

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1018 - Funding Summary

| | Base Budget | Final Legislative Action | Comparison To Base Budget |
|--------------------------------------|------------------------|---|--|
| Adjutant General | | | |
| Operating expenses | _____ | \$200,000 | \$200,000 |
| Total all funds | \$0 | \$200,000 | \$200,000 |
| Less estimated income | 0 | 0 | 0 |
| General fund | \$0 | \$200,000 | \$200,000 |
| | | | |
| FTE | 0.00 | 0.00 | 0.00 |
| | | | |
| Department of Commerce | | | |
| Salaries and wages | \$12,361,114 | \$13,171,807 | \$810,693 |
| Operating expenses | 15,635,749 | 18,672,290 | 3,036,541 |
| Capital assets | 10,000 | | (10,000) |
| Grants | 56,622,950 | 64,987,071 | 8,364,121 |
| Discretionary funds | 928,082 | 928,082 | |
| Economic development initiatives | 186,846 | | (186,846) |
| Ag products utilization commission | 3,240,494 | 3,318,611 | 78,117 |
| North Dakota trade office | 2,613,400 | 2,613,400 | |
| Partner programs | 2,022,044 | 2,222,044 | 200,000 |
| Accrued leave payments | 243,767 | | (243,767) |
| Research North Dakota | | 4,500,000 | 4,500,000 |
| Workforce enhancement fund | | 1,000,000 | 1,000,000 |
| Flood impact grants/loans | | 12,859,869 | 12,859,869 |
| Entrepreneurship grants and vouchers | | 3,250,000 | 3,250,000 |
| Total all funds | \$93,864,446 | \$127,523,174 | \$33,658,728 |
| Less estimated income | 51,707,386 | 74,519,473 | 22,812,087 |
| General fund | \$42,157,060 | \$53,003,701 | \$10,846,641 |
| | | | |
| FTE | 69.25 | 69.40 | 0.15 |
| | | | |
| Bill Total | | | |
| Total all funds | \$93,864,446 | \$127,723,174 | \$33,858,728 |
| Less estimated income | 51,707,386 | 74,519,473 | 22,812,087 |
| General fund | \$42,157,060 | \$53,203,701 | \$11,046,641 |
| | | | |
| FTE | 69.25 | 69.40 | 0.15 |

House Bill No. 1018 - Adjutant General - House Action

| | Base Budget | House Changes | House Version |
|-----------------------|------------------------|--------------------------|--------------------------|
| Operating expenses | _____ | \$200,000 | \$200,000 |
| Total all funds | \$0 | \$200,000 | \$200,000 |
| Less estimated income | 0 | 0 | 0 |
| General fund | \$0 | \$200,000 | \$200,000 |
| | | | |
| FTE | 0.00 | 0.00 | 0.00 |

Department 540 - Adjutant General - Detail of House Changes

| | Adds Funding for Coordinating and Conducting Joint Training¹ | Total House Changes |
|-----------------------|--|------------------------------------|
| Operating expenses | 200,000 | 200,000 |
| Total all funds | \$200,000 | \$200,000 |
| Less estimated income | 0 | 0 |
| General fund | \$200,000 | \$200,000 |
| FTE | 0.00 | 0.00 |

¹ A section is added providing an appropriation to the Adjutant General for \$200,000 from the general fund for coordinating and conducting emergency response training.

House Bill No. 1018 - Adjutant General - Senate Action

The Senate did not change the House version.

House Bill No. 1018 - Adjutant General - Conference Committee Action

The Conference Committee did not change the House or Senate version.

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

| | Base Budget | House Changes | House Version |
|--------------------------------------|------------------------|--------------------------|--------------------------|
| Salaries and wages | \$12,361,114 | \$846,420 | \$13,207,534 |
| Operating expenses | 15,635,749 | 2,680,125 | 18,315,874 |
| Capital assets | 10,000 | (10,000) | |
| Grants | 56,622,950 | 3,507,928 | 60,130,878 |
| Discretionary funds | 928,082 | | 928,082 |
| Economic development initiatives | 186,846 | (186,846) | |
| Ag products utilization commission | 3,240,494 | 79,524 | 3,320,018 |
| North Dakota trade office | 2,613,400 | | 2,613,400 |
| Partner programs | 2,022,044 | 100,000 | 2,122,044 |
| Accrued leave payments | 243,767 | (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 | 2,500,000 |
| Total all funds | \$93,864,446 | \$27,133,253 | \$120,997,699 |
| Less estimated income | 51,707,386 | 16,820,311 | 68,527,697 |
| General fund | \$42,157,060 | \$10,312,942 | \$52,470,002 |
| FTE | 69.25 | 0.15 | 69.40 |

