

**STATEMENT OF PURPOSE OF AMENDMENT:****Senate Bill No. 2018 - Funding Summary**

	<b>Executive Budget</b>	<b>Final Legislative Action</b>	<b>Comparison To Executive Budget</b>
Office of Management and Budget			
Operating expenses		\$400,000	\$400,000
Total all funds	\$0	\$400,000	\$400,000
Less estimated income	0	400,000	400,000
General fund	\$0	\$0	\$0
 FTE	 0.00	 0.00	 0.00
Department of Commerce			
Salaries and wages	\$10,185,967	\$10,020,840	(\$165,127)
Operating expenses	14,428,272	14,528,272	100,000
Capital assets	25,000	25,000	
Grants	53,886,058	68,386,058	14,500,000
Discretionary funds	928,083	928,083	
Economic development initiatives	186,846	186,846	
Agricultural products utilization	2,536,630	2,536,630	
North Dakota Trade Office	2,000,000	2,064,000	64,000
Partner programs	2,022,044	2,022,044	
Transfer - Workforce enhancement fund	2,000,000	1,000,000	(1,000,000)
Transfer - Centers of excellence fund		15,000,000	15,000,000
Contingent borrowing authority			
Federal fiscal stimulus funds		68,594,635	68,594,635
Total all funds	\$88,198,900	\$185,292,408	\$97,093,508
Less estimated income	53,708,861	138,261,105	84,552,244
General fund	\$34,490,039	\$47,031,303	\$12,541,264
 FTE	 68.00	 68.00	 0.00
Bill Total			
Total all funds	\$88,198,900	\$185,692,408	\$97,493,508
Less estimated income	53,708,861	138,661,105	84,952,244
General fund	\$34,490,039	\$47,031,303	\$12,541,264
 FTE	 68.00	 68.00	 0.00

**Senate Bill No. 2018 - Office of Management and Budget - House Action**

	<b>Executive Budget</b>	<b>Senate Version</b>	<b>House Changes</b>	<b>House Version</b>
Operating expenses			\$400,000	\$400,000
Total all funds	\$0	\$0	\$400,000	\$400,000
Less estimated income	0	0	400,000	400,000
General fund	\$0	\$0	\$0	\$0
 FTE	 0.00	 0.00	 0.00	 0.00

**Department 110 - Office of Management and Budget - Detail of House Changes**

	Provides For Establishment of a Searchable Database <sup>1</sup>	Total House Changes
Operating expenses	400,000	400,000
Total all funds	\$400,000	\$400,000
Less estimated income	400,000	400,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> A section is added to provide for the establishment of a searchable database of state expenditures and appropriates \$400,000 from federal fiscal stabilization - other government services funds to the Office of Management and Budget for the costs associated with the database.

**Senate Bill No. 2018 - Office of Management and Budget - Conference Committee Action**

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Operating expenses			\$400,000	\$400,000	\$400,000	
Total all funds	\$0	\$0	\$400,000	\$400,000	\$400,000	\$0
Less estimated income	0	0	400,000	400,000	400,000	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

**Department 110 - Office of Management and Budget - Detail of Conference Committee Changes**

	Provides for Establishment of a Searchable Database <sup>1</sup>	Total Conference Committee Changes
Operating expenses	400,000	400,000
Total all funds	\$400,000	\$400,000
Less estimated income	400,000	400,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> A section is added to provide for the establishment of a searchable database of state expenditures and appropriates \$400,000 from the federal fiscal stabilization - other government services funds to the Office of Management and Budget for the costs associated with the database. This is the same as the House version.

**Senate Bill No. 2018 - Department of Emergency Services - House Action**

	Executive Budget	Senate Version	House Changes	House Version
Grants			\$1,594,567	\$1,594,567
Total all funds	\$0	\$0	\$1,594,567	\$1,594,567
Less estimated income	0	0	0	0
General fund	\$0	\$0	\$1,594,567	\$1,594,567
FTE	0.00	0.00	0.00	0.00

**Department 542 - Department of Emergency Services - Detail of House Changes**

	<b>Provides Funding for Emergency and Disaster Recovery<sup>1</sup></b>	<b>Total House Changes</b>
Grants	1,594,567	1,594,567
Total all funds	\$1,594,567	\$1,594,567
Less estimated income	0	0
General fund	\$1,594,567	\$1,594,567
FTE	0.00	0.00

<sup>1</sup> This amendment provides a \$1,594,567 general fund appropriation to the Department of Emergency Services for providing grants to eligible political subdivisions for emergency and disaster recovery.

**Senate Bill No. 2018 - Department of Emergency Services - Conference Committee Action**

The House version provided a \$1,594,567 general fund appropriation to the Department of Emergency Services for providing grants to eligible political subdivisions for emergency and disaster recovery. This funding is not included in the conference committee version.

