

**Department of Commerce
Budget No. 601
Senate Bill Nos. 2018, 2014, and 2218, House Bill Nos. 1211 and 1358**

	FTE Positions	General Fund	Other Funds	Total
2013-15 executive budget (bills as introduced)	69.25	\$56,325,031	\$68,241,034	\$124,566,065
2013-15 legislative appropriations	69.25	64,457,060	75,363,022	139,820,082
Legislative increase (decrease) to executive budget	0.00	\$8,132,029	\$7,121,988	\$15,254,017
Legislative increase (decrease) to 2011-13 appropriations	1.00	\$22,697,195	(\$248,271,915)	(\$225,574,720)

ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 legislative appropriations	\$29,134,865	\$12,625,000	\$41,759,865
2013-15 legislative appropriations	42,157,060	22,300,000	64,457,060
2013-15 legislative increase (decrease) to 2011-13 appropriations	\$13,022,195	\$9,675,000	\$22,697,195
Percentage increase (decrease) to 2011-13 appropriations	44.7%	76.6%	54.4%
2013-15 legislative increase (decrease) to executive budget	\$10,007,029	(\$1,875,000)	\$8,132,029
Percentage increase (decrease) to executive budget	31.1%	(7.8%)	14.4%

SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET AND MAJOR FUNDING ITEMS

Salaries and Wages

The legislative action affecting the recommended appropriation for the Department of Commerce is in accordance with legislative salary and fringe benefits guidelines as contained in House Bill No. 1015. Consistent with the guidelines, a portion of salaries and wages funding from the general fund (\$187,753) and from other funds (\$56,014) for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying accrued annual leave and sick leave for eligible employees.

	Major Items FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Adjusted funding for state employee salaries and benefits consistent with the legislative compensation package guidelines included in House Bill No. 1015.		\$155,881	\$45,988	\$201,869
Removed one-time funding of \$5 million from the general fund for child care facility grants provided in the executive recommendation.		(5,000,000)		(5,000,000)

Added funding of \$2.6 million from the general fund for child care facility grants in Senate Bill No. 2014.	2,600,000	2,600,000
Reduced funding provided in the executive budget for the State Data Center by \$98,852, from \$498,852 to \$400,000.	(98,852)	(98,852)
Reduced funding from the general fund provided in the executive recommendation for the InnovateND program by \$50,000, from \$500,000 to \$450,000.	(50,000)	(50,000)
Removed one-time funding of \$350,000 from the general fund provided in the executive recommendation for an Upper Great Plains Transportation Institute transportation study.	(350,000)	(350,000)
Reduced one-time funding from the general fund provided in the executive recommendation for tourism large infrastructure grants by \$575,000, from \$1,325,000 to \$750,000.	(575,000)	(575,000)
Removed one-time funding of \$1 million from the general fund provided in the executive recommendation for the North Dakota planning initiative.	(1,000,000)	(1,000,000)
Added one-time funding of \$250,000 from the general fund for Visual North Dakota.	250,000	250,000
Added one-time funding of \$300,000 from the general fund for innovation grants.	300,000	300,000
Added one-time funding of \$2.5 million from the strategic investment and improvements fund for an enhanced use lease grant program.		2,500,000
Changed the funding source from the strategic investment and improvements fund to the general fund to provide a total of \$5 million from the general fund as one-time funding for the Unmanned Aircraft System program.	4,000,000	(4,000,000)
Added one-time federal funding for flood grants and loans to provide a total of \$18,358,866.		6,576,000
Added funding from the general fund in House Bill No. 1211 for matching funds for rural health care workforce needs.	400,000	400,000
Added funding from the strategic investment and improvements fund in House Bill No. 1358 for nursing home grants in oil-impacted areas.		2,000,000
Added funding of \$2 million from the general fund for grants to homeless shelters and one-time funding of \$500,000 from the general fund for a renewable energy and oil and gas study in Senate Bill No. 2014.	2,500,000	2,500,000

Added funding from the general fund in Senate Bill No. 2218 for grants to tribal colleges for workforce development.		5,000,000		5,000,000
Total	0.00	\$8,132,029	\$7,121,988	\$15,254,017

FTE Changes

The Legislative Assembly did not change the executive recommendation which included funding for 69.25 FTE positions, an increase of 1 FTE position from the 2011-13 biennium authorized level of 68.25 FTE positions. The new FTE position is for a demographer at the State Data Center (\$279,102).

