

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2019 - Funding Summary**

	Executive Budget	Final Legislative Action	Comparison To Executive Budget
Dept. of Economic Development & Finance			
Salaries and wages	\$3,725,220		(\$3,725,220)
Operating expenses	8,944,228		(8,944,228)
Equipment	296,358		(296,358)
Grants	1,673,292		(1,673,292)
North Dakota development fund	750,000		(750,000)
Agricultural products utilization	5,022,293		(5,022,293)
Total all funds	<u>\$20,411,391</u>	<u>\$0</u>	<u>(\$20,411,391)</u>
Less estimated income	<u>6,396,902</u>	<u>0</u>	<u>(6,396,902)</u>
General fund	\$14,014,489	\$0	(\$14,014,489)
FTE	30.00	0.00	(30.00)
Commerce Department			
Salaries and wages		\$6,103,893	\$6,103,893
Operating expenses		10,480,832	10,480,832
Equipment		199,936	199,936
Grants		36,330,226	36,330,226
North Dakota development fund		2,350,000	2,350,000
Agricultural products utilization		5,082,270	5,082,270
Lewis and Clark bicentennial		905,751	905,751
Transitional expenses		81,104	81,104
Total all funds	<u>\$0</u>	<u>\$61,534,012</u>	<u>\$61,534,012</u>
Less estimated income	<u>0</u>	<u>43,653,725</u>	<u>43,653,725</u>
General fund	\$0	\$17,880,287	\$17,880,287
FTE	0.00	57.00	57.00
DOC - Administration			
Salaries and wages			
Operating expenses			
Economic development foundation			
Total all funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00
DOC - Economic Development			
Salaries and wages			
Operating expenses			
Equipment			
Grants			
North Dakota development fund			
Agricultural products utilization			
Total all funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$0	\$0	\$0

FTE	0.00	0.00	0.00
DOC - Community Services			
Salaries and wages			
Operating expenses			
Equipment			
Grants			
Total all funds	\$0	\$0	\$0
Less estimated income	0	0	0
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00
DOC - Tourism			
Salaries and wages			
Operating expenses			
Equipment			
Grants			
Lewis and Clark Bicentennial			
Total all funds	\$0	\$0	\$0
Less estimated income	0	0	0
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00
DOC - Workforce Development			
Salaries and wages			
Operating expenses			
Equipment			
Grants			
Total all funds	\$0	\$0	\$0
Less estimated income	0	0	0
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00
Bill Total			
Total all funds	\$20,411,391	\$61,534,012	\$41,122,621
Less estimated income	6,396,902	43,653,725	37,256,823
General fund	\$14,014,489	\$17,880,287	\$3,865,798
FTE	30.00	57.00	27.00

Senate Bill No. 2019 - Dept. of Economic Development & Finance - Senate Action

	Executive Budget	Senate Changes	Senate Version
Salaries and wages	\$3,725,220	(\$3,725,220)	
Operating expenses	8,944,228	(8,944,228)	
Equipment	296,358	(296,358)	
Grants	1,673,292	(1,673,292)	
North Dakota development fund	750,000	(750,000)	
Agricultural products utilization	5,022,293	(5,022,293)	
Total all funds	\$20,411,391	(\$20,411,391)	\$0
Less estimated income	6,396,902	(6,396,902)	0
General fund	\$14,014,489	(\$14,014,489)	\$0
FTE	30.00	(30.00)	0.00

Department No. 601 - Dept. of Economic Development & Finance - Detail of Senate Changes

	Consolidate with Department of Commerce¹	Total Senate Changes
Salaries and wages	(\$3,725,220)	(\$3,725,220)
Operating expenses	(8,944,228)	(8,944,228)
Equipment	(296,358)	(296,358)
Grants	(1,673,292)	(1,673,292)
North Dakota development fund	(750,000)	(750,000)
Agricultural products utilization	(5,022,293)	(5,022,293)
Total all funds	(\$20,411,391)	(\$20,411,391)
Less estimated income	(6,396,902)	(6,396,902)
General fund	(\$14,014,489)	(\$14,014,489)
FTE	(30.00)	(30.00)

¹ Funding for the Department of Economic Development and Finance is removed and consolidated into the Department of Commerce as recommended by Governor Hoeven.

Senate Bill No. 2019 - Dept. of Economic Development & Finance - House Action

The House did not change the Senate version for the Department of Economic Development and Finance.

Senate Bill No. 2019 - Dept. of Economic Development & Finance - Conference Committee Action

The conference committee did not change the House or Senate version for the Department of Economic Development and Finance.

Senate Bill No. 2019 - Commerce Department - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages			\$6,028,893	\$6,028,893
Operating expenses			10,480,832	10,480,832
Equipment			199,936	199,936
Grants			36,080,226	36,080,226
North Dakota development fund			2,250,000	2,250,000
Agricultural products utilization			5,007,270	5,007,270
Lewis and Clark bicentennial			805,751	805,751
Transitional expenses			162,209	162,209
Total all funds	\$0	\$0	\$61,015,117	\$61,015,117
Less estimated income	0	0	43,590,891	43,590,891
General fund	\$0	\$0	\$17,424,226	\$17,424,226
FTE	0.00	0.00	57.00	57.00

Department No. 605 - Commerce Department - Detail of House Changes

	Combine Funding¹	Add Transitional Funding²	Reduce Development Fund³	Transfer Grants to Operating⁴	Add Funding for Grants⁵	Add Funding for Lewis and Clark⁶
Salaries and wages	\$6,028,893					
Operating expenses	10,450,832			30,000		
Equipment	199,936					
Grants	36,010,226			(30,000)	100,000	
North Dakota development fund	2,616,000		(366,000)			
Agricultural products utilization	5,007,270					
Lewis and Clark bicentennial	655,751					150,000
Transitional expenses		162,209				
Total all funds	\$60,968,908	\$162,209	(\$366,000)	\$0	\$100,000	\$150,000
Less estimated income	43,566,559	24,332	0	0	0	0
General fund	\$17,402,349	\$137,877	(\$366,000)	\$0	\$100,000	\$150,000
FTE	53.00	4.00	0.00	0.00	0.00	0.00