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

	<b>Executive Budget</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Salaries and wages	\$10,185,967		\$10,185,967
Operating expenses	14,428,272	600,000	15,028,272
Capital assets	25,000		25,000
Grants	53,886,058	27,550,000	81,436,058
Discretionary funds	928,083		928,083
Economic development initiatives	186,846		186,846
Agricultural products utilization	2,536,630		2,536,630
North Dakota Trade Office	2,000,000	164,000	2,164,000
Partner programs	2,022,044		2,022,044
Transfer - Workforce enhancement fund	2,000,000		2,000,000
Transfer - Centers of excellence fund		20,000,000	20,000,000
Contingent borrowing authority		500,000	500,000
Total all funds	\$88,198,900	\$48,814,000	\$137,012,900
Less estimated income	53,708,861	15,500,000	69,208,861
General fund	\$34,490,039	\$33,314,000	\$67,804,039
FTE	68.00	0.00	68.00

### Department 601 - Department of Commerce - Detail of Senate Changes

	<b>Provides Funding for the Centers of Excellence Program<sup>1</sup></b>	<b>Decreases Funding for Grants to Expand Child Care<sup>2</sup></b>	<b>Provides Funding for a Grant to the Dakota Defense Alliance Organization<sup>3</sup></b>	<b>Increases Funding for the InnovateND Program<sup>4</sup></b>	<b>Provides Funding for Student-Based Technology Startup Grants<sup>5</sup></b>	<b>Provides Funding for Regional Technical Assistance Grants<sup>6</sup></b>
Salaries and wages						
Operating expenses				100,000		
Capital assets						
Grants		(1,500,000)	50,000		200,000	1,000,000
Discretionary funds						
Economic development initiatives						
Agricultural products utilization						
North Dakota Trade Office						
Partner programs						
Transfer - Workforce enhancement fund						
Transfer - Centers of excellence fund	20,000,000					
Contingent borrowing authority						
<b>Total all funds</b>	<b>\$20,000,000</b>	<b>(\$1,500,000)</b>	<b>\$50,000</b>	<b>\$100,000</b>	<b>\$200,000</b>	<b>\$1,000,000</b>
Less estimated income	0	0	0	0	0	0
<b>General fund</b>	<b>\$20,000,000</b>	<b>(\$1,500,000)</b>	<b>\$50,000</b>	<b>\$100,000</b>	<b>\$200,000</b>	<b>\$1,000,000</b>
FTE	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Provides Funding for Youth Entrepreneur Grants<sup>7</sup></b>	<b>Provides Funding for University Patent Office Support<sup>8</sup></b>	<b>Increases Funding for Tourism Marketing<sup>9</sup></b>	<b>Increases Funding Relating to the Neighborhood Stabilization Program<sup>10</sup></b>	<b>Provides Funding for Commercial Business District Improvement Projects<sup>11</sup></b>	<b>Increases Funding for the North Dakota Trade Office<sup>12</sup></b>
Salaries and wages						
Operating expenses			500,000			
Capital assets						
Grants	400,000	200,000		15,000,000	200,000	
Discretionary funds						
Economic development initiatives						
Agricultural products utilization						
North Dakota Trade Office						164,000
Partner programs						
Transfer - Workforce enhancement fund						
Transfer - Centers of excellence fund						
Contingent borrowing authority						
<b>Total all funds</b>	<b>\$400,000</b>	<b>\$200,000</b>	<b>\$500,000</b>	<b>\$15,000,000</b>	<b>\$200,000</b>	<b>\$164,000</b>
Less estimated income	0	0	0	15,000,000	0	0
<b>General fund</b>	<b>\$400,000</b>	<b>\$200,000</b>	<b>\$500,000</b>	<b>\$0</b>	<b>\$200,000</b>	<b>\$164,000</b>
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Provides Contingent Borrowing Authority <sup>13</sup>	Provides Funding for a Great Plains Applied Energy Research Center Grant <sup>14</sup>	Provides Funding for a Base Realignment Grant Program <sup>15</sup>	Provides Funding for a Grant to the Lewis and Clark Foundation <sup>16</sup>	Provides Funding for a Grant to the Theodore Roosevelt Medora Foundation <sup>17</sup>	Total Senate Changes
Salaries and wages						
Operating expenses						600,000
Capital assets						
Grants		5,000,000	5,000,000	1,500,000	500,000	27,550,000
Discretionary funds						
Economic development initiatives						
Agricultural products utilization						
North Dakota Trade Office						164,000
Partner programs						
Transfer - Workforce enhancement fund						
Transfer - Centers of excellence fund						20,000,000
Contingent borrowing authority	500,000					500,000
Total all funds	\$500,000	\$5,000,000	\$5,000,000	\$1,500,000	\$500,000	\$48,814,000
Less estimated income	500,000	0	0	0	0	15,500,000
General fund	\$0	\$5,000,000	\$5,000,000	\$1,500,000	\$500,000	\$33,314,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> This amendment provides a \$20 million general fund appropriation to the Department of Commerce for funding the centers of excellence program for the 2009-11 biennium. The executive budget provided funding of \$20 million, of which \$15 million is from the general fund and \$5 million is from Bank of North Dakota loan proceeds, for the centers of excellence program in House Bill No. 1015--the Office of Management and Budget appropriation bill.

