

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 commerce; to provide exemptions; ~~and to provide for a transfer~~transfers; and to declare an
3 emergency.

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

5 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
6 as may be necessary, are appropriated out of any moneys in the general fund in the state
7 treasury, not otherwise appropriated, and from special funds derived from federal funds and
8 other income, to the department of commerce for the purpose of defraying the expenses of the
9 department of commerce, for the biennium beginning July 1, 2017, and ending June 30, 2019,
10 as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
13 Salaries and wages	\$13,015,999	\$0	\$13,015,999
14 Operating expenses	16,384,623	0	16,384,623
15 Grants	48,134,795	0	48,134,795
16 Discretionary funds	784,152	0	784,152
17 Agricultural products utilization commission	3,118,611	0	3,118,611
18 North Dakota trade office	2,556,694	0	2,556,694
19 Partner programs	2,173,829	0	2,173,829
20 Entrepreneurship grants and vouchers	1,500,000	0	1,500,000
21 Total all funds	\$87,668,703	\$0	\$87,668,703
22 Less estimated income	53,809,604	0	53,809,604
23 Total general fund	\$33,859,099	\$0	\$33,859,099
24 Full-time equivalent positions	69.40	0.00	69.40

Sixty-fifth
Legislative Assembly

1	Salaries and wages	\$13,015,999	(\$7,148)	\$13,008,851
2	Operating expenses	16,384,623	(1,397,001)	14,987,622
3	Grants	48,134,795	12,292,417	60,427,212
4	Discretionary funds	784,152	30,688	814,840
5	Agricultural products utilization commission	3,118,611	34,719	3,153,330
6	North Dakota trade office	2,556,694	(275,196)	2,281,498
7	Partner programs	2,173,829	(233,984)	1,939,845
8	Entrepreneurship grants and vouchers	1,500,000	0	1,500,000
9	Total all funds	\$87,668,703	\$10,444,495	\$98,113,198
10	Less estimated income	53,809,604	12,478,979	66,288,583
11	Total general fund	\$33,859,099	(\$2,034,484)	\$31,824,615
12	Full-time equivalent positions	69.40	(3.00)	66.40

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

SIXTY-SIXTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding

items approved by the sixty-fourth legislative assembly for the 2015-17 biennium:

16	<u>One-Time Funding Description</u>	<u>2015-17</u>	<u>2017-19</u>
17	Workforce enhancement fund	\$960,069	\$0
18	Flood impact grants/loans	12,859,869	0
19	Research North Dakota	4,353,542	0
20	Unmanned aircraft system	2,662,105	0
21	Base retention grants	1,500,000	0
22	Tourism large infrastructure grants	586,000	0
23	Enhanced use lease grant	7,500,000	0
24	Child care facility grants	2,131,267	0
25	Homeless shelter grants	1,500,000	0
26	Tribal community college grants	2,837,130	0
27	Workforce recruitment campaign	300,000	0
28	Tourism midwest markets	848,481	0
29	Entrepreneurship grants and vouchers	1,716,830	0
30	Tourism international	227,836	0
31	Educators and industry externships	40,000	0

Sixty-fifth
Legislative Assembly

1	Total all funds	\$40,023,129	\$0
2	Less estimated income	21,359,869	0
3	Total general fund	\$18,663,260	\$0
4	Workforce enhancement fund	\$960,069	\$0
5	Flood impact grants/loans	12,859,869	0
6	Research North Dakota	4,353,542	0
7	Unmanned aircraft system	2,662,105	2,000,000
8	Base retention grants	1,500,000	1,000,000
9	Tourism large infrastructure grants	586,000	0
10	Enhanced use lease grant	7,500,000	3,000,000
11	Child care facility grants	2,131,267	0
12	Homeless shelter grants	1,500,000	0
13	Tribal community college grants	2,837,130	0
14	Workforce recruitment campaign	300,000	0
15	Tourism midwest markets	848,481	0
16	Entrepreneurship grants and vouchers	1,716,830	0
17	Tourism international	227,836	0
18	Educators and industry externships	40,000	0
19	Total all funds	\$40,023,129	\$6,000,000
20	Less estimated income	21,359,869	6,000,000
21	Total general fund	\$18,663,260	\$0

22 The 2017-19 biennium one-time funding amounts are not a part of the entity's base budget for
 23 the 2019-21 biennium. The department of commerce shall report to the appropriations
 24 committees of the sixty-sixth legislative assembly on the use of this one-time funding for the
 25 biennium beginning July 1, 2017, and ending June 30, 2019.

26 **SECTION 3. EXEMPTION.** The amount appropriated for the agricultural products utilization
 27 commission in section 1 of chapter 18 of the 2015 Session Laws is not subject to section
 28 54-44.1-11 and any unexpended funds from this line item for grants are available for grants
 29 during the biennium beginning July 1, 2017, and ending June 30, 2019.