	Total House Changes
Salaries and wages	\$6,028,893
Operating expenses	10,480,832
Equipment	199,936
Grants	36,080,226
North Dakota development fund	2,250,000
Agricultural products utilization	5,007,270
Lewis and Clark bicentennial	805,751
Transitional expenses	162,209
Total all funds	\$61,015,117
Less estimated income	43,590,891
General fund	\$17,424,226
FTE	57.00

¹ Funding for the Department of Commerce is combined into one subdivision as recommended by Governor Hoeven. The Senate appropriated funding separately to each of the divisions of the department.

² A transitional expenses line item is added providing funding for 4 FTE administrative positions currently employed by the Department of Economic Development and Finance, Division of Community Services, and the Tourism Department for one year of the 2001-03 biennium. The 4 FTE positions are authorized only for the first year of the biennium. These 4 FTE positions were removed in Governor Hoeven's recommendation and the Senate version.

³ Funding for the development fund is provided at \$2,250,000 from the general fund, \$634,000 more than the Senate version (\$1,616,000), \$366,000 less than Governor Hoeven's recommendation (\$2,616,000), and \$1,500,000 more than Governor Schafer's recommendation (\$750,000).

⁴ The grants line item is reduced by \$30,000 and the operating expenses line item is increased by \$30,000. This grant was previously provided by the Tourism Department to the Greater North Dakota Association for publication of the North Dakota Horizons magazine.

⁵ Funding is added for providing a grant to the North Dakota Cowboy Hall of Fame in accordance with provisions of Senate Bill No. 2195. The Senate version also included this funding.

⁶ The Lewis and Clark line item is increased by \$150,000 from the general fund for providing grants to political subdivisions for Lewis and Clark-related projects as determined by the Tourism Division director. The Senate had increased the Lewis and Clark line item by \$100,000 from the general fund for additional Lewis and Clark marketing.

This amendment:

- Adds a section of legislative intent that \$3,300,437 of the operating expenses line item be used for tourism related activities, including tourism-related administrative costs as approved by the Tourism Division director.
- Adds a section providing that the director of the Department of Commerce establish performance measures and report to the Budget Section on the department's progress in meeting its measures after the first year of the 2001-03 biennium.
- Increases the total annual ethanol incentive payments that may be paid to an ethanol plant that produced 15 million gallons or more in the previous fiscal year and to a new ethanol plant from a total of \$400,000 to a total of \$500,000.
- Reduces the total annual ethanol incentive payments that may be paid to an ethanol plant that has production capacity of fewer than 15 million gallons from \$850,000 to \$750,000.
- Removes the provision that ethanol produced in North Dakota must be sold in North Dakota to qualify for an ethanol incentive payment.
- Removes provisions added by the Senate that in order to be eligible for ethanol incentives during the 2001-03 biennium, an ethanol plant must notify the Agricultural Products Utilization Commission by October 1, 2001, of the plant's intention to request ethanol incentives during the 2001-03 biennium.

This amendment makes the following additional funding changes to the Senate version:

- Removes \$100,000 from the general fund provided for the Economic Development Foundation
- Removes \$40,000 from the general fund added to the Economic Development Division for marketing.
- Removes \$50,000 from the general fund added to the Economic Development Division for grants.
- Restores the \$40,000 from the general fund removed from the Community Services Division relating to renaissance zone program administration.
- Restores \$191,287, of which \$130,703 is from the general fund and 2 FTE positions to the Economic Development and Finance Division that were transferred to the Workforce Development Division.
- Removes \$50,000 from the general fund added for operating expenses of the Workforce Development Division.
- Removes \$25,000 from the general fund added for equipment of the Workforce Development Division.
- Removes \$675,000 from the general fund added for grants of the Workforce Development Division.

This amendment removes the following sections added by the Senate:

- The section providing that the Legislative Council monitor the establishment of the Department of Commerce during the 2001-02 interim.
- The section of legislative intent that the department develop a strategic plan.
- The section providing that \$250,000 of the funding provided for Economic Development Division marketing be spent for cooperative marketing grants involving local economic development corporations.
- The section providing that \$15,000 of the Economic Development Division grants line item be allocated for professional training grants to economic development professionals in communities with a population of less than 10,000.
- The section providing that \$50,000 of the Economic Development Division grants line item be used for grants for a pilot project for remodeling of abandoned public school buildings.
- The section of legislative intent providing that the development fund continue its current mission and not become involved in the new markets initiative during the 2001-03 biennium.
- The section of legislative intent that the additional \$100,000 general fund appropriation added by the Senate for Lewis and Clark marketing not be considered part of the department's base budget for the purpose of submitting the budget request for the 2003-05 biennium.
- The section providing that \$75,000 of the Workforce Development Division grants line item be allocated to United States Department of Agriculture designated Champion/REAP Alliance communities for providing funding for an economic development coordinator for each of these communities.

- The section providing that \$400,000 of the Workforce Development Division grants line item be allocated for the development of a public/private partnership statewide talent recruitment initiative.
- The section providing that \$200,000 of the Workforce Development Division grants line item be allocated for grants to local communities and regions for labor availability research and for identification of employer workforce needs.