<sup>2</sup> This amendment decreases one-time funding from the general fund added in the executive budget for matching grants to local communities to establish or expand child care options from \$3.5 million to \$2 million.

<sup>3</sup> Funding of \$50,000 from the general fund is added for a grant to the Dakota Defense Alliance Organization for business development expenses associated with seeking homeland security-, energy-, or defense-related contracts for North Dakota companies during the 2009-11 biennium.

<sup>4</sup> This amendment increases funding for the InnovateND program as follows:

	2007-09 Legislative Appropriation	2009-11 Executive Budget	2009-11 Senate Version
General fund	\$150,000	\$250,000	\$350,000
Special funds	150,000	150,000	150,000
Total	\$300,000	\$400,000	\$500,000

<sup>5</sup> This amendment provides funding of \$200,000 from the general fund for student-based technology grants. The Department of Commerce is to provide grants of \$25,000 to the extent matching funds are available from an angel fund on a dollar-for-dollar basis. The department may only award four grants to the same higher education institution.

<sup>6</sup> This amendment provides funding of \$1 million from the general fund for regional technical assistance grants. The Department of Commerce is to equally distribute the funding among the four workforce training quadrants and may award grants of \$250,000 to the extent matching funds are available from nonstate sources on a dollar-for-dollar basis. The department may only award one grant to each higher education institution.

<sup>7</sup> Funding of \$400,000 from the general fund is provided for youth entrepreneurship grants. The Department of Commerce is to equally distribute the funding among the four workforce training quadrants and may award grants of up to \$100,000 each to the

extent matching funds are available from nonstate sources on a dollar-for-dollar basis. The department may only award one grant to each higher education institution.

- <sup>8</sup> This amendment provides funding of \$200,000 from the general fund for providing grants to the University of North Dakota and North Dakota State University patent offices. The Department of Commerce may award grants of \$100,000 to each university for support of the patent offices to the extent matching funds are available from nonstate sources on a dollar-for-dollar basis.
- <sup>9</sup> This amendment increases funding for tourism marketing by \$500,000 from the general fund. This is in addition to the \$912,000 increase included in the executive budget.
- <sup>10</sup> This amendment increases special funds spending authority by \$15 million to reflect the estimated carryover of federal funds for the neighborhood stabilization program.
- <sup>11</sup> This amendment provides funding of \$200,000 from the general fund for the purpose of providing grants of up to \$10,000 each to cities in the state with a population of fewer than 8,000 for commercial business district improvement projects during the 2009-11 biennium. The Department of Commerce is to require a city receiving a grant to provide \$1 of matching funds for each \$1 of state funds provided for the project. Grant funds and required city matching funds may be used only for the purchase of materials associated with the project.
- <sup>12</sup> This amendment increases funding for the North Dakota Trade Office from \$2 million, as provided for in the executive budget, to \$2,164,000. Of the additional \$164,000, \$64,000 is for an export assistance program, \$50,000 is for a global connections conference, and \$50,000 is for an export-related workforce recruitment study.
- <sup>13</sup> This amendment provides authorization to the Department of Commerce to borrow \$500,000 from the Bank of North Dakota for providing a grant to the North Dakota Trade Office for implementing an export-related workforce recruitment program based on the results of the export-related workforce recruitment study and subject to Emergency Commission and Budget Section approval.
- <sup>14</sup> Funding of \$5 million from the general fund is added for a grant for construction of a great plains applied energy research center on the Bismarck State College campus. The Department of Commerce may only spend the funding from the general fund to the extent other nonstate matching funds of \$3 for each \$1 of grant funds are available for all costs of the center.
- <sup>15</sup> This amendment provides funding of \$5 million of one-time funding from the general fund for a base realignment grant program to enhance economic development and employment opportunities associated with the Grand Forks Air Force Base resulting from action by the federal Defense Base Closure and Realignment Commission.
- <sup>16</sup> This amendment provides funding of \$1.5 million from the general fund for a grant to the Lewis and Clark Foundation. The Department of Commerce may only spend the funds appropriated from the general fund to the extent matching funds have been secured from nonstate sources on a dollar-for-dollar basis.
- <sup>17</sup> This amendment provides funding of \$500,000 from the general fund for a grant to the Theodore Roosevelt Medora Foundation. The Department of Commerce may only spend the funds appropriated from the general fund to the extent matching funds of \$12 million from nonstate sources have been secured by the foundation.

