
22 under this chapter. The amount of the tax refund under this section must be reduced by seven
23 cents per gallon [3.79 liters] except for those fuels used in aircraft or with respect to refunds
24 claimed by aircraft fuel users. ~~Two cents per gallon [3.79 liters] withheld from the refund must be~~
25 ~~deposited in the agricultural fuel tax fund, one cent per gallon [3.79 liters] withheld from the~~
26 ~~refund must be deposited in the ethanol production incentive fund, and four cents~~ The amount
27 per gallon [3.79 liters] withheld from the refund must be deposited in the agricultural research
28 fund.

29 **SECTION 20. AMENDMENT.** Section 57-43.1-03.3 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **57-43.1-03.3. Refund to emergency medical services operation.**

2 Upon application to the commissioner, the operator of an emergency medical services
3 operation licensed under chapter 23-27 is entitled to a refund of taxes paid under this chapter
4 for motor vehicle fuel purchased and used by the emergency medical services operation. The
5 refund provided for in this section is not subject to reduction for deposit in the agricultural fuel-
6 ~~taxproducts utilization~~ fund, ~~the ethanol production incentive fund~~, or the agricultural research
7 fund.

8 **SECTION 21. AMENDMENT.** Section 57-43.1-08 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **57-43.1-08. Refund to state or political subdivision.**

11 When any construction, reconstruction, or maintenance of a public road, highway, street, or
12 airport is undertaken by the state or any political subdivision in the state and public funds of the
13 United States, state, or any political subdivision are directly used for the purchasing of motor
14 vehicle fuel to be used in publicly owned vehicles for such construction, reconstruction, or
15 maintenance, such motor vehicle fuel is subject to a refund of the tax paid on the fuel as
16 provided for in this chapter and under the same terms and conditions. The refund provided for in
17 this section may not be reduced for deposit to the agricultural fuel-~~taxproducts utilization~~ fund.

18 **SECTION 22. AMENDMENT.** Section 1 of Senate Bill No. 2218, as approved by the
19 sixty-third legislative assembly, is amended and reenacted as follows:

20 **Establishment of workforce development grant for tribally controlled community**
21 **colleges.**

22 There is established within the division of workforce development of the department of
23 commerce a program to provide workforce development grants to tribally controlled community
24 colleges in North Dakota. A tribally controlled community college in this state may apply to the
25 department of commerce for a job training grant in such manner as the department of
26 commerce prescribes. ~~In order to qualify for a grant under this section, an applicant must be a~~
27 ~~tribally controlled community college not located on an Indian reservation or a tribally controlled~~
28 ~~community college located on an Indian reservation with an unemployment rate of greater than~~
29 ~~thirty percent.~~ The department of commerce shall consult with the executive director of the
30 Indian affairs commission to determine eligible tribally controlled community colleges.

1 **SECTION 23. EXEMPTION.** The amount appropriated for the agricultural products
2 utilization commission in section 1 of chapter 50 of the 2011 Session Laws is not subject to
3 section 54-44.1-11 and any unexpended funds from this line item for grants are available for
4 grants during the biennium beginning July 1, 2013, and ending June 30, 2015.

5 **SECTION 24. EXEMPTION.** The amount appropriated for the discretionary funds line item
6 in section 1 of chapter 50 of the 2011 Session Laws is not subject to section 54-44.1-11 and any
7 unexpended funds from this line item are available during the biennium beginning July 1, 2013,
8 and ending June 30, 2015.

9 **SECTION 25. EXEMPTION.** Of the \$1,000,000 appropriated for the technology-based
10 entrepreneurship grant program contained in the grants line item in section 1 of chapter 50 of
11 the 2011 Session Laws, \$700,000 is not subject to section 54-44.1-11 and any unexpended
12 funds from this line item are available during the biennium beginning July 1, 2013, and ending
13 June 30, 2015. The department of commerce shall spend these funds for the purposes provided
14 in this section. The department of commerce shall use up to \$300,000 for a grant to a nonprofit
15 organization assisting individuals with business ideas. The department of commerce shall use
16 any remaining amount for the technology-based entrepreneurship grant program.

17 **SECTION 26. EXEMPTION.** Any amount carried over pursuant to section 22 of chapter 50
18 of the 2011 Session Laws that is unexpended as of June 30, 2013, is not subject to section
19 54-44.1-11 and is available for promotion and marketing of the USS North Dakota during the
20 biennium beginning July 1, 2013, and ending June 30, 2015.