One-Time Funding

In Section 2 of Senate Bill No. 2018, the Legislative Assembly identified \$43,455,636 of funding as one-time funding items for the Department of Commerce, of which \$21,800,000 is from the general fund and \$21,655,636 is from other funds. The Legislative Assembly also provided one-time funding of \$500,000 from the general fund to the Department of Commerce in Senate Bill No. 2014 for a renewable energy and oil and gas study. The table below summarizes one-time funding provided by the Legislative Assembly to the Department of Commerce for the 2013-15 biennium.

	General Fund	Other Funds	Total
Workforce enhancement fund	\$2,000,000		\$2,000,000
Flood impact grants and loans (federal funding)		\$18,358,866	18,358,866
Research North Dakota	12,000,000		12,000,000
Unmanned aircraft system	5,000,000		5,000,000
Base retention grants	1,500,000		1,500,000
Tourism large infrastructure grants	750,000		750,000
Visual North Dakota	250,000		250,000
Innovation grants	300,000		300,000
Federal fiscal stimulus		796,770	796,770
Enhanced use lease grant (strategic investment and improvements fund)		2,500,000	2,500,000
Renewable energy and oil and gas study (Senate Bill No. 2014)	500,000		500,000
Total	\$22,300,000	\$21,655,636	\$43,955,636

Centers of Excellence and Centers of Research Excellence

The Legislative Assembly in 2013 did not appropriate any new funding for either the centers of excellence program, established in Chapter 15-69 by the Legislative Assembly in 2003, or the centers of research excellence program, established in Chapter 54-65 by the Legislative Assembly in 2011. The Legislative Assembly in 2011 provided an expiration date of July 31, 2023 for the centers of excellence program. Postaward monitoring will continue for both programs and may continue for up to 10 years after the designation of a center.

Research North Dakota Grant Program

The Legislative Assembly in 2013 established the Research North Dakota grant program and the Research North Dakota venture program.

Section 15 of Senate Bill No. 2018 establishes the Research North Dakota grant program to provide grants to research universities for research, development, and commercialization activities in collaboration with a private sector partner. The Department of Commerce and the Centers of Excellence Commission are to develop guidelines for the grant application, which must include a detailed partnership agreement and proof of dollar-for-dollar matching funds which must be cash. The partnership agreement must include the scope and location of the work, a budget, and intellectual property agreements.

The Research North Dakota fund is established in Section 17 of Senate Bill No. 2018 and provides a new continuing appropriation from the fund to the Department of Commerce for administering Research North Dakota. The Legislative Assembly provided one-time funding of \$12 million as a transfer from the general fund to the Research North Dakota fund in Section 30 of Senate Bill No. 2018. Of the \$12 million, \$4 million is designated for biotechnology grants up to \$2 million is designated for venture grants (see Research North Dakota venture program below), and \$6 million is available without any specific designation for. The purpose of the biotechnology grants is to conduct research on and develop and commercialize vaccines and antibodies for the prevention of, treatment of, or cure for cancer; virally infectious diseases; or other pathogens, including bacteria, mycobacteria, fungi, and parasites.

Research North Dakota Venture Program

The Research North Dakota venture program is divided into two parts--the Research North Dakota venture grant program and the Research North Dakota venture investment program.

Section 16 of Senate Bill No. 2018 establishes the Research North Dakota venture grant program to provide grants to research universities to further commercialize technology developed through a research university. The Department of Commerce and the Centers of Excellence Commission are to develop guidelines for the grants. Of the \$12 million appropriated for Research North Dakota, up to \$2 million is designated for the Research North Dakota venture grant program in Section 30 of Senate Bill No. 2018.