This amendment also:

- Creates a new section to North Dakota Century Code (NDCC) Chapter 15-69 to create a centers of excellence fund. All money in the fund is appropriated to the Department of Commerce on a continuing basis for the centers of excellence program.
- Amends subsection 2 of NDCC Section 15-69-04 and Section 15-69-05 relating to the centers of excellence program.
- Creates a new section to NDCC Chapter 54-60 relating to the Division of Workforce Development's strategic plan and the North Dakota Workforce Development Council.
- Adds a section providing for a Legislative Council study of technology-based entrepreneurship and economic development best practices.
- Adds a section providing for a Legislative Council study of the state's workforce system.

- Adds a section of legislative intent to provide that the Department of Commerce is to establish and implement appropriate accountability requirements relating to grants provided to the Dakota Defense Alliance, the Lewis and Clark Foundation, and the Theodore Roosevelt Medora Foundation during the 2009-11 biennium.
- Provides that the funding of \$1.2 million for the operation intern program in the operating expenses line item is an emergency measure.

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

	<b>Executive Budget</b>	<b>Senate Version</b>	<b>House Changes</b>	<b>House Version</b>
Salaries and wages	\$10,185,967	\$10,185,967	(\$165,127)	\$10,020,840
Operating expenses	14,428,272	15,028,272	(900,000)	14,128,272
Capital assets	25,000	25,000		25,000
Grants	53,886,058	81,436,058	(14,550,000)	66,886,058
Discretionary funds	928,083	928,083		928,083
Economic development initiatives	186,846	186,846		186,846
Agricultural products utilization	2,536,630	2,536,630		2,536,630
North Dakota Trade Office	2,000,000	2,164,000	(164,000)	2,000,000
Partner programs	2,022,044	2,022,044		2,022,044
Transfer - Workforce enhancement fund	2,000,000	2,000,000	(1,000,000)	1,000,000
Transfer - Centers of excellence fund		20,000,000	(20,000,000)	
Contingent borrowing authority		500,000	(500,000)	
Federal fiscal stimulus funds			68,594,635	68,594,635
Contingent appropriation			1,000,000	1,000,000
Centers of excellence			15,000,000	15,000,000
Total all funds	<u>\$88,198,900</u>	<u>\$137,012,900</u>	<u>\$47,315,508</u>	<u>\$184,328,408</u>
Less estimated income	<u>53,708,861</u>	<u>69,208,861</u>	<u>69,052,244</u>	<u>138,261,105</u>
General fund	<u>\$34,490,039</u>	<u>\$67,804,039</u>	<u>(\$21,736,736)</u>	<u>\$46,067,303</u>
FTE	68.00	68.00	0.00	68.00

**Department 601 - Department of Commerce - Detail of House Changes**

	<b>Adjusts Funding for Biofuel Blender Pumps<sup>1</sup></b>	<b>Removes Funding for Grants to Expand Child Care<sup>2</sup></b>	<b>Decreases Funding for the North Dakota Trade Office<sup>3</sup></b>	<b>Removes Contingent Borrowing Authority<sup>4</sup></b>	<b>Removes One- Time Funding for the Workforce Enhancement Fund<sup>5</sup></b>	<b>Removes Funding for Student-Based Technology Grants<sup>6</sup></b>
Salaries and wages						
Operating expenses						
Capital assets						
Grants	(1,000,000)	(2,000,000)				(200,000)
Discretionary funds						
Economic development initiatives						
Agricultural products utilization						
North Dakota Trade Office Partner programs			(164,000)			
Transfer - Workforce enhancement fund					(1,000,000)	
Transfer - Centers of excellence fund						
Contingent borrowing authority				(500,000)		
Federal fiscal stimulus funds						
Contingent appropriation Centers of excellence						
<b>Total all funds</b>	<b>(\$1,000,000)</b>	<b>(\$2,000,000)</b>	<b>(\$164,000)</b>	<b>(\$500,000)</b>	<b>(\$1,000,000)</b>	<b>(\$200,000)</b>
Less estimated income	1,000,000	0	0	(500,000)	0	0
<b>General fund</b>	<b>(\$2,000,000)</b>	<b>(\$2,000,000)</b>	<b>(\$164,000)</b>	<b>\$0</b>	<b>(\$1,000,000)</b>	<b>(\$200,000)</b>
FTE	0.00	0.00	0.00	0.00	0.00	0.00