Department 601 - Department of Commerce - Detail of House Changes

| | Adds Funding for Base Payroll Changes¹ | Adds Funding for Salary and Benefit Increases² | Adds Funding and .15 FTE³ | Adds Funding for Miscellaneous Changes⁴ | Adds Funding for Partner Programs⁵ | Provides Program Changes⁶ |
|--------------------------------------|--|--|---|---|--|---|
| Salaries and wages | 18,454 | 754,734 | 11,276 | | | |
| Operating expenses | | | | 1,229,021 | | 171,187 |
| Capital assets | | | | (10,000) | | |
| Grants | | | | (300,000) | | 1,058,345 |
| Discretionary funds | | | | | | |
| Economic development initiatives | | | | | | (186,846) |
| Ag products utilization commission | 49,816 | 22,181 | | (49,817) | | 57,344 |
| North Dakota trade office | | | | | | |
| Partner programs | | | | (100,000) | 200,000 | |
| Accrued leave payments | (243,767) | | | | | |
| Research North Dakota | | | | | | |
| Workforce enhancement fund | | | | | | |
| Flood impact grants/loans | | | | | | |
| Entrepreneurship grants and vouchers | | | | | | |
| Total all funds | (\$175,497) | \$776,915 | \$11,276 | \$769,204 | \$200,000 | \$1,100,030 |
| Less estimated income | (465,785) | 154,750 | 0 | 655,788 | 0 | 1,115,689 |
| General fund | \$290,288 | \$622,165 | \$11,276 | \$113,416 | \$200,000 | (\$15,659) |
| FTE | 0.00 | 0.00 | 0.15 | 0.00 | 0.00 | 0.00 |

| | Adds Funding for International Tourism⁷ | Removes Grants Authorized in the 2013-15 Biennium⁸ | Creates Entrepreneur Grants Program⁹ | Adds One-time Funding¹⁰ | Total House Changes |
|--------------------------------------|---|--|--|---|----------------------------|
| Salaries and wages | | | | 61,956 | 846,420 |
| Operating expenses | 247,836 | | | 1,032,081 | 2,680,125 |
| Capital assets | | | | | (10,000) |
| Grants | | (10,000,000) | (1,500,000) | 14,249,583 | 3,507,928 |
| Discretionary funds | | | | | |
| Economic development initiatives | | | | | (186,846) |
| Ag products utilization commission | | | | | 79,524 |
| North Dakota trade office | | | | | |
| Partner programs | | | | | 100,000 |
| 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 | | | 1,500,000 | 1,000,000 | 2,500,000 |
| Total all funds | \$247,836 | (\$10,000,000) | \$0 | \$34,203,489 | \$27,133,253 |
| Less estimated income | 0 | 0 | 0 | 15,359,869 | 16,820,311 |
| General fund | \$247,836 | (\$10,000,000) | \$0 | \$18,843,620 | \$10,312,942 |
| FTE | 0.00 | 0.00 | 0.00 | 0.00 | 0.15 |

¹ Funding is added for cost-to-continue 2013-15 biennium salaries and benefit increases and for other base payroll changes.

² The following funding is added for 2015-17 biennium performance salary adjustments of 2 to 4 percent per year and increases in monthly health insurance premiums:

| | General Fund | Other Funds | Total |
|-------------------------------|-------------------------|------------------------|--------------|
| Salary increase - Performance | \$388,513 | \$96,460 | \$484,973 |
| Health insurance increase | 233,652 | 58,290 | 291,942 |
| Total | \$622,165 | \$154,750 | \$776,915 |

³ Funding is added to change a .85 tourism administrator FTE position to a 1.00 FTE position.

⁴ Funding is adjusted for:

| | General Fund | Other Funds | Total |
|--|-------------------------|------------------------|--------------|
| Inflationary costs | \$198,341 | | \$198,341 |
| Miscellaneous changes | (173,947) | (\$71,572) | (245,519) |
| Operating costs | (32,334) | 695,770 | 663,436 |
| Prior biennium capital assets | | (10,000) | (10,000) |
| Transfer of American Indian Business Development Office to Indian Affairs Commission | (100,000) | | (100,000) |
| Business-related costs | 221,356 | 41,590 | 262,946 |
| Total | \$113,416 | \$655,788 | \$769,204 |

⁵ Funding is added for partner programs related to small business development programs to provide a total of \$2,122,044.

