

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2018

Page 1, line 2, after the third semicolon insert " to provide for a report;"

Page 1, replace lines 12 through 22 with:

"Salaries and wages	\$13,015,999	(\$20,211)	\$12,995,788
Operating expenses	16,384,623	(1,107,001)	15,277,622
Grants	48,134,795	4,175,621	52,310,416
Discretionary funds	784,152	715,848	1,500,000
Flood impact grants/loans	0	5,201,752	5,201,752
Agricultural products utilization commission	3,118,611	34,304	3,152,915
North Dakota trade office	2,556,694	(775,196)	1,781,498
Partner programs	2,173,829	(233,984)	1,939,845
Entrepreneurship grants and vouchers	<u>1,500,000</u>	<u>(750,000)</u>	<u>750,000</u>
Total all funds	\$87,668,703	\$7,241,133	\$94,909,836
Less estimated income	<u>53,809,604</u>	<u>11,176,054</u>	<u>64,985,658</u>
Total general fund	\$33,859,099	(\$3,934,921)	\$29,924,178"

Page 1, after line 23, insert:

"SECTION 2. HEALTH INSURANCE INCREASE. The salaries line item in section 1 of this Act includes the sum of \$172,554, of which \$135,102 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,241 per month."

Page 2, replace line 6 with:

"Flood impact grants/loans	12,859,869	5,201,752"
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Page 2, replace line 9 with:

"Base retention grants	1,500,000	200,000"
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Page 2, replace line 11 with:

"Enhanced use lease grant	7,500,000	2,000,000"
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Page 2, replace lines 20 through 22 with:

"Total all funds	\$40,023,129	\$9,401,752
Less estimated income	<u>21,359,869</u>	<u>9,401,752</u>
Total general fund	\$18,663,260	\$0"

Page 3, remove lines 9 through 12

Page 3, line 14, replace "\$1,275,000" with "\$750,000"

Page 3, line 19, replace "\$1,000,000" with "\$200,000"

Page 3, line 22, after the period insert "The department may award grants to each community with an air force base or air national guard facilities."

Page 3, line 30, replace "\$3,000,000" with "\$2,000,000"

Page 3, line 31, remove "for the operations of the"

Page 4, line 1, remove "unmanned aircraft systems test site"

Page 4, line 10, replace "\$2,281,498" with "\$1,781,498"

Page 4, line 11, replace "seventy" with "fifty"

Page 4, line 19, replace "\$1,500,000" with "\$750,000"

Page 4, line 19, replace "\$1,350,000" with "\$600,000"

Page 4, after line 28, insert:

"SECTION 13. NORTH DAKOTA TOURISM PROGRAM - RESEARCH NORTH DAKOTA FUND. Notwithstanding section 54-65-08, the estimated income line item in section 1 of this Act includes \$500,000 from the research North Dakota fund for the North Dakota tourism program.

SECTION 14. TRANSFER - RESEARCH NORTH DAKOTA FUND TO THE GENERAL FUND. Notwithstanding section 54-65-08, the office of management and budget shall transfer \$4,000,000 from the research North Dakota fund to the general fund, for the biennium beginning July 1, 2017, and ending June 30, 2019."

Page 4, line 29, replace "\$1,275,000" with "\$750,000"

Page 4, line 30, replace "section" with "sections"

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

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

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$13,015,999	\$13,008,851	(\$13,063)	\$12,995,788
Operating expenses	16,384,623	14,987,622	290,000	15,277,622
Grants	48,134,795	60,427,212	(8,116,796)	52,310,416
Discretionary funds	784,152	814,840	685,160	1,500,000
Ag. Products Utilization Commission	3,118,611	3,153,330	(415)	3,152,915
North Dakota Trade Office	2,556,694	2,281,498	(500,000)	1,781,498
Entrepreneurship grants and vouchers	1,500,000	1,500,000	(750,000)	750,000
Partner programs	2,173,829	1,939,845		1,939,845
Flood impact grants/loans			5,201,752	5,201,752
Total all funds	\$87,668,703	\$98,113,198	(\$3,203,362)	\$94,909,836
Less estimated income	53,809,604	66,288,583	(1,302,925)	64,985,658
General fund	\$33,859,099	\$31,824,615	(\$1,900,437)	\$29,924,178
FTE	69.40	66.40	0.00	66.40

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

	Adjusts Funding for Health Insurance Increases ¹	Adjusts Funding for Grants ²	Adds Funding for North Dakota Tourism ³	Reduces Funding for Operation Intern ⁴	Reduces Funding for Prekindergarten Community Grants ⁵	Reduces Funding for the North Dakota Trade Office ⁶
Salaries and wages	(\$13,063)					
Operating expenses			815,000	(525,000)		
Grants		(929,970)			(185,074)	