	<b>Removes Funding for Regional Technical Assistance Grants<sup>7</sup></b>	<b>Removes Funding for Youth Entrepreneur Grants<sup>8</sup></b>	<b>Removes Funding for Grants for University Patent Office Support<sup>9</sup></b>	<b>Removes Funding for Commercial Business District Improvement Projects<sup>10</sup></b>	<b>Removes Funding for a Great Plains Applied Energy Research Center Grant<sup>11</sup></b>	<b>Removes Funding for a Base Realignment Grant Program<sup>12</sup></b>
Salaries and wages						
Operating expenses						
Capital assets						
Grants	(1,000,000)	(400,000)	(200,000)	(200,000)	(5,000,000)	(5,000,000)
Discretionary funds						
Economic development initiatives						
Agricultural products utilization						
North Dakota Trade Office						
Partner programs						
Transfer - Workforce enhancement fund						
Transfer - Centers of excellence fund						
Contingent borrowing authority						
Federal fiscal stimulus funds						
Contingent appropriation						
Centers of excellence						
<b>Total all funds</b>	<b>(\$1,000,000)</b>	<b>(\$400,000)</b>	<b>(\$200,000)</b>	<b>(\$200,000)</b>	<b>(\$5,000,000)</b>	<b>(\$5,000,000)</b>
Less estimated income	0	0	0	0	0	0
<b>General fund</b>	<b>(\$1,000,000)</b>	<b>(\$400,000)</b>	<b>(\$200,000)</b>	<b>(\$200,000)</b>	<b>(\$5,000,000)</b>	<b>(\$5,000,000)</b>
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	<b>Removes Funding for a Grant to the Dakota Defense Alliance Organization<sup>13</sup></b>	<b>Decreases Funding for Tourism Marketing<sup>14</sup></b>	<b>Decreases Funding for the InnovateND Program<sup>15</sup></b>	<b>Removes Salary Equity Funding<sup>16</sup></b>	<b>Removes Funding for Transfer to Centers of Excellence Fund<sup>17</sup></b>	<b>Provides Funding for Centers of Excellence<sup>18</sup></b>
Salaries and wages				(176,627)		
Operating expenses		(500,000)	(100,000)			
Capital assets						
Grants	(50,000)					
Discretionary funds						
Economic development initiatives						
Agricultural products utilization						
North Dakota Trade Office						
Partner programs						
Transfer - Workforce enhancement fund						
Transfer - Centers of excellence fund					(20,000,000)	
Contingent borrowing authority						
Federal fiscal stimulus funds						
Contingent appropriation						
Centers of excellence						15,000,000
<b>Total all funds</b>	<b>(\$50,000)</b>	<b>(\$500,000)</b>	<b>(\$100,000)</b>	<b>(\$176,627)</b>	<b>(\$20,000,000)</b>	<b>\$15,000,000</b>
Less estimated income	0	0	0	(42,391)	0	0
<b>General fund</b>	<b>(\$50,000)</b>	<b>(\$500,000)</b>	<b>(\$100,000)</b>	<b>(\$134,236)</b>	<b>(\$20,000,000)</b>	<b>\$15,000,000</b>
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	<b>Provides Funding for Tourism Marketing Grants<sup>19</sup></b>	<b>Appropriates Federal Fiscal Stimulus Funds<sup>20</sup></b>	<b>Provides Contingent Appropriation<sup>21</sup></b>	<b>Decreases Funding for Operation Intern<sup>22</sup></b>	<b>Provides Funding for Compiling Information on Tax-Exempt Property<sup>23</sup></b>	<b>Total House Changes</b>
Salaries and wages					11,500	(165,127)
Operating expenses				(300,000)		(900,000)
Capital assets						
Grants	500,000					(14,550,000)
Discretionary funds						
Economic development initiatives						
Agricultural products utilization						
North Dakota Trade Office						(164,000)
Partner programs						
Transfer - Workforce enhancement fund						(1,000,000)
Transfer - Centers of excellence fund						(20,000,000)
Contingent borrowing authority						(500,000)
Federal fiscal stimulus funds		68,594,635				68,594,635
Contingent appropriation Centers of excellence			1,000,000			1,000,000
						15,000,000
<b>Total all funds</b>	<b>\$500,000</b>	<b>\$68,594,635</b>	<b>\$1,000,000</b>	<b>(\$300,000)</b>	<b>\$11,500</b>	<b>\$47,315,508</b>
Less estimated income	0	68,594,635	0	0	0	69,052,244
General fund	\$500,000	\$0	\$1,000,000	(\$300,000)	\$11,500	(\$21,736,736)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> This amendment removes \$2 million from the general fund for cost-share programs for installation of biofuel blender pumps and appropriates \$1 million of special funds from the biofuel blender pump incentive fund for grants. The amendment also provides \$1 million for biofuel blender pump grants from federal stimulus funds or, if the federal funds are not available, \$1 million is transferred from the general fund to the biofuel blender pump incentive fund.