The Research North Dakota venture investment program is established in Section 9 of Senate Bill No. 2018 to provide funding from the development fund for investments to startup or spinoff businesses that utilize technology developed through a research university. A business is limited to an individual investment of no more than \$250,000, and the development corporation will establish guidelines for the investments. Section 42 of Senate Bill No. 2018 provides a statement of legislative intent to designate funding of up to \$1 million from the development fund for the Research North Dakota venture investment program.

Unmanned Aircraft Systems Program

The Legislative Assembly in 2013 established the Unmanned Aircraft Systems (UAS) program and provided one-time funding of \$5 million from the general fund for the program. Of the \$5 million appropriated for the UAS program, Section 33 of Senate Bill No. 2018 designates \$1 million for costs related to obtaining Federal Aviation Administration (FAA) approval of a test site and designates \$4 million for the operations of the test site. The appropriation of \$4 million is contingent upon FAA approval of the test site. Section 13 of Senate Bill No. 2018 requires the Department of Commerce to establish the UAS program in collaboration with the University of North Dakota, the North Dakota Aeronautics Commission, the Adjutant General, and private parties; to administer the UAS test site upon receiving FAA approval; and to provide semiannual reports to Legislative Management. The UAS program fund is established in Section 14 of Senate Bill No. 2018 and provides a new continuing appropriation to defray the expenses of the UAS program. The executive recommendation provided \$1 million from the general fund and \$4 million from the strategic investment and improvements fund for a total of \$5 million of funding for the UAS program.

Operation Intern Program

The Operation Intern program provides a 50 percent match up to \$3,000 per semester per position for a business's expenses related to an internship, an apprenticeship, or a work experience opportunity involving North Dakota students enrolled in an institution of higher education. The Legislative Assembly provided \$1.5 million from the general fund for the Operation Intern program, the same as the executive recommendation. This level of funding reflects an increase of \$600,000 from the 2011-13 biennium. Section 29 of Senate Bill No. 2018 provides that the \$1.5 million appropriated for the program in the operating expenses line item in Section 1 be transferred to the internship fund.

InnovateND Program

InnovateND provides coaching, training, and incentives to assist entrepreneurs in developing, marketing, and commercializing their ideas for products and services. The Legislative Assembly provided \$450,000 from the general fund for the InnovateND program for the 2013-15 biennium. This level of funding reflects an overall decrease of \$100,000, but an increase of \$50,000 from the general fund compared to the 2011-13 biennium. The 2011-13 biennium appropriation included \$400,000 from the general fund and \$150,000 from special funds raised from private sources. The executive budget recommendation included \$500,000 from the general fund for the 2013-15 biennium for this program.

North Dakota Trade Office

The North Dakota Trade Office creates global partnerships to expand trade opportunities for North Dakota businesses through advocacy, education, and expertise. The Legislative Assembly in 2013 provided \$2,613,400 from the general fund for the North Dakota Trade Office, the same as the executive recommendation and the 2011-13 biennium. The following is a summary of funding for the North Dakota Trade Office:

Biennium	General Fund	Special Funds	Total
2003-05	\$75,000 ¹	\$0	\$75,000
2005-07	\$0	\$700,000 ²	\$700,000
2007-09	\$1,500,000 ³	\$0	\$1,500,000
2009-11	\$2,064,000 ⁴	\$0	\$2,064,000

Biennium	General Fund	Special Funds	Total
2011-13	\$2,613,400 ⁵	\$0	\$2,613,400
2013-15	\$2,613,400 ⁵	\$0	\$2,613,400

¹Section 21 of House Bill No. 1019 (2003) required the Department of Commerce to establish a trade promotion authority for promoting North Dakota products and improving international trade for North Dakota products for the 2003-05 biennium. The department was to use \$75,000 from the general fund appropriated in its operating expenses line item for operating costs of the trade authority for the 2003-05 biennium. Section 22 of House Bill No. 1019 (2003) provided that the department may spend any gifts, grants, or other income received by the authority pursuant to a continuing appropriation for the 2003-05 biennium.