Senate Bill No. 2019 - Commerce Department - Conference Committee Action

	Executive Budget	Senate Version	Conf. Com. Changes	Conf. Com. Version	House Version	Comparison to House
Salaries and wages			\$6,103,893	\$6,103,893	\$6,028,893	\$75,000
Operating expenses			10,480,832	10,480,832	10,480,832	
Equipment			199,936	199,936	199,936	
Grants			36,330,226	36,330,226	36,080,226	250,000
North Dakota development fund			2,350,000	2,350,000	2,250,000	100,000
Agricultural products utilization			5,082,270	5,082,270	5,007,270	75,000
Lewis and Clark bicentennial			905,751	905,751	805,751	100,000
Transitional expenses			81,104	81,104	162,209	(81,105)
Total all funds	\$0	\$0	\$61,534,012	\$61,534,012	\$61,015,117	\$518,895
Less estimated income	0	0	43,653,725	43,653,725	43,590,891	62,834
General fund	\$0	\$0	\$17,880,287	\$17,880,287	\$17,424,226	\$456,061
FTE	0.00	0.00	57.00	57.00	57.00	0.00

Department No. 605 - Commerce Department - Detail of Conference Committee Changes

	Combine Funding ¹	Add Transitional Funding ²	Reduce Development Fund ³	Transfer Grants to Operating ⁴	Add Funding for Cowboy Hall of Fame ⁵	Add Funding for Lewis and Clark Grants ⁶
Salaries and wages	\$6,028,893					
Operating expenses	10,450,832			30,000		
Equipment	199,936					
Grants	36,010,226			(30,000)	100,000	
North Dakota development fund	2,616,000		(266,000)			
Agricultural products utilization	5,007,270					
Lewis and Clark bicentennial	655,751					150,000
Transitional expenses		81,104				
Total all funds	\$60,968,908	\$81,104	(\$266,000)	\$0	\$100,000	\$150,000
Less estimated income	43,566,559	12,166	0	0	0	0
General fund	\$17,402,349	\$68,938	(\$266,000)	\$0	\$100,000	\$150,000
FTE	53.00	2.00	0.00	0.00	0.00	0.00
	Add Funding for Lewis and Clark Marketing ⁷	Add Positions ⁸	Add Funding for Talent Recruitment Initiative ⁹	Total Conference Committee Changes		
Salaries and wages		\$75,000		\$6,103,893		
Operating expenses				10,480,832		
Equipment				199,936		
Grants			250,000	36,330,226		
North Dakota development fund				2,350,000		
Agricultural products utilization		75,000		5,082,270		
Lewis and Clark bicentennial	100,000			905,751		
Transitional expenses				81,104		
Total all funds	\$100,000	\$150,000	\$250,000	\$61,534,012		
Less estimated income	0	75,000	0	43,653,725		
General fund	\$100,000	\$75,000	\$250,000	\$17,880,287		
FTE	0.00	2.00	0.00	57.00		

¹ Funding for the Department of Commerce is combined into one subdivision as recommended by Governor Hoeven and included in the House version. The Senate appropriated funding separately to each of the divisions of the department.

² A transitional expenses line item is added providing funding for two FTE administrative positions currently employed by the Department of Economic Development and Finance, Division of Community Services, and the Tourism Department for one year of the 2001-03 biennium. The two FTE positions are authorized only for the first year of the biennium. Governor Hoeven's recommendation and the Senate version removed four FTE administrative positions. The House had provided funding and authorized four FTE administrative positions for the first year of the biennium.

³ Funding for the development fund is provided at \$2,350,000 from the general fund, \$100,000 more than the House version (\$2,250,000), \$734,000 more than the Senate version (\$1,616,000), \$266,000 less than Governor Hoeven's recommendation (\$2,616,000), and \$1,600,000 more than Governor Schafer's recommendation (\$750,000).

⁴ The grants line item is reduced by \$30,000 and the operating expenses line item is increased by \$30,000, the same as the House version. This grant was previously provided by the Tourism Department to the Greater North Dakota Association for publication of the North Dakota Horizons magazine.

⁵ Funding is added for providing a grant to the North Dakota Cowboy Hall of Fame in accordance with provisions of Senate Bill No. 2195. The House and Senate versions also included this funding.

⁶ The Lewis and Clark line item is increased by \$150,000 from the general fund for providing grants to reimburse political subdivisions for Lewis and Clark-related costs, the same as the House version. The funding is intended to be provided only for the 2001-03 biennium. A section of legislative intent is added providing that these funds be used to reimburse political subdivisions for extraordinary costs incurred in river rescues directly related to Lewis and Clark Bicentennial activities.

⁷ Funding is added for additional marketing of the Lewis and Clark Bicentennial, the same as the Senate version. The House removed this funding.

⁸ Funding of \$75,000 from the general fund is provided for a workforce development position; the House did not include this position and the Senate transferred a position from the Economic Development and Finance Division to the Workforce Development Division for this position.

Funding of \$75,000 of special funds from the agricultural fuel tax fund is added for an additional position for the Agricultural Products Utilization Commission.

⁹ Funding is added for the development of a public/private partnership statewide talent recruitment initiative. A section is added providing that the department and the Workforce Development Council establish criteria for the distribution of these grants and allows the department to require an applicant to provide local matching funds. The House did not include funding for this initiative. The Senate added a section providing that the Workforce Development Division allocate \$400,000 of its grants line item for this initiative.

This amendment:

- Adds a section of legislative intent that \$3,300,437 of the operating expenses line item be used for tourism-related activities, including tourism-related administrative costs as approved by the Tourism Division director, the same as the House version.
- Adds a section providing that the commissioner of the Department of Commerce report periodically to the Budget Section on the status of the establishment of the department and that the commissioner establish performance measures and report to the Budget Section on the department's progress in meeting its measures after the first year of the 2001-03 biennium. The House included the performance report and the Senate included a section that the department report to an interim Legislative Council committee on the status of the establishment of the department.