<sup>2</sup> This amendment removes one-time funding for matching grants to local communities to establish or expand child care options to support working families.

<sup>3</sup> This amendment removes \$164,000 from the general fund added in the Senate for the North Dakota Trade Office.

<sup>4</sup> This amendment removes the authorization added by the Senate to allow the Department of Commerce to borrow up to \$500,000 from the Bank of North Dakota for providing a grant to the North Dakota Trade Office for implementing an export-related workforce recruitment program.

<sup>5</sup> This amendment decreases funding for a transfer to the workforce enhancement fund by \$1 million, from \$2 million as provided for in the executive budget to \$1 million.

<sup>6</sup> This amendment removes \$200,000 from the general fund added by the Senate for student-based technology grants.

<sup>7</sup> Funding of \$1 million from the general fund added by the Senate for regional technical assistance grants is removed.

<sup>8</sup> Funding of \$400,000 from the general fund added by the Senate for youth entrepreneurship grants is removed.

<sup>9</sup> This amendment removes \$200,000 from the general fund added by the Senate for grants to the University of North Dakota and North Dakota State University patent offices.

<sup>10</sup> This amendment removes \$200,000 from the general fund added by the Senate for providing grants for commercial business district improvement projects.

<sup>11</sup> This amendment removes \$5 million from the general fund added by the Senate for a grant for construction of a Great Plains applied energy research center on the Bismarck State College campus.

<sup>12</sup> This amendment removes one-time funding of \$5 million from the general fund added by the Senate for a base realignment grant program and provides that the Department of Commerce, with assistance from representatives of local economic developers and national organizations, develop a plan for the utilization of the commercial space available at the Grand Forks Air Force Base.

<sup>13</sup> This amendment removes \$50,000 from the general fund added by the Senate for a grant to the Dakota Defense Alliance organization.

<sup>14</sup> This amendment removes \$500,000 from the general fund added by the Senate for tourism marketing. This amount was in addition to the \$912,000 increase included in the executive budget.

<sup>15</sup> This amendment decreases funding for the InnovateND program as follows:

	2007-09 Legislative Appropriation	2009-11 Executive Budget	2009-11 Senate Version	2009-11 House Version
General fund	\$150,000	\$250,000	\$350,000	\$250,000
Special funds	150,000	150,000	150,000	150,000
Total	\$300,000	\$400,000	\$500,000	\$400,000

<sup>16</sup> This amendment removes funding added in the executive budget for state employee salary equity adjustments.

<sup>17</sup> This amendment removes the \$20 million general fund appropriation added in the Senate for a transfer to the centers of excellence fund for funding the centers of excellence program for the 2009-11 biennium.

<sup>18</sup> This amendment provides a \$15 million general fund appropriation to the Department of Commerce for funding the centers of excellence program for the 2009-11 biennium.

<sup>19</sup> This amendment provides funding of \$500,000 from the general fund for tourism marketing matching grants for individual tourism attractions. The Department of Commerce may award grants to the extent matching funds are available from nonstate sources on a dollar-for-dollar basis.

<sup>20</sup> This amendment appropriates \$68,594,635 from federal stimulus funding to the Department of Commerce. This amendment also provides that the department use \$2 million of the funding for establishing a grant program to assist in the purchase and installation of electrical generators that consume at least 75 percent of the gas from oil and gas well sites which would otherwise be flared or wasted and use \$1 million of the funding for biofuel blender pump grants.

<sup>21</sup> This amendment provides a contingent general fund appropriation of \$1 million for the biofuel blender pump incentive fund. The Department of Commerce may only spend the general fund money to the extent that federal fiscal stimulus funds are not available and upon approval of the Budget Section.

<sup>22</sup> This amendment decreases funding for Operation Intern from \$1.2 million as provided for in the executive budget to \$900,000.

<sup>23</sup> This amendment requires the Department of Commerce to compile information during the 2009-10 interim on tax-exempt property in the state. Funding of \$11,500 from the general fund is provided to the department for costs associated with hiring two interns to gather the information.

This amendment also:

- Removes Section 7 of the reengrossed bill that provides for an audit of the ethanol production incentive fund.
- Amends Section 8 of the reengrossed bill that increases the amount of North Dakota Trade Office funding that may be provided without requiring a match from 50 percent to 62.5 percent.