30 **SECTION 4. EXEMPTION.** The amount appropriated for the discretionary funds line item in
 31 section 1 of chapter 18 of the 2015 Session Laws is not subject to section 54-44.1-11 and any

1 unexpended funds from this line item are available during the biennium beginning July 1, 2017,
2 and ending June 30, 2019.

3 **SECTION 5. EXEMPTION.** The amount appropriated for the unmanned aircraft systems
4 program in section 1 of chapter 18 of the 2015 Session Laws is not subject to section
5 54-44.1-11 and any unexpended funds from this program are available during the biennium
6 beginning July 1, 2017, and ending June 30, 2019.

7 **SECTION 6. EXEMPTION.** The amount appropriated for prekindergarten community grants
8 in section 1 of chapter 18 of the 2015 Session Laws is not subject to section 54-44.1-11 and any
9 unexpended funds from these grants are available for grants during the biennium beginning
10 July 1, 2017, and ending June 30, 2019.

11 **SECTION 7. TRANSFER - INTERNSHIP FUND.** The office of management and budget
12 shall transfer ~~\$1,550,000~~\$1,275,000 of the amount appropriated in the operating expenses line
13 item in section 1 of this Act to the internship fund for the purpose of administering the operation
14 intern program, for the ~~biennium period~~ beginning ~~July 1, 2017,~~with the effective date of this Act
15 and ending June 30, 2019.

16 **SECTION 8. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - BASE**
17 **RETENTION GRANT PROGRAM.** The grants line item and the estimated income line item in
18 section 1 of this Act include the sum of \$1,000,000 from the strategic investment and
19 improvements fund for a base retention grant program to be developed by the department of
20 commerce, for the biennium beginning July 1, 2017, and ending June 30, 2019. The grant
21 program must award direct grants and not cost reimbursement grants.

22 **SECTION 9. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - UNMANNED**
23 **AIRCRAFT SYSTEMS PROGRAM.** The grants line item and the estimated income line item in
24 section 1 of this Act include the sum of \$2,000,000 from the strategic investment and
25 improvements fund for operations of the unmanned aircraft systems test site, for the biennium
26 beginning July 1, 2017, and ending June 30, 2019.

27 **SECTION 10. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - ENHANCED**
28 **USE LEASE GRANT PROGRAM.** The grants line item and the estimated income line item in
29 section 1 of this Act include the sum of \$3,000,000 from the strategic investment and
30 improvements fund for an enhanced use lease grant program for the operations of the
31 unmanned aircraft systems test site, for the biennium beginning July 1, 2017, and ending

1 June 30, 2019. Grants must be awarded for initiatives related to the unmanned aircraft system
2 industry in North Dakota, including for the purposes of infrastructure, research, development,
3 the creation of software, and the purchase of equipment benefiting the unmanned aircraft
4 system. The department of commerce shall require grant recipients to provide matching funds in
5 the form of cash, property, or in-kind consideration, totaling \$1,000,000 for the grants awarded
6 under this program.

7 **SECTION 11. TRADE OFFICE - MATCHING FUND REQUIREMENT.** The total North
8 Dakota trade office ~~special~~ line item and the general fund appropriation in section 1 of this Act
9 include ~~\$2,556,694~~ \$2,281,498 of funding relating to the North Dakota trade office. The
10 department of commerce may spend seventy percent of this amount without requiring any
11 matching funds from the trade office. Any additional amounts may be spent only to the extent
12 the North Dakota trade office provides one dollar of matching funds from private or other public
13 sources for each one dollar provided by the department for the biennium beginning July 1,
14 2017, and ending June 30, 2019. Matching funds may include money spent by businesses or
15 organizations to pay salaries to export assistants, provide training to export assistants, or buy
16 computer equipment as part of the North Dakota trade office's export assistance program.

17 **SECTION 12. ENTREPRENEURSHIP GRANTS AND VOUCHER PROGRAM.** Section 1 of
18 this Act includes the sum of \$1,500,000, of which \$1,350,000 is from the general fund and
19 \$150,000 from special funds, for an entrepreneurship grants and voucher program to be
20 developed and administered by the department of commerce, for the biennium beginning
21 July 1, 2017, and ending June 30, 2019. The department shall establish guidelines to provide
22 grants to entrepreneurial centers certified by the department. The department also shall
23 establish guidelines to award vouchers to entrepreneurs to procure business development
24 assistance from certified entrepreneurial centers or to provide grants to entrepreneurs working
25 with an entrepreneurial center. The amount appropriated for entrepreneurship grants in
26 section 1 of this Act is not subject to section 54-44.1-11 and any unexpended funds from this
27 line item are available during the biennium beginning July 1, 2019, and ending June 30, 2021.

28 **SECTION 13. EMERGENCY.** Funding of \$1,275,000 in the operating expenses line item in
29 section 1 and 7 of this Act, relating to the operation intern program, are declared to be an
30 emergency measure.