- Increases the total annual ethanol incentive payments that may be paid to an ethanol plant that produced 15 million gallons or more in the previous fiscal year and to a new ethanol plant from a total of \$400,000 to a total of \$500,000, the same as the House version.
- Reduces the total annual ethanol incentive payments that may be paid to an ethanol plant that has production capacity of fewer than 15 million gallons from \$850,000 to \$750,000, the same as the House version.
- Removes the provision that ethanol produced in North Dakota must be sold in North Dakota to qualify for an ethanol incentive payment, the same as the House version.
- Adds a section of legislative intent that the department allocate \$100,000 of its grants line item for expenses of the economic development foundation and for the development of a strategic plan. The House did not include these provisions. The Senate added \$100,000 from the general fund for the economic development foundation.
- Adds a section providing that the department develop a strategic plan. The Senate included a section providing for a strategic plan and the House did not.
- Changes the section added by the Senate providing that \$50,000 of the grants line item be used for grants for a pilot project for remodeling of abandoned school buildings. The changes restrict the grants to only approved projects and allow the director to use any unobligated moneys on October 1, 2002, for other purposes.
- Adds two sections providing for Legislative Council studies of venture capital and global markets.

This amendment makes the following additional funding changes to the engrossed bill:

- Removes \$40,000 from the general fund added to the Economic Development Division for marketing, the same as the House version.
- Removes \$50,000 from the general fund added to the Economic Development Division for grants, the same as the House version.
- Restores the \$40,000 from the general fund removed from the Community Services Division relating to renaissance zone program administration, the same as the House version.
- Returns the research position to the Division of Economic Development and Finance that the Senate had transferred to the Workforce Development Division.
- Removes \$50,000 from the general fund added for operating expenses of the Workforce Development Division, the same as the House version.
- Removes \$25,000 from the general fund added for equipment of the Workforce Development Division, the same as the House version.
- Removes \$675,000 from the general fund added for grants of the Workforce Development Division, the same as the House version.

This amendment removes the following sections from the engrossed bill:

- The section added by the Senate providing that \$250,000 of the funding provided for Economic Development Division marketing be spent for cooperative marketing grants involving local economic development corporations.
- The section providing that \$15,000 of the Economic Development Division grants line item be allocated for professional training grants to economic development professionals in communities with a population of less than 10,000.
- The section of legislative intent providing that the development fund continue its current mission and not become involved in the new markets initiative during the 2001-03 biennium.

- The section of legislative intent added by the Senate that the additional \$100,000 general fund appropriation for Lewis and Clark marketing not be considered part of the department's base budget for the purpose of submitting the budget request for the 2003-05 biennium.
- The section providing that \$200,000 of the Workforce Development Division grants line item be allocated for grants to local communities and regions for labor availability research and for identification of employer workforce needs.

Senate Bill No. 2019 - DOC - Administration - Senate Action

	Executive Budget	Senate Changes	Senate Version
Salaries and wages		\$877,474	\$877,474
Operating expenses		187,516	187,516
Economic development foundation		100,000	100,000
Total all funds	\$0	\$1,164,990	\$1,164,990
Less estimated income	0	249,487	249,487
General fund	\$0	\$915,503	\$915,503
FTE	0.00	8.00	8.00

Department No. 606 - DOC - Administration - Detail of Senate Changes

	Create Department of Commerce¹	Add Funding for Foundation	Total Senate Changes
Salaries and wages	\$877,474		\$877,474
Operating expenses	187,516		187,516
Economic development foundation		100,000	100,000
Total all funds	\$1,064,990	\$100,000	\$1,164,990
Less estimated income	249,487	0	249,487
General fund	\$815,503	\$100,000	\$915,503
FTE	8.00	0.00	8.00

¹ This change provides funding for this division of the Department of Commerce as recommended by Governor Hoeven.

A section is added providing that the Legislative Council consider monitoring the establishment of the department during the 2001-02 interim.

A section of legislative intent is added providing that the department develop a strategic plan.

Senate Bill No. 2019 - DOC - Administration - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages		\$877,474	(\$877,474)	
Operating expenses		187,516	(187,516)	
Economic development foundation		100,000	(100,000)	
Total all funds	<u>\$0</u>	<u>\$1,164,990</u>	<u>(\$1,164,990)</u>	<u>\$0</u>
Less estimated income	<u>0</u>	<u>249,487</u>	<u>(249,487)</u>	<u>0</u>
General fund	<u>\$0</u>	<u>\$915,503</u>	<u>(\$915,503)</u>	<u>\$0</u>
FTE	0.00	8.00	(8.00)	0.00

Department No. 606 - DOC - Administration - Detail of House Changes

	Combine Funding¹	Total House Changes
Salaries and wages	(\$877,474)	(\$877,474)
Operating expenses	(187,516)	(187,516)
Economic development foundation	(100,000)	(100,000)
Total all funds	<u>(\$1,164,990)</u>	<u>(\$1,164,990)</u>
Less estimated income	<u>(249,487)</u>	<u>(249,487)</u>
General fund	(\$915,503)	(\$915,503)
FTE	(8.00)	(8.00)

¹ Funding for the Department of Commerce is combined into one subdivision as recommended by Governor Hoeven. The Senate appropriated funding separately to each of the divisions of the department.

Senate Bill No. 2019 - DOC - Administration - Conference Committee Action

	Executive Budget	Senate Version	Conf. Com. Changes	Conf. Com. Version	House Version	Comparison to House
Salaries and wages		\$877,474	(\$877,474)			
Operating expenses		187,516	(187,516)			
Economic development foundation		100,000	(100,000)			
Total all funds	<u>\$0</u>	<u>\$1,164,990</u>	<u>(\$1,164,990)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Less estimated income	<u>0</u>	<u>249,487</u>	<u>(249,487)</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	<u>\$0</u>	<u>\$915,503</u>	<u>(\$915,503)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
FTE	0.00	8.00	(8.00)	0.00	0.00	0.00

Department No. 606 - DOC - Administration - Detail of Conference Committee Changes

	Combine Funding¹	Total Conference Committee Changes
Salaries and wages	(\$877,474)	(\$877,474)
Operating expenses	(187,516)	(187,516)
Economic development foundation	(100,000)	(100,000)
Total all funds	(\$1,164,990)	(\$1,164,990)
Less estimated income	(249,487)	(249,487)
General fund	(\$915,503)	(\$915,503)
FTE	(8.00)	(8.00)

¹ Funding for the Department of Commerce is combined into one subdivision as recommended by Governor Hoeven and included in the House version. The Senate appropriated funding separately to each of the divisions of the department.