²The Legislative Assembly in 2005 provided funding of \$500,000 from the development fund and \$200,000 from the Mill and Elevator for costs associated with the North Dakota Trade Office. Matching funds of 50 percent were to be provided before this funding was made available.

³Section 10 of House Bill No. 1018 (2007) provided that the Department of Commerce may spend 50 percent of the funding without requiring any matching funds from the North Dakota Trade Office, and any additional amounts may be spent only to the extent that the North Dakota Trade Office provides \$1 of matching funds from private or other public sources for each \$1 provided by the Department of Commerce. Matching funds may include money spent by businesses or organizations to pay salaries to export assistants, provide training to export assistants, or buy computer equipment as part of the North Dakota Trade Office's export assistance program.

⁴Section 11 of Senate Bill No. 2018 (2009) provides that the Department of Commerce may spend 62.5 percent of the funding without requiring any matching funds from the North Dakota Trade Office, and any additional amounts may be spent only to the extent that the North Dakota Trade Office provides \$1 of matching funds from private or other public sources for each \$1 provided by the Department of Commerce. Matching funds may include money spent by businesses or organizations to pay salaries to export assistants, provide training to export assistants, or buy computer equipment as part of the North Dakota Trade Office's export assistance program.

⁵Section 26 of Senate Bill No. 2057 (2011) and Section 31 of Senate Bill No. 2018 (2013) provide that the Department of Commerce may spend 70 percent of funding appropriated to the North Dakota Trade Office without requiring matching funds from the North Dakota Trade Office. Additional amounts may be spent only to the extent that the North Dakota Trade Office provides \$1 of matching funds from private or other public sources for each \$1 provided by the department. Matching funds may include money spent by businesses or organizations to pay salaries to export assistants, provide training to export assistants, or buy computer equipment as part of the North Dakota Trade Office's export assistance program.

Agricultural Products Utilization Commission

The purpose of the Agricultural Products Utilization Commission (APUC) is to provide grants to develop and expand the use of agricultural products in accordance with Chapter 4-14.1. The APUC receives funding from the general fund, special funds, and federal funds. The Legislative Assembly provided an appropriation of \$3,240,494 for the APUC for the 2013-15 biennium, consisting of \$1,202,210 from the general fund, \$1,738,284 from the agricultural products utilization fund, and \$300,000 from federal funds. The appropriation of \$3,240,494 reflects an overall increase of \$500,727 compared to the 2011-13 biennium, as shown in the schedule below.

	General Fund	Agricultural Products Utilization Fund ¹	Federal Funds	Total Appropriation ²
2011-13 Biennium	\$1,701,483	\$738,284	\$300,000	\$2,739,767 ²
2013-15 Biennium	1,202,210	1,738,284	300,000	3,240,494 ²
Increase (Decrease)	(\$499,273)	\$1,000,000	\$0	\$500,727

¹The Legislative Assembly (2013) renamed the agricultural fuel tax fund the agricultural products utilization fund.

²These amounts do not include carryover authority. The carryover authority from the 2009-11 biennium to the 2011-13 biennium was \$1,518,859. The carryover authority from the 2011-13 biennium to the 2013-15 biennium is estimated to be \$1.7 million.

The Legislative Assembly and the executive recommendation renamed the agricultural fuel tax fund the agricultural products utilization fund in Sections 6, 7, 8, 11, 18, 20, and 21 of Senate Bill No. 2018. The executive budget recommendation included a new continuing appropriation for the agricultural products utilization fund; however, the Legislative Assembly did not approve the continuing appropriation; therefore, funding for the APUC will continue to be appropriated by the Legislative Assembly. Section 19 of Senate Bill No. 2018 removes the requirement that two cents per gallon of the motor vehicle fuel tax refund for agricultural purposes be deposited in the agricultural products utilization fund. As a result of this change, the 2013-15 biennium remaining funding sources for the agricultural products utilization fund are an annual transfer of 5 percent of the state mill and elevator profits and one-half cent per gallon of the motor vehicle fuel tax refund for industrial purposes. The Legislative Assembly also provided an exemption for APUC in Section 23 of Senate Bill No. 2018 allowing

unexpended funds from the 2011-13 biennium to continue and to be spent during the 2013-15 biennium, the same as the executive recommendation. The executive budget recommendation included an appropriation of \$3,246,536. The Legislative Assembly reduced this amount by \$6,042 due to a reallocation of funding to an accrued leave payments line item.