⁶ Program-related changes are made relating to the enhancement or reduction of services including:

| | General Fund | Other Funds | Total |
|-----------------------------------|-------------------------|------------------------|--------------|
| Program changes | (\$76,299) | \$1,115,689 | 1,039,390 |
| Community development block grant | 160,640 | | 160,640 |
| Total | \$84,341 | \$1,115,689 | \$1,200,030 |

⁷ Funding is added for a new tourism marketing program in the United Kingdom, France, Italy, and the Benelux region.

⁸ Funding for the following grants authorized as ongoing funding in the 2013-15 biennium is removed:

| | General Fund | Other Funds | Total |
|-----------------------|-------------------------|------------------------|----------------|
| Homeless shelters | (\$2,000,000) | | (\$2,000,000) |
| Child care facilities | (2,600,000) | | (2,600,000) |
| Tribal colleges | (5,000,000) | | (5,000,000) |
| Rural health services | (400,000) | | (400,000) |
| Total | (\$10,000,000) | \$0 | (\$10,000,000) |

⁹ An entrepreneurship grants and vouchers program is created as a separate line item.

¹⁰ One-time funding is added for the following:

| | General Fund | Other Funds | Total |
|--|-------------------------|------------------------|--------------|
| Tourism marketing campaign in midwest markets | \$1,000,000 | | \$1,000,000 |
| Unmanned aerial systems | 2,718,620 | | 2,718,620 |
| Research North Dakota | 4,000,000 | | 4,000,000 |
| Child care facility grant program | 1,875,000 | | 1,875,000 |
| Tourism large infrastructure grants | 750,000 | | 750,000 |
| Workforce enhancement grants | 1,000,000 | | 1,000,000 |

| | General Fund | Other Funds | Total |
|---|-------------------------|------------------------|---------------------|
| Base realignment grants | 1,500,000 | | 1,500,000 |
| Tribal college grants | 2,000,000 | | 2,000,000 |
| Entrepreneurial grants and vouchers | 1,000,000 | | 1,000,000 |
| Homeless shelter grants | 1,000,000 | | 1,000,000 |
| Workplace safety training facility grant | 2,000,000 | | 2,000,000 |
| Enhanced use lease grant (strategic investment and improvements fund) | | \$2,500,000 | 2,500,000 |
| Community block grant disaster recovery (federal funds) | | 12,859,869 | 12,859,869 |
| Total | \$18,843,620 | \$15,359,869 | \$34,203,489 |

This amendment also adds or changes sections providing:

- The workplace safety grant be used for acquiring land, site development, and design for a workplace safety training facility.
- Guidelines and requirements for enhanced use lease grants.
- Guidelines for the child care facility grant program, including matching requirements and a maximum grant award of \$187,500.
- For the establishment of an entrepreneurship grant and voucher program and that the department provide a \$300,000 grant to the IDEA Center in Bismarck.
- The department to use up to \$15,000 of its operating expenses line item for printing costs of the Dakota Day Trips publication.
- Authorization to continue previous appropriation authority of up to \$600,000 for an antiballistic missile site acquisition grant.
- An emergency clause for \$1.5 million in the operating expenses line for the operation intern program.

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 601 - Department of Commerce - Detail of Senate Changes

| | Adjusts Funding for Health Insurance Premium Increases¹ | Increases Funding for Partner Program² | Increases One- Time Funding³ | 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.

House Bill No. 1018 - Department of Commerce - Conference Committee Action

| | Base Budget | House Version | Conference Committee Changes | Conference Committee Version | Senate Version | Comparison to Senate |
|--------------------------------------|---------------------|----------------------|-------------------------------------|-------------------------------------|-----------------------|-----------------------------|
| Salaries and wages | \$12,361,114 | \$13,207,534 | (\$35,727) | \$13,171,807 | \$13,195,182 | (\$23,375) |
| Operating expenses | 15,635,749 | 18,315,874 | 356,416 | 18,672,290 | 18,685,123 | (12,833) |
| Capital assets | 10,000 | | | | | |
| Grants | 56,622,950 | 60,130,878 | 4,856,193 | 64,987,071 | 70,699,456 | (5,712,385) |
| Discretionary funds | 928,082 | 928,082 | | 928,082 | 928,082 | |
| Economic development initiatives | 186,846 | | | | | |
| Ag products utilization commission | 3,240,494 | 3,320,018 | (1,407) | 3,318,611 | 3,320,018 | (1,407) |
| North Dakota trade office | 2,613,400 | 2,613,400 | | 2,613,400 | 2,613,400 | |
| Partner programs | 2,022,044 | 2,122,044 | 100,000 | 2,222,044 | 2,222,044 | |
| Accrued leave payments | 243,767 | | | | | |
| Research North Dakota | | 4,000,000 | 500,000 | 4,500,000 | 4,000,000 | 500,000 |
| Workforce enhancement fund | | 1,000,000 | | 1,000,000 | 1,000,000 | |
| Flood impact grants/loans | | 12,859,869 | | 12,859,869 | 12,859,869 | |
| Entrepreneurship grants and vouchers | | 2,500,000 | 750,000 | 3,250,000 | 3,250,000 | |
| Total all funds | \$93,864,446 | \$120,997,699 | \$6,525,475 | \$127,523,174 | \$132,773,174 | (\$5,250,000) |
| Less estimated income | 51,707,386 | 68,527,697 | 5,991,776 | 74,519,473 | 75,519,473 | (1,000,000) |
| General fund | \$42,157,060 | \$52,470,002 | \$533,699 | \$53,003,701 | \$57,253,701 | (\$4,250,000) |
| FTE | 69.25 | 69.40 | 0.00 | 69.40 | 69.40 | 0.00 |