- Amends Section 19 of the reengrossed bill to remove reference to providing a Wade Westin memorial grant to the Theodore Roosevelt Medora Foundation.
- Adds a section to provide that the Division of Tourism is to develop criteria for large tourism infrastructure grants and a method for setting funding priorities for such grants in future bienniums.
- Adds a section to provide for a centers of excellence state tax revenue impact study.
- Removes Section 25 added by the Senate creating a new section to North Dakota Century Code (NDCC) Chapter 15-69 to create a centers of excellence fund.
- Adds sections to amend NDCC Section 15-69-02(1) and (4), Section 15-69-04(2) and (3), and Section 15-69-05(1), (3), (4), and (5) relating to the centers of excellence program.
- Adds a section to create a new section to NDCC Chapter 54-18 to provide an annual transfer from the State Mill and Elevator Association to the agricultural fuel tax fund.
- Amends NDCC Section 54-60-17 to provide that funding awarded under the Operation Intern program is limited to a lifetime maximum of \$30,000 per recipient.
- Changes the date for reporting budget request information to the Workforce Development Council.

### Senate Bill No. 2018 - Department of Commerce - Conference Committee Action

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$10,185,967	\$10,185,967	(\$165,127)	\$10,020,840	\$10,020,840	
Operating expenses	14,428,272	15,028,272	(500,000)	14,528,272	14,128,272	400,000
Capital assets	25,000	25,000		25,000	25,000	
Grants	53,886,058	81,436,058	(13,050,000)	68,386,058	66,886,058	1,500,000
Discretionary funds	928,083	928,083		928,083	928,083	
Economic development initiatives	186,846	186,846		186,846	186,846	
Agricultural products utilization	2,536,630	2,536,630		2,536,630	2,536,630	
North Dakota Trade Office	2,000,000	2,164,000	(100,000)	2,064,000	2,000,000	64,000
Partner programs	2,022,044	2,022,044		2,022,044	2,022,044	
Transfer - Workforce enhancement fund	2,000,000	2,000,000	(1,000,000)	1,000,000	1,000,000	
Transfer - Centers of excellence fund		20,000,000	(5,000,000)	15,000,000		15,000,000
Contingent borrowing authority		500,000	(500,000)			
Federal fiscal stimulus funds			68,594,635	68,594,635	68,594,635	
Contingent appropriation					1,000,000	(1,000,000)
Centers of excellence					15,000,000	(15,000,000)
Total all funds	\$88,198,900	\$137,012,900	\$48,279,508	\$185,292,408	\$184,328,408	\$964,000
Less estimated income	53,708,861	69,208,861	69,052,244	138,261,105	138,261,105	0
General fund	\$34,490,039	\$67,804,039	(\$20,772,736)	\$47,031,303	\$46,067,303	\$964,000
FTE	68.00	68.00	0.00	68.00	68.00	0.00