Ethanol Production Incentives

The ethanol production incentive fund is administered by the Department of Commerce to provide production incentives to ethanol production facilities in accordance with Chapter 17-02. Forty percent of the revenue from the registration of farm vehicles is transferred to the ethanol production incentive fund from the highway tax distribution fund in accordance with Section 39-04-39. The balance of the ethanol production incentive fund cannot exceed \$7.5 million, which may limit the amount transferred from the highway distribution fund. The Legislative Assembly and the executive recommendation in Sections 10 and 19 of Senate Bill No. 2018 removed the requirement that one cent per gallon of the motor vehicle fuel tax refunds be deposited in the ethanol production incentive fund. The schedule below provides information on the estimated revenues for the ethanol production incentive fund for the 2011-13 and 2013-15 bienniums.

	2011-13 Estimated Funding	2013-15 Estimated Funding	Increase (Decrease)
Forty percent of the revenue from farm vehicle transferred from the highway tax distribution fund	\$3,900,000	\$4,400,000	\$500,000
One cent of the motor vehicle fuel tax refund deposited in the ethanol production incentive fund	100,000	0	(100,000)
Total	\$4,000,000	\$4,400,000	\$400,000

Other Grant Programs

Early childhood service provider grant program - In Section 3 of Senate Bill No. 2018, the Legislative Assembly provided an appropriation of \$400,000 from the general fund to the Department of Human Services for grants to licensed early childhood service providers serving children with disabilities or developmental delays. The funds from the grant program are available for equipment, facility renovation, staff, and technical assistance in accordance with Section 50-11.1-18.

Base retention grant program - The requirements for the base retention grant program in Section 32 of Senate Bill No. 2018 provide for grants of up to \$500,000 to each community with an Air Force base or Air National Guard facilities. The Legislative Assembly did not change the executive recommendation to provide \$1.5 million from the general fund to the Department of Commerce for the grants. The Legislative Assembly removed the dollar-for-dollar matching requirement provided by the executive recommendation and added the requirement that the Department of Commerce award the grants as direct grants and not cost reimbursement grants. The funding for the base retention grant program is considered a one-time funding item.

Innovation grant program - In Section 34 of Senate Bill No. 2018, the Legislative Assembly created a new grant program to provide one-time funding of \$300,000 from the general fund to the Department of Commerce for innovation grants to entrepreneurial centers associated with a research university. The requirements provide that the Department of Commerce develop guidelines for the grants and that the grants be awarded equally among eligible centers.

Enhanced use lease grant program - The enhanced use lease grant program was created in Section 35 of Senate Bill No. 2018. The Legislative Assembly provided one-time funding of \$2.5 million from the strategic investment and improvements fund for grants to construct infrastructure for an enhanced use lease private sector business development project with the requirement that the project be located on or adjacent to the Grand Forks Air Force Base. The grants are contingent upon the private sector business providing a signed commitment to locate in the development and a signed enhanced use lease agreement.

Workforce grant program - Section 28 transfers \$2 million for one-time funding from the general fund to the workforce enhancement fund for workforce enhancement grants during the 2013-15 biennium. The program provides dollar-for-dollar matching funds to Bismarck State College, Lake Region State College, North Dakota State College of Science, and Williston State College to purchase equipment to enhance programs that address workforce needs.

Rural health care grant program - The Legislative Assembly provided funding of \$400,000 from the general fund to address rural health care workforce needs in House Bill No. 1211. The purpose of the funding is to provide matching funds to an organization that assists in the recruitment, distribution, and efficiency of health care personnel in rural areas of the state. The grant recipient must provide dollar-for-dollar matching funds.