Discretionary funds		685,160				
Ag. Products Utilization Commission	(415)					
North Dakota Trade Office						(500,000)
Entrepreneurship grants and vouchers						
Partner programs						
Flood impact grants/loans						
Total all funds	(\$13,478)	(\$244,810)	\$815,000	(\$525,000)	(\$185,074)	(\$500,000)
Less estimated income	(2,925)	0	500,000	0	0	0
General fund	(\$10,553)	(\$244,810)	\$315,000	(\$525,000)	(\$185,074)	(\$500,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Reduces Funding for Entrepreneurship Grants ⁷	Transfers One-Time Funding for Flood Impact Grants ⁸	Reduces One-Time Funding for Base Retention Grants ⁹	Reduces One-Time Funding for Enhanced Use Lease Grants ¹⁰	Total House Changes
Salaries and wages					(\$13,063)
Operating expenses					290,000
Grants		(5,201,752)	(800,000)	(1,000,000)	(8,116,796)
Discretionary funds					685,160
Ag. Products Utilization Commission					(415)
North Dakota Trade Office					(500,000)
Entrepreneurship grants and vouchers	(750,000)				(750,000)
Partner programs					
Flood impact grants/loans		5,201,752			5,201,752
Total all funds	(\$750,000)	\$0	(\$800,000)	(\$1,000,000)	(\$3,203,362)
Less estimated income	0	0	(800,000)	(1,000,000)	(1,302,925)
General fund	(\$750,000)	\$0	\$0	\$0	(\$1,900,437)
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month.

² Funding of \$929,970 from the general fund is removed for the grant programs listed below and \$685,160 from the general fund is added to the discretionary funds line item.

- Area health education centers grants - (\$200,000)
- Continuum of care grants - (\$75,301)
- Emergency solutions grants - (\$244,669)
- Homeless shelter grants - (\$300,000)
- Self sufficiency grants - (\$110,000)

³ Funding of \$815,000 is added for North Dakota tourism, of which \$315,000 is from the general fund and \$500,000 is from the Research North Dakota fund.

⁴ Funding is reduced for the Operation Intern program by \$525,000 to provide a total appropriation of \$750,000. The Senate approved an appropriation of \$1,275,000. Sections 7 and 16 of the bill are also adjusted to reflect the revised appropriation.

⁵ Funding is reduced for prekindergarten community grants by \$185,074 to provide \$1,500,000 from the general fund. The Senate approved an appropriation of \$1,685,074.

⁶ Funding for the North Dakota Trade Office is reduced by an additional \$500,000 from the general fund. The Senate reduced funding for the Trade Office by \$275,196 from the general fund. The total reduction for the North Dakota Trade Office is \$775,196 from the general fund compared to the base budget. The

House also reduced the amount of funding that can be spent without requiring a match from 70 to 50 percent, which is reflected in Section 11 of the bill.

⁷ Funding is reduced for entrepreneurship grants and vouchers, also known as Innovate North Dakota, by \$750,000 to provide a total appropriation of \$750,000, \$600,000 of which is from the general fund. The Senate approved an appropriation of \$1,500,000. Section 12 of the bill is also adjusted to reflect the revised appropriation.

⁸ Federal funds of \$5,201,752 is transferred from the grants line item to a flood impact grants/loans line item. This funding is considered one-time funding.

⁹ One-time funding from the strategic investment and improvements fund for base retention grants is reduced from \$1,000,000 to \$200,000. Section 8 of the bill is also adjusted to reflect the revised appropriation.

¹⁰ Funding is reduced for enhanced use lease grants by \$1 million to provide a total of \$2 million from the strategic investment and improvements fund. The Senate approved an appropriation of \$3 million from the strategic investment and improvements fund. Section 10 of the bill is also adjusted to reflect the revised appropriation.

This amendment also:

- Adds a section to identify the amount of funding included in the bill for the increase in employee health insurance premiums.
- Removes a section allowing the Department of Commerce to continue unexpended 2015-17 funding for prekindergarten community grants into the 2017-19 biennium. This change will result in an estimated \$315,000 of general fund appropriation authority being canceled at the end of the 2015-17 biennium.
- Adds a section identifying a sum of \$500,000 included in Section 1 of the bill from the Research North Dakota fund for the North Dakota tourism program.
- Adds a section directing a transfer of \$4 million from the Research North Dakota fund to the general fund.