21 **SECTION 27. EXEMPTION.** Any amount carried over pursuant to section 18 of chapter 50
22 of the 2011 Session Laws, relating to the antiballistic missile site acquisition grant and base
23 realignment grant, that is unexpended as of June 30, 2013, is not subject to section 54-44.1-11
24 and is available during the biennium beginning July 1, 2013, and ending June 30, 2015. The
25 department of commerce shall spend these funds for the purposes provided in this section. The
26 department of commerce shall award a grant of up to \$100,000 for promotion and marketing of
27 the USS North Dakota. The department of commerce shall award a grant to assist in the
28 acquisition of the antiballistic missile site at the Stanley R. Mickelson safeguard complex in
29 Nekoma. The department of commerce shall award a direct grant and not a cost reimbursement
30 grant for a base realignment grant to enhance economic development and employment

1 opportunities associated with the Minot air force base resulting from action by the federal
2 defense base closure and realignment commission.

3 **SECTION 28. TRANSFER - WORKFORCE ENHANCEMENT FUND.** The office of
4 management and budget shall transfer the amount appropriated in the workforce enhancement
5 fund line item in section 1 of this Act to the workforce enhancement fund for the purpose of
6 implementing and administering sections 54-60-21 and 54-60-22, for the biennium beginning
7 July 1, 2013, and ending June 30, 2015.

8 **SECTION 29. TRANSFER - INTERNSHIP FUND.** The office of management and budget
9 shall transfer \$1,500,000 of the amount appropriated in the operating expenses line item in
10 section 1 of this Act to the internship fund for the purpose of administering the operation intern
11 program, for the period beginning with the effective date of this Act and ending June 30, 2015.

12 **SECTION 30. TRANSFER - RESEARCH NORTH DAKOTA FUND.** The office of
13 management and budget shall transfer the amount appropriated in the research North Dakota
14 line item in section 1 of this Act to the research North Dakota fund for the purpose of
15 implementing and administering the research North Dakota grant program and the research
16 North Dakota venture grant program, for the biennium beginning July 1, 2013, and ending
17 June 30, 2015. The department of commerce may use up to \$2,000,000 of the funds
18 transferred to the research North Dakota fund for venture grants. The department of commerce
19 shall use \$4,000,000 of the funds transferred to the research North Dakota fund for research
20 North Dakota grants to conduct research on and develop and commercialize vaccines and
21 antibodies for the prevention of, treatment of, or cure for cancer; virally infectious diseases; or
22 other pathogens, including bacteria, mycobacteria, fungi, and parasites.

23 **SECTION 31. TRADE OFFICE - MATCHING FUND REQUIREMENT.** The total North
24 Dakota trade office special line item and the general fund appropriation in section 1 of this Act
25 include \$2,613,400 of funding relating to the North Dakota trade office. The department of
26 commerce may spend seventy percent of this amount without requiring any matching funds
27 from the trade office. Any additional amounts may be spent only to the extent that the North
28 Dakota trade office provides one dollar of matching funds from private or other public sources
29 for each one dollar provided by the department for the biennium beginning July 1, 2013, and
30 ending June 30, 2015. Matching funds may include money spent by businesses or

1 organizations to pay salaries to export assistant, provide training to export assistants, or buy
2 computer equipment as part of the North Dakota trade office's export assistance program.

3 **SECTION 32. BASE RETENTION GRANT PROGRAM.** The grants line item in section 1 of
4 this Act includes the sum of \$1,500,000 from the general fund for a base retention grant
5 program to be developed by the department of commerce, for the biennium beginning July 1,
6 2013, and ending June 30, 2015. The grant program must award direct grants and not cost
7 reimbursement grants. The department may award grants of up to \$500,000 to each community
8 with an air force base or air national guard facilities.

9 **SECTION 33. UNMANNED AIRCRAFT SYSTEMS PROGRAM.** The grants line item in
10 section 1 of this Act includes the sum of \$1,000,000 from the general fund for costs related to
11 pursuing federal aviation administration designation as an unmanned aircraft systems test site.
12 The grants line item in section 1 of this Act includes the sum of \$4,000,000 from the general
13 fund for operations of the test site, contingent upon receiving official designation by the federal
14 aviation administration as a national test site.

15 **SECTION 34. INNOVATION GRANT PROGRAM.** The grants line item in section 1 of this
16 Act includes the sum of \$300,000 from the general fund for grants to entrepreneurial centers
17 associated with a research university. The department shall develop guidelines to qualify for a
18 grant under this section, including the requirements that an entrepreneurial center submit a
19 detailed proposal on how the grant funds will be used to further innovation and
20 entrepreneurship in the state and that an entrepreneurial center provide a detailed report of the
21 results. Grants awarded under this section must be divided equally among eligible
22 entrepreneurial centers.