Senate Bill No. 2019 - DOC - Economic Development - Senate Action

	Executive Budget	Senate Changes	Senate Version
Salaries and wages		\$2,388,822	\$2,388,822
Operating expenses		4,453,499	4,453,499
Equipment		111,058	111,058
Grants		1,723,292	1,723,292
North Dakota development fund		1,616,000	1,616,000
Agricultural products utilization		5,007,270	5,007,270
Total all funds	\$0	\$15,299,941	\$15,299,941
Less estimated income	0	5,390,203	5,390,203
General fund	\$0	\$9,909,738	\$9,909,738
FTE	0.00	19.00	19.00

Department No. 607 - DOC - Economic Development - Detail of Senate Changes

	Create Department of Commerce¹	Transfer Workforce Development²	Reduce Development Fund³	Increase Funding for Marketing	Add Funding for Grants	Total Senate Changes
Salaries and wages	\$2,580,109	(\$191,287)				\$2,388,822
Operating expenses	4,413,499			40,000		4,453,499
Equipment	111,058					111,058
Grants	1,673,292				50,000	1,723,292
North Dakota development fund	2,616,000		(1,000,000)			1,616,000
Agricultural products utilization	5,007,270					5,007,270
North Dakota development fund	2,616,000		(1,000,000)			1,616,000
Salaries and wages	2,580,109	(191,287)				2,388,822
Operating expenses	4,413,499			40,000		4,453,499
Grants	1,673,292				50,000	1,723,292
Total all funds	\$16,401,228	(\$191,287)	(\$1,000,000)	\$40,000	\$50,000	\$15,299,941
Less estimated income	5,450,787	(60,584)	0	0	0	5,390,203
General fund	\$10,950,441	(\$130,703)	(\$1,000,000)	\$40,000	\$50,000	\$9,909,738
FTE	21.00	(2.00)	0.00	0.00	0.00	19.00

¹ This change provides funding for this division of the Department of Commerce as recommended by Governor Hoeven.

² The workforce development position and a research position are transferred to the workforce development division of the department.

³ Funding for the development fund is provided at \$1,616,000 from the general fund, \$1,000,000 less than recommended by Governor Hoeven and \$866,000 more than Governor Schafer's recommendation.

Provisions are added removing the allocation of \$7,000 of the funding provided for the ethanol incentive program audit. A section is added requiring the Tax Commissioner to conduct an audit of the program during the 2001-03 biennium.

Provisions are added requiring the ethanol plants to notify the Agricultural Products Utilization Commission by October 1, 2001, if the plants intend to request ethanol incentives during the 2001-03 biennium. If any plants do not intend to request the incentives, the funding appropriated for those incentives will be used for Agricultural Products Utilization Commission grants during the 2001-03 biennium.

A section is added providing that \$250,000 of the funding provided for marketing be spent for cooperative marketing grants involving local economic development corporations.

A section is added providing that \$15,000 of the grants line item be allocated for professional training grants to economic development professionals in communities with a population of less than 10,000.

A section is added providing that \$50,000 of the grants line item be used for grants for a pilot project for remodeling of abandoned public school buildings.

A section of legislative intent is added providing that the development fund continue its current mission and not become involved in the new markets initiative during the 2001-03 biennium.

Senate Bill No. 2019 - DOC - Economic Development - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages		\$2,388,822	(\$2,388,822)	
Operating expenses		4,453,499	(4,453,499)	
Equipment		111,058	(111,058)	
Grants		1,723,292	(1,723,292)	
North Dakota development fund		1,616,000	(1,616,000)	
Agricultural products utilization		5,007,270	(5,007,270)	
Total all funds	\$0	\$15,299,941	(\$15,299,941)	\$0
Less estimated income	0	5,390,203	(5,390,203)	0
General fund	\$0	\$9,909,738	(\$9,909,738)	\$0
FTE	0.00	19.00	(19.00)	0.00

Department No. 607 - DOC - Economic Development - Detail of House Changes

	Combine Funding¹	Total House Changes
Salaries and wages	(\$2,388,822)	(\$2,388,822)
Operating expenses	(4,453,499)	(4,453,499)
Equipment	(111,058)	(111,058)
Grants	(1,723,292)	(1,723,292)
North Dakota development fund	(1,616,000)	(1,616,000)
Agricultural products utilization	(5,007,270)	(5,007,270)
Total all funds	(\$15,299,941)	(\$15,299,941)
Less estimated income	(5,390,203)	(5,390,203)
General fund	(\$9,909,738)	(\$9,909,738)
FTE	(19.00)	(19.00)

¹ Funding for the Department of Commerce is combined into one subdivision as recommended by Governor Hoeven. The Senate appropriated funding separately to each of the divisions of the department.