Department 601 - Department of Commerce - Detail of Conference Committee Changes

| | Adjusts Funding for Health Insurance Premium Increases¹ | Increases Funding for Partner Program² | Increases One-Time Funding³ | Total Conference Committee Changes |
|--------------------------------------|---|--|---|---|
| Salaries and wages | (48,118) | | 12,391 | (35,727) |
| Operating expenses | | | 356,416 | 356,416 |
| Capital assets | | | | |
| Grants | | | 4,856,193 | 4,856,193 |
| Discretionary funds | | | | |
| Economic development initiatives | | | | |
| Ag products utilization commission | (1,407) | | | (1,407) |
| North Dakota trade office | | | | |
| Partner programs | | 100,000 | | 100,000 |
| Accrued leave payments | | | | |
| Research North Dakota | | | 500,000 | 500,000 |
| Workforce enhancement fund | | | | |
| Flood impact grants/loans | | | | |
| Entrepreneurship grants and vouchers | | | 750,000 | 750,000 |
| Total all funds | (\$49,525) | \$100,000 | \$6,475,000 | \$6,525,475 |
| Less estimated income | (8,224) | 0 | 6,000,000 | 5,991,776 |
| General fund | (\$41,301) | \$100,000 | \$475,000 | \$533,699 |
| 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, the same as the Senate version.

³ One-time funding is increased for the following:

| | House Version | General Fund Increase | Other Funds Increase | Conference Committee Version | Senate Version |
|--------------------------------------|--------------------------|--------------------------------------|---------------------------------|---|---------------------------|
| Child care facility grant program | \$1,875,000 | \$375,000 | | \$2,250,000 | \$3,000,000 |
| Tribal college grants | 2,000,000 | | 1,000,000 | 3,000,000 | 4,000,000 |
| Enhanced use lease grant | 2,500,000 | | 5,000,000 | 7,500,000 | 7,500,000 |
| Entrepreneurial centers and vouchers | 1,000,000 | 750,000 | | 1,750,000 | 1,750,000 |
| Workforce recruitment campaign | | 300,000 | | 300,000 | 300,000 |
| Educators and externship grants | | 50,000 | | 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 | 1,500,000 |
| Research ND | 4,000,000 | 500,000 | | 4,500,000 | 4,000,000 |
| Total | \$14,375,000 | \$475,000 | \$6,000,000 | \$20,850,000 | \$26,100,000 |

This amendment also:

- Removes a section providing a grant to an organization to acquire land, site development, and design of a workplace safety training 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 December 31, 2016. If the grants are not awarded by December 31, 2016, the funds become available for other Research North Dakota grants. The Senate made the funding available until June 30, 2016.
- Allows the department to provide grants of up to \$3.1 million or additional amounts if necessary under the enhanced use lease grant program for taxiway reconnection and alert pad refurbishment, and includes language for data services. The Senate did not include language for data services.
- Requires the department to provide three separate grants of \$300,000 to the IDEA Center, North Dakota State University Research and Technology Park, and the University of North Dakota Center for Innovation, the same as the Senate version.
- Designates \$1 million of the \$3 million provided for tribal college grants from the student loan trust fund. The Senate designated \$2 million of \$4 million provided for tribal college grants from the student loan trust fund.
- Provides a new section requiring the department to use \$150,000 from the discretionary funds line item to provide a grant to the Bismarck Art and Galleries Association. The Senate did not include this section.
- Includes a new section providing a legislative study of issues related to being the first state to support the development of a civilian ground center. The Senate did not include this section.
- Amends North Dakota Century Code Section 54-60-17 to include educators under the workforce development program, the same as the Senate version.
- Transfers \$247,836 for tourism international from ongoing funding to one-time funding, the same as the Senate version.