Nursing home grant program - Section 8 of House Bill No. 1358 provides one-time funding of \$2 million from the strategic investment and improvements fund to the Department of Commerce for a grant program to provide funding to nursing homes, basic care facilities, and providers that serve individuals with developmental disabilities located in oil-producing counties. The grants will be awarded in January of each year of the biennium based on the number of full-time

equivalent positions at each eligible facility, and the grants must be excluded from ratesetting. The Department of Commerce is required to report to the Budget Section annually and to the Appropriations Committees of the 64th Legislative Assembly regarding the use of the funds.

Homeless shelter grant program - Section 13 of Senate Bill No. 2014 provides an appropriation of \$2 million from the general fund to the Department of Commerce for a grant program to provide funding to homeless shelters during the 2013-15 biennium.

Tribal college workforce grant program - The Legislative Assembly provided \$5 million from the general fund to the Department of Commerce for grants to tribal colleges for workforce development in Section 6 of Senate Bill No. 2218. The purpose of the grant funding is to develop certificate- or degree-based training programs that assist students to obtain jobs needed within the state and to assist students attending the college with establishing a new business. The tribal colleges must provide annual reports to the Department of Commerce on the use of the grant funding and on the impact of the grants. Section 22 of Senate Bill No. 2018 amends Section 1 of Senate Bill No. 2218 to remove the requirement that an eligible tribal college not be located on an Indian reservation or be located on an Indian reservation with an unemployment rate greater than 30 percent.

Child Care Infrastructure Funding

In Section 14 of Senate Bill No. 2014, the Legislative Assembly provided \$2.6 million from the general fund for child care facility grants. This funding level reflects a reduction of \$2.4 million from the executive recommendation, which provided one-time funding of \$5 million from the general fund. Grant recipients are required to provide \$1 of matching funds for every \$3 of grant funds, and each grant recipient may receive up to \$187,500.

In addition to the funding provided in Senate Bill No. 2014, House Bill No. 1013 provides \$125,000 to the Department of Public Instruction for grants to schools to assist in making safety compliant space available for licensed prekindergarten programs. The grants are limited to \$5,000 per classroom. House Bill No. 1113 continues a program to provide financing to early childhood facilities from the development fund. This program is funded through a continuing appropriation. Sections 20, 21, and 22 of Senate Bill No. 2014 expand the beginning entrepreneur loan guarantee program to assist child care providers in securing loans to construct or remodel child care facilities. The fiscal impact of this program expansion cannot be determined, because the number of child care providers that will utilize the program is unknown. The schedule below summarizes the funding for the 2013-15 biennium for child care-related infrastructure.

	General Fund	Special Funds	Total
Child care facility grants (SB 2014)	\$2,600,000		\$2,600,000
Grants to schools for safety compliant space (HB 1013)	125,000		125,000
Early childhood facility financing from the development fund (HB 1113)		500,000	500,000
Expansion of the beginning entrepreneur loan guarantee program (SB 2014)		Unknown	Unknown
Total	\$2,725,000	\$500,000	\$3,225,000

Theodore Roosevelt Presidential Library

The Theodore Roosevelt Center promotes an increased understanding of President Theodore Roosevelt and collects and digitizes Roosevelt-related artifacts. Section 43 of Senate Bill No. 2018 provides legislative intent that the Theodore Roosevelt Center, which is part of Dickinson State University, become an independent nonprofit organization and be renamed the Theodore Roosevelt Presidential Library. The Legislative Assembly provided one-time funding of \$6 million from the general fund for the construction of a facility to house the Theodore Roosevelt Presidential Library in Section 4 of Senate Bill No. 2018 and provided an additional \$6 million as contingent one-time funding from the general fund for the facility in Section 3 of Senate Bill No. 2003. The additional funding is contingent upon the actual general fund revenues and the amount by which the July 1, 2013, unobligated general fund balance is more than the legislative estimate collectively exceeding the estimated general fund revenues for fiscal year 2014 by at least 3.5 percent, excluding transfers. The funding is appropriated to Dickinson State University for a grant to either the Theodore Roosevelt Center or the Theodore Roosevelt Presidential Library. The grant recipient is required to raise \$3 million from nonstate sources before receiving any grant funding.