Senate Bill No. 2019 - DOC - Economic Development - Conference Committee Action

	Executive Budget	Senate Version	Conf. Com. Changes	Conf. Com. Version	House Version	Comparison to House
Salaries and wages		\$2,388,822	(\$2,388,822)			
Operating expenses		4,453,499	(4,453,499)			
Equipment		111,058	(111,058)			
Grants		1,723,292	(1,723,292)			
North Dakota development fund		1,616,000	(1,616,000)			
Agricultural products utilization		5,007,270	(5,007,270)			
Total all funds	\$0	\$15,299,941	(\$15,299,941)	\$0	\$0	\$0
Less estimated income	0	5,390,203	(5,390,203)	0	0	0
General fund	\$0	\$9,909,738	(\$9,909,738)	\$0	\$0	\$0
FTE	0.00	19.00	(19.00)	0.00	0.00	0.00

Department No. 607 - DOC - Economic Development - Detail of Conference Committee Changes

	Combine Funding¹	Total Conference Committee Changes
Salaries and wages	(\$2,388,822)	(\$2,388,822)
Operating expenses	(4,453,499)	(4,453,499)
Equipment	(111,058)	(111,058)
Grants	(1,723,292)	(1,723,292)
North Dakota development fund	(1,616,000)	(1,616,000)
Agricultural products utilization	(5,007,270)	(5,007,270)
Total all funds	(\$15,299,941)	(\$15,299,941)
Less estimated income	(5,390,203)	(5,390,203)
General fund	(\$9,909,738)	(\$9,909,738)
FTE	(19.00)	(19.00)

¹ Funding for the Department of Commerce is combined into one subdivision as recommended by Governor Hoeven and included in the House version. The Senate appropriated funding separately to each of the divisions of the department.

Senate Bill No. 2019 - DOC - Community Services - Senate Action

	Executive Budget	Senate Changes	Senate Version
Salaries and wages		\$1,665,525	\$1,665,525
Operating expenses		2,539,380	2,539,380
Equipment		73,500	73,500
Grants		34,306,934	34,306,934
Total all funds	\$0	\$38,585,339	\$38,585,339
Less estimated income	0	37,503,285	37,503,285
General fund	\$0	\$1,082,054	\$1,082,054
FTE	0.00	15.00	15.00

Department No. 608 - DOC - Community Services - Detail of Senate Changes

	Create Department of Commerce¹	Reduce Funding for Renaissance Administration²	Total Senate Changes
Salaries and wages	\$1,665,525		\$1,665,525
Operating expenses	2,579,380	(40,000)	2,539,380
Equipment	73,500		73,500
Grants	34,306,934		34,306,934
Operating expenses	2,579,380	(40,000)	2,539,380
Total all funds	\$38,625,339	(\$40,000)	\$38,585,339
Less estimated income	37,503,285	0	37,503,285
General fund	\$1,122,054	(\$40,000)	\$1,082,054
FTE	15.00	0.00	15.00

¹ This change provides funding for this division of the Department of Commerce as recommended by Governor Hoeven.

² The funding provided for the administration of the renaissance zone program is removed.

Senate Bill No. 2019 - DOC - Community Services - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages		\$1,665,525	(\$1,665,525)	
Operating expenses		2,539,380	(2,539,380)	
Equipment		73,500	(73,500)	
Grants		34,306,934	(34,306,934)	
Total all funds	\$0	\$38,585,339	(\$38,585,339)	\$0
Less estimated income	0	37,503,285	(37,503,285)	0
General fund	\$0	\$1,082,054	(\$1,082,054)	\$0
FTE	0.00	15.00	(15.00)	0.00

Department No. 608 - DOC - Community Services - Detail of House Changes

	Combine Funding¹	Total House Changes
Salaries and wages	(\$1,665,525)	(\$1,665,525)
Operating expenses	(2,539,380)	(2,539,380)
Equipment	(73,500)	(73,500)
Grants	(34,306,934)	(34,306,934)
Total all funds	(\$38,585,339)	(\$38,585,339)
Less estimated income	(37,503,285)	(37,503,285)
General fund	(\$1,082,054)	(\$1,082,054)
FTE	(15.00)	(15.00)

¹ Funding for the Department of Commerce is combined into one subdivision as recommended by Governor Hoeven. The Senate appropriated funding separately to each of the divisions of the department.

Senate Bill No. 2019 - DOC - Community Services - Conference Committee Action

	Executive Budget	Senate Version	Conf. Com. Changes	Conf. Com. Version	House Version	Comparison to House
Salaries and wages		\$1,665,525	(\$1,665,525)			
Operating expenses		2,539,380	(2,539,380)			
Equipment		73,500	(73,500)			
Grants		34,306,934	(34,306,934)			
Total all funds	\$0	\$38,585,339	(\$38,585,339)	\$0	\$0	\$0
Less estimated income	0	37,503,285	(37,503,285)	0	0	0
General fund	\$0	\$1,082,054	(\$1,082,054)	\$0	\$0	\$0
FTE	0.00	15.00	(15.00)	0.00	0.00	0.00

Department No. 608 - DOC - Community Services - Detail of Conference Committee Changes

	Combine Funding¹	Total Conference Committee Changes
Salaries and wages	(\$1,665,525)	(\$1,665,525)
Operating expenses	(2,539,380)	(2,539,380)
Equipment	(73,500)	(73,500)
Grants	(34,306,934)	(34,306,934)
Total all funds	(\$38,585,339)	(\$38,585,339)
Less estimated income	(37,503,285)	(37,503,285)
General fund	(\$1,082,054)	(\$1,082,054)
FTE	(15.00)	(15.00)

¹ Funding for the Department of Commerce is combined into one subdivision as recommended by Governor Hoeven and included in the House version. The Senate appropriated funding separately to each of the divisions of the department.