23 **SECTION 35. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - ENHANCED**
24 **USE LEASE GRANT PROGRAM.** The grants line item in section 2 of this Act includes the sum
25 of \$2,500,000 from the strategic investment and improvements fund for an enhanced use lease
26 grant program to be developed by the department of commerce, for the biennium beginning
27 July 1, 2013, and ending June 30, 2015. Grants are available for constructing infrastructure
28 required for an enhanced use lease private sector business development project located on or
29 adjacent to the Grand Forks air force base, contingent upon certification from the department of
30 commerce verifying both a signed enhanced use lease agreement and a commitment by a
31 private sector business to locate in the development.

1 **SECTION 36. NORTH DAKOTA ECONOMIC DEVELOPMENT FOUNDATION - 2020 AND**
2 **BEYOND INITIATIVE - REPORT TO THE LEGISLATIVE MANAGEMENT.** Before
3 September 1, 2014, the North Dakota economic development foundation shall provide a report
4 to the legislative management regarding progress made toward the recommendations provided
5 as part of the 2020 and beyond initiative and any recommendations for future legislation.

6 **SECTION 37. EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH**
7 **- RESEARCH NORTH DAKOTA - REPORT TO BUDGET SECTION.** Before June 1, 2014, the
8 department of commerce shall provide a progress report on the experimental program to
9 stimulate competitive research and research North Dakota, including the research North Dakota
10 venture investment program to the budget section of the legislative management.

11 **SECTION 38. LEGISLATIVE MANAGEMENT STUDY - CHILD CARE SERVICES.** During
12 the 2013-14 interim, the legislative management shall consider studying child care services.
13 The study must include consideration of the current and potential needs for child care services
14 and the current and potential workforce needs related to child care. The study must include
15 consideration of the current quality of child care services. The legislative management shall
16 report its findings and recommendations, together with any legislation required to implement the
17 recommendations, to the sixty-fourth legislative assembly.

18 **SECTION 39. LEGISLATIVE MANAGEMENT STUDY - INTELLECTUAL PROPERTY AT**
19 **RESEARCH UNIVERSITIES.** During the 2013-14 interim, the legislative management shall
20 consider studying the intellectual property policies and procedures at research universities
21 within the state. The study must include consideration of the current and potential income
22 generated through the commercialization of intellectual property. The study must include
23 consideration of the best practices related to intellectual property, the federal Bayh-Dole Act,
24 and the federal Patent Reform Act of 2011. The legislative management shall report its findings
25 and recommendations, together with any legislation required to implement the
26 recommendations, to the sixty-fourth legislative assembly.

27 **SECTION 40. LEGISLATIVE MANAGEMENT STUDY - CHILDREN'S SCIENCE CENTER.**
28 During the 2013-14 interim, the legislative management shall consider studying the
29 development of a children's science center in the city where the state capitol is located. The
30 study must include consideration of the feasibility and desirability of providing state assistance
31 to develop a children's science center. The legislative management shall report its findings and

1 recommendations, together with any legislation required to implement the recommendations, to
2 the sixty-fourth legislative assembly.

3 **SECTION 41. LEGISLATIVE MANAGEMENT STUDY - ENERGY CORRIDOR.** During the
4 2013-14 interim, the legislative management shall consider studying the feasibility and
5 desirability of the establishment of an energy corridor in the western portion of the state,
6 including an examination of rights of way and state highway and county road easements
7 necessary for the further development of energy resources in the state, and including the
8 existing and necessary easements required to make United States highway 85 a four-lane
9 highway corridor to complement the development of energy transportation resources. The
10 legislative management shall report its findings and recommendations, together with any
11 legislation required to implement the recommendations, to the sixty-fourth legislative assembly.

12 **SECTION 42. LEGISLATIVE INTENT - RESEARCH NORTH DAKOTA VENTURE**
13 **INVESTMENT PROGRAM.** It is the intent of the sixty-third legislative assembly that the North
14 Dakota development fund, incorporated, use funding transferred to the North Dakota
15 development fund, incorporated, in section 18 of chapter 50 of the 2011 Session Laws for
16 investments under the research North Dakota venture investment program.

17 **SECTION 43. LEGISLATIVE INTENT - THEODORE ROOSEVELT PRESIDENTIAL**
18 **LIBRARY.** It is the intent of the sixty-third legislative assembly that the Theodore Roosevelt
19 center become an independent nonprofit organization and be renamed the Theodore Roosevelt
20 presidential library.

21 **SECTION 44. EMERGENCY.** Funding of \$1,500,000 in the operating expenses line item in
22 section 1 of this Act, relating to the operation intern program, and funding of \$5,000,000 in the
23 grants line item of section 1 of this Act, relating to the unmanned aircraft systems program, and
24 sections 13, 14, 29, and 33 of this Act are declared to be an emergency measure.