Section 5 of Senate Bill No. 2018, which was repealed in Section 20 of Senate Bill No. 2003, would have provided \$6 million as contingent one-time funding from the general fund for the construction of the Theodore Roosevelt Presidential Library facility. The funding was to be contingent upon actual general fund revenues exceeding the estimated general fund revenues for fiscal year 2014 by at least 5 percent, excluding transfers.

Exemptions

The Legislative Assembly provided exemptions in Senate Bill No. 2018 to allow unexpended 2011-13 funds to continue and to be spent during the 2013-15 biennium as follows:

- **Agricultural Products Utilization Commission** - Section 23 provides an exemption for the Agricultural Products Utilization Commission.
- **Discretionary funds** - The exemption in Section 24 relates to the discretionary funds line item.
- **Technology-based entrepreneurship** - Section 25 provides an exemption for \$700,000 of the \$1 million appropriated by the Legislative Assembly in 2011 for the technology-based entrepreneurship grant program, but designates up to \$300,000 for a grant to the Incubator for Developing Entrepreneurial Activity (IDEA) Center with the remaining amount available for the technology-based entrepreneurship grant program.
- **USS North Dakota** - Section 26 provides an exemption for the promotion and marketing of the *USS North Dakota*.
- **Antiballistic missile site acquisition base realignment grants** - Section 27 provides an exemption for the funding appropriated in Section 18 of Chapter 50 of the 2011 Session Laws for the antiballistic missile site acquisition grant and the base realignment grant. The Legislative Assembly designated \$100,000 for the promotion and marketing of the *USS North Dakota*. The remaining amounts are designated for the antiballistic missile site acquisition grant and the base realignment grant with the requirement that the base realignment grant be awarded as a direct grant and not a cost reimbursement grant.

Studies and Reports

2020 and Beyond Initiative - In Section 36 of Senate Bill No. 2018, the Legislative Assembly provided for a report to Legislative Management regarding progress made toward the recommendations provided as part of the 2020 and Beyond Initiative.

Experimental Program to Stimulate Competitive Research and the Research North Dakota programs - Section 37 of Senate Bill No. 2018 provides for a report to the Budget Section regarding the progress of the Experimental Program to Stimulate Competitive Research and the progress of the Research North Dakota programs.

Child care services - Section 38 of Senate Bill No. 2018 provides for a Legislative Management study of child care services including the current and potential workforce needs related to child care and the current quality of child care.

Intellectual property - Section 39 of Senate Bill No. 2018 provides for a Legislative Management study of intellectual property at research universities with consideration of the current and potential income generated through intellectual property, federal legislation related to intellectual property, and best practices.

Children's science center - Section 40 of Senate Bill No. 2018 provides for a Legislative Management study of the feasibility of developing and funding a children's science center in Bismarck.

Energy corridor - In Section 41 of Senate Bill No. 2018, the Legislative Assembly provided for a Legislative Management study of the potential expansion of United States Highway 85 as a four-lane energy corridor.

Renewable energy resources and oil and gas - The Legislative Assembly, in Section 12 of Senate Bill No. 2014, provided one-time funding of \$500,000 from the general fund to the Department of Commerce for a study to evaluate value-added market opportunities for renewable energy resources and for oil and gas.

Other Sections in Senate Bill No. 2018

Selection of architecture, engineering, and surveying services - Section 12 amends subdivision d of subsection 5 of Section 54-44.7-03 of the North Dakota Century Code to require state agencies to give higher priority to firms headquartered in North Dakota when contracting for architecture, engineering, and surveying services.

Related Legislation

Development Fund - House Bill No. 1113 allows the development fund to continue under existing purposes, removes an advisory commission for faith-based and community initiatives, and removes the requirement for a report to the Budget Section on ethanol production incentives.