Senate Bill No. 2019 - DOC - Tourism - Senate Action

	Executive Budget	Senate Changes	Senate Version
Salaries and wages		\$905,785	\$905,785
Operating expenses		3,300,437	3,300,437
Equipment		15,378	15,378
Grants		100,000	100,000
Lewis and Clark Bicentennial		755,751	755,751
Total all funds	\$0	\$5,077,351	\$5,077,351
Less estimated income	0	363,000	363,000
General fund	\$0	\$4,714,351	\$4,714,351
FTE	0.00	9.00	9.00

Department No. 609 - DOC - Tourism - Detail of Senate Changes

	Create Department of Commerce¹	Transfer Grants to Operating²	Add Funding for Lewis and Clark Marketing³	Add Funding for Grants⁴	Total Senate Changes
Salaries and wages	\$905,785				\$905,785
Operating expenses	3,270,437	30,000			3,300,437
Equipment	15,378				15,378
Grants	30,000	(30,000)		100,000	100,000
Lewis and Clark Bicentennial	655,751		100,000		755,751
Lewis and Clark Bicentennial	655,751		100,000		755,751
Grants	30,000	(30,000)		100,000	100,000
Operating expenses	3,270,437	30,000			3,300,437
Grants	30,000	(30,000)		100,000	100,000
Total all funds	\$4,877,351	\$0	\$100,000	\$100,000	\$5,077,351
Less estimated income	363,000	0	0	0	363,000
General fund	\$4,514,351	\$0	\$100,000	\$100,000	\$4,714,351
FTE	9.00	0.00	0.00	0.00	9.00

¹ This change provides funding for this division of the Department of Commerce as recommended by Governor Hoeven.

² The recommended grants line item of \$30,000 is removed and the funding is transferred to the operating expenses line item. The grant was previously provided to the Greater North Dakota Association for publication of the North Dakota Horizons magazine.

³ The recommended appropriation for the Lewis and Clark Bicentennial is increased by \$100,000 from the general fund to provide additional funding for marketing relating to the Lewis and Clark Bicentennial event.

⁴ Funding is added for providing a grant to the North Dakota Cowboy Hall of Fame.

Sections are added that:

- Provide legislative intent that the additional \$100,000 general fund appropriation provided for Lewis and Clark Bicentennial marketing is not to be considered part of the department's base budget for the purpose of submitting the budget request for the 2003-05 biennium.
- Amend North Dakota Century Code (NDCC) Section 54-34.4-04 to provide that the director of the Tourism Department may appoint an advisory board to assist the North Dakota motion picture development office. Section 54-34.4-04 currently requires the appointment of such a board.
- Create a new section to NDCC Chapter 54-34.4 to provide that the director of the Tourism Department may obtain copyright or trademark protection for any item used to promote the state tourism policies, as established by Section 54-34.4-03. This section is an emergency measure.

Senate Bill No. 2019 - DOC - Tourism - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages		\$905,785	(\$905,785)	
Operating expenses		3,300,437	(3,300,437)	
Equipment		15,378	(15,378)	
Grants		100,000	(100,000)	
Lewis and Clark Bicentennial		755,751	(755,751)	
Total all funds	\$0	\$5,077,351	(\$5,077,351)	\$0
Less estimated income	0	363,000	(363,000)	0
General fund	\$0	\$4,714,351	(\$4,714,351)	\$0
FTE	0.00	9.00	(9.00)	0.00

Department No. 609 - DOC - Tourism - Detail of House Changes

	Combine Funding¹	Total House Changes
Salaries and wages	(\$905,785)	(\$905,785)
Operating expenses	(3,300,437)	(3,300,437)
Equipment	(15,378)	(15,378)
Grants	(100,000)	(100,000)
Lewis and Clark Bicentennial	(755,751)	(755,751)
Total all funds	(\$5,077,351)	(\$5,077,351)
Less estimated income	(363,000)	(363,000)
General fund	(\$4,714,351)	(\$4,714,351)
FTE	(9.00)	(9.00)

¹ Funding for the Department of Commerce is combined into one subdivision as recommended by Governor Hoeven. The Senate appropriated funding separately to each of the divisions of the department.

Senate Bill No. 2019 - DOC - Tourism - Conference Committee Action

	Executive Budget	Senate Version	Conf. Com. Changes	Conf. Com. Version	House Version	Comparison to House
Salaries and wages		\$905,785	(\$905,785)			
Operating expenses		3,300,437	(3,300,437)			
Equipment		15,378	(15,378)			
Grants		100,000	(100,000)			
Lewis and Clark Bicentennial		755,751	(755,751)			
Total all funds	\$0	\$5,077,351	(\$5,077,351)	\$0	\$0	\$0
Less estimated income	0	363,000	(363,000)	0	0	0
General fund	\$0	\$4,714,351	(\$4,714,351)	\$0	\$0	\$0
FTE	0.00	9.00	(9.00)	0.00	0.00	0.00

Department No. 609 - DOC - Tourism - Detail of Conference Committee Changes

	Combine Funding¹	Total Conference Committee Changes
Salaries and wages	(\$905,785)	(\$905,785)
Operating expenses	(3,300,437)	(3,300,437)
Equipment	(15,378)	(15,378)
Grants	(100,000)	(100,000)
Lewis and Clark Bicentennial	(755,751)	(755,751)
Total all funds	(\$5,077,351)	(\$5,077,351)
Less estimated income	(363,000)	(363,000)
General fund	(\$4,714,351)	(\$4,714,351)
FTE	(9.00)	(9.00)

¹ Funding for the Department of Commerce is combined into one subdivision as recommended by Governor Hoeven and included in the House version. The Senate appropriated funding separately to each of the divisions of the department.

Senate Bill No. 2019 - DOC - Workforce Development - Senate Action

	Executive Budget	Senate Changes	Senate Version
Salaries and wages		\$191,287	\$191,287
Operating expenses		50,000	50,000
Equipment		25,000	25,000
Grants		675,000	675,000
Total all funds	\$0	\$941,287	\$941,287
Less estimated income	0	60,584	60,584
General fund	\$0	\$880,703	\$880,703
FTE	0.00	2.00	2.00

Department No. 610 - DOC - Workforce Development - Detail of Senate Changes

	Provide Funding for the Division¹	Total Senate Changes
Salaries and wages	\$191,287	\$191,287
Operating expenses	50,000	50,000
Equipment	25,000	25,000
Grants	675,000	675,000
Total all funds	\$941,287	\$941,287
Less estimated income	60,584	60,584
General fund	\$880,703	\$880,703
FTE	2.00	2.00

¹ Funding for the Workforce Development Division of the department is provided, including 2 FTE positions transferred from the Economic Development and Finance Division.

A section is added providing that \$75,000 of the grants line item be allocated to provide matching funds to United States Department of Agriculture designated Champion/REAP Alliance Communities for providing funding for an economic development coordinator for each of these communities.

A section is added providing that \$400,000 of the grants line item be allocated for the development of a public/private partnership statewide talent recruitment initiative.

A section is added providing that \$200,000 of the grants line item be allocated for grants to local communities and regions for labor availability research and for identification of employer workforce needs.

The following schedule compares Governor Schafer's recommendation, Governor Hoeven's recommendation, and the Senate Version:

	2001-03 Schafer Recommendation	2001-03 Hoeven Recommendation	Senate Version
Department of Economic Development and Finance - SB 2019 as amended	\$20,411,391		
Tourism Department - HB 1022	4,960,778		
Division of Community Services - HB 1015	39,098,238		
Department of Commerce - SB 2019 as amended		60,968,908	61,068,908
Total	<u>\$64,470,407</u>	<u>\$60,968,908</u>	<u>\$61,068,908</u>
General fund	\$19,805,180	\$17,402,349	\$17,502,349
Other funds	\$44,665,227	\$43,566,559	\$43,566,559
FTE	62.00	53.00	53.00

Senate Bill No. 2019 - DOC - Workforce Development - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages		\$191,287	(\$191,287)	
Operating expenses		50,000	(50,000)	
Equipment		25,000	(25,000)	
Grants		675,000	(675,000)	
Total all funds	<u>\$0</u>	<u>\$941,287</u>	<u>(\$941,287)</u>	<u>\$0</u>
Less estimated income	<u>0</u>	<u>60,584</u>	<u>(60,584)</u>	<u>0</u>
General fund	<u>\$0</u>	<u>\$880,703</u>	<u>(\$880,703)</u>	<u>\$0</u>
FTE	0.00	2.00	(2.00)	0.00

Department No. 610 - DOC - Workforce Development - Detail of House Changes

	Combine Funding¹	Total House Changes
Salaries and wages	(\$191,287)	(\$191,287)
Operating expenses	(50,000)	(50,000)
Equipment	(25,000)	(25,000)
Grants	(675,000)	(675,000)
Total all funds	<u>(\$941,287)</u>	<u>(\$941,287)</u>
Less estimated income	<u>(60,584)</u>	<u>(60,584)</u>
General fund	<u>(\$880,703)</u>	<u>(\$880,703)</u>
FTE	(2.00)	(2.00)

¹ Funding for the Department of Commerce is combined into one subdivision as recommended by Governor Hoeven. The Senate appropriated funding separately to each of the divisions of the department.

The following schedule compares Governor Schafer's recommendation, Governor Hoeven's recommendation, the Senate version, and the House version:

	2001-03 Schafer Recommendation	2001-03 Hoeven Recommendation	Senate Version	House Version
Department of Economic Development and Finance - SB 2019 as amended	\$20,411,391			
Tourism Department - HB 1022	4,960,778			
Division of Community Services - HB 1015	39,098,238			
Department of Commerce - SB 2019 as amended		60,968,908	61,068,908	61,015,117
Total	\$64,470,407	\$60,968,908	\$61,068,908	\$61,015,117
General fund	\$19,805,180	\$17,402,349	\$17,502,349	\$17,424,226
Other funds	\$44,665,227	\$43,566,559	\$43,566,559	\$43,590,891
FTE	62.00	53.00	53.00	57.00

Senate Bill No. 2019 - DOC - Workforce Development - Conference Committee Action

	Executive Budget	Senate Version	Conf. Com. Changes	Conf. Com. Version	House Version	Comparison to House
Salaries and wages		\$191,287	(\$191,287)			
Operating expenses		50,000	(50,000)			
Equipment		25,000	(25,000)			
Grants		675,000	(675,000)			
Total all funds	\$0	\$941,287	(\$941,287)	\$0	\$0	\$0
Less estimated income	0	60,584	(60,584)	0	0	0
General fund	\$0	\$880,703	(\$880,703)	\$0	\$0	\$0
FTE	0.00	2.00	(2.00)	0.00	0.00	0.00

Department No. 610 - DOC - Workforce Development - Detail of Conference Committee Changes

	Combine Funding¹	Total Conference Committee Changes
Salaries and wages	(\$191,287)	(\$191,287)
Operating expenses	(50,000)	(50,000)
Equipment	(25,000)	(25,000)
Grants	(675,000)	(675,000)
Total all funds	(\$941,287)	(\$941,287)
Less estimated income	(60,584)	(60,584)
General fund	(\$880,703)	(\$880,703)
FTE	(2.00)	(2.00)

¹ Funding for the Department of Commerce is combined into one subdivision as recommended by Governor Hoeven and included in the House version. The Senate appropriated funding separately to each of the divisions of the department.

The following schedule compares Governor Schafer's recommendation, Governor Hoeven's recommendation, the Senate version, the House version, and the Conference Committee version:

	2001-03 Schafer Recommendation	2001-03 Hoeven Recommendation	Senate Version	House Version	Conference Committee Version
Department of Economic Development and Finance - SB 2019	\$20,411,391				
Tourism Department - HB 1022	4,960,778				
Division of Community Services - HB 1015	39,098,238				
Department of Commerce - SB 2019 as amended		60,968,908	61,068,908	61,015,117	61,534,012
Total	\$64,470,407	\$60,968,908	\$61,068,908	\$61,015,117	\$61,534,012
General fund	\$19,805,180	\$17,402,349	\$17,502,349	\$17,424,226	\$17,880,287
Other funds	\$44,665,227	\$43,566,559	\$43,566,559	\$43,590,891	\$43,653,725
FTE	62.00	53.00	53.00	57.00	57.00