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

	<b>Adjusts Funding for Biofuel Blender Pumps<sup>1</sup></b>	<b>Removes Funding for Grants to Expand Child Care<sup>2</sup></b>	<b>Decreases Funding for the North Dakota Trade Office<sup>3</sup></b>	<b>Removes Contingent Borrowing Authority<sup>4</sup></b>	<b>Removes One- Time Funding for the Workforce Enhancement Fund<sup>5</sup></b>	<b>Removes Funding for Student-Based Technology Grants<sup>6</sup></b>
Salaries and wages						
Operating expenses						
Capital assets						
Grants		(2,000,000)				(200,000)
Discretionary funds						
Economic development initiatives						
Agricultural products utilization						
North Dakota Trade Office			(100,000)			
Partner programs						
Transfer - Workforce enhancement fund					(1,000,000)	
Transfer - Centers of excellence fund						
Contingent borrowing authority				(500,000)		
Federal fiscal stimulus funds						
Total all funds	\$0	(\$2,000,000)	(\$100,000)	(\$500,000)	(\$1,000,000)	(\$200,000)
Less estimated income	1,000,000	0	0	(500,000)	0	0
General fund	(\$1,000,000)	(\$2,000,000)	(\$100,000)	\$0	(\$1,000,000)	(\$200,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00
	<b>Removes Funding for Regional Technical Assistance Grants<sup>7</sup></b>	<b>Removes Funding for Youth Entrepreneur Grants<sup>8</sup></b>	<b>Removes Funding for Grants for University Patent Office Support<sup>9</sup></b>	<b>Removes Funding for a Great Plains Applied Energy Research Center Grant<sup>10</sup></b>	<b>Removes Funding for a Base Realignment Grant Program<sup>11</sup></b>	<b>Removes Salary Equity Funding<sup>12</sup></b>
Salaries and wages						(176,627)
Operating expenses						
Capital assets						
Grants	(1,000,000)	(400,000)	(200,000)	(5,000,000)	(5,000,000)	
Discretionary funds						
Economic development initiatives						
Agricultural products utilization						
North Dakota Trade Office						
Partner programs						
Transfer - Workforce enhancement fund						
Transfer - Centers of excellence fund						
Contingent borrowing authority						
Federal fiscal stimulus funds						
Total all funds	(\$1,000,000)	(\$400,000)	(\$200,000)	(\$5,000,000)	(\$5,000,000)	(\$176,627)
Less estimated income	0	0	0	0	0	(42,391)
General fund	(\$1,000,000)	(\$400,000)	(\$200,000)	(\$5,000,000)	(\$5,000,000)	(\$134,236)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	<b>Appropriates Federal Fiscal Stimulus Funds<sup>13</sup></b>	<b>Decreases Funding for Operation Intern<sup>14</sup></b>	<b>Provides Funding for Compiling Information on Tax-Exempt Property<sup>15</sup></b>	<b>Adjusts Funding for Centers of Excellence<sup>16</sup></b>	<b>Provides Funding for Centers of Excellence Study<sup>17</sup></b>	<b>Provides Funding for a Technology- Based Entrepreneur Grant Program<sup>18</sup></b>
Salaries and wages			11,500			
Operating expenses		(300,000)			50,000	
Capital assets						
Grants						1,000,000
Discretionary funds						
Economic development initiatives						
Agricultural products utilization						
North Dakota Trade Office						
Partner programs						
Transfer - Workforce enhancement fund						
Transfer - Centers of excellence fund				(5,000,000)		
Contingent borrowing authority						
Federal fiscal stimulus funds	68,594,635					
<b>Total all funds</b>	<b>\$68,594,635</b>	<b>(\$300,000)</b>	<b>\$11,500</b>	<b>(\$5,000,000)</b>	<b>\$50,000</b>	<b>\$1,000,000</b>
Less estimated income	68,594,635	0	0	0	0	0
General fund	\$0	(\$300,000)	\$11,500	(\$5,000,000)	\$50,000	\$1,000,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	<b>Removes Funding for Commercial Business<sup>19</sup></b>	<b>Removes Funding for a Grant to the Dakota Defense Alliance Organization<sup>20</sup></b>	<b>Decreases Funding for Tourism Marketing<sup>21</sup></b>	<b>Total Conference Committee Changes</b>
Salaries and wages				(165,127)
Operating expenses			(250,000)	(500,000)
Capital assets				
Grants	(200,000)	(50,000)		(13,050,000)
Discretionary funds				
Economic development initiatives				
Agricultural products utilization				
North Dakota Trade Office				(100,000)
Partner programs				
Transfer - Workforce enhancement fund				(1,000,000)
Transfer - Centers of excellence fund				(5,000,000)
Contingent borrowing authority				(500,000)
Federal fiscal stimulus funds				68,594,635
<b>Total all funds</b>	<b>(\$200,000)</b>	<b>(\$50,000)</b>	<b>(\$250,000)</b>	<b>\$48,279,508</b>
Less estimated income	0	0	0	69,052,244
General fund	(\$200,000)	(\$50,000)	(\$250,000)	(\$20,772,736)
FTE	0.00	0.00	0.00	0.00

<sup>1</sup> This amendment removes \$1 million from the general fund for cost-share programs for installation of biofuel blender pumps and appropriates \$1 million of special funds from the biofuel blender pump incentive fund for grants. The amendment also provides \$1 million for biofuel blender pump grants from federal stimulus funds. The House version provided \$1 million for biofuel blender

pump grants from federal stimulus funds, or if the federal funds are not available, \$1 million is transferred from the general fund to the biofuel blender pump incentive fund.

<sup>2</sup> This amendment removes one-time funding for matching grants to local communities to establish or expand child care options to support working families. This funding was also removed in the House version.

<sup>3</sup> This amendment adjusts funding for the North Dakota Trade Office as follows:

<b>2007-09 Legislative Appropriation</b>	<b>Executive Budget</b>	<b>Senate Version</b>	<b>House Version</b>	<b>Conference Committee Amendment</b>
\$1,500,000	\$2,000,000	\$2,164,000	\$2,000,000	\$2,064,000

<sup>4</sup> This amendment removes the authorization added by the Senate to allow the Department of Commerce to borrow up to \$500,000 from the Bank of North Dakota for providing a grant to the North Dakota Trade Office for implementing an export-related workforce recruitment program. This authorization was also removed in the House version.

<sup>5</sup> This amendment decreases funding for a transfer to the workforce enhancement fund by \$1 million, from \$2 million as provided for in the executive budget, to \$1 million. This reduction was also included in the House version.

<sup>6</sup> This amendment removes \$200,000 from the general fund added by the Senate for student-based technology grants. This funding was also removed by the House.

<sup>7</sup> This amendment removes \$1 million from the general fund added by the Senate for regional technical assistance grants. This funding was also removed by the House.

<sup>8</sup> This amendment removes \$400,000 from the general fund added by the Senate for youth entrepreneurship grants. This funding was also removed by the House.

<sup>9</sup> This amendment removes \$200,000 from the general fund added by the Senate for grants to the University of North Dakota and North Dakota State University patent offices. This funding was also removed by the House.

<sup>10</sup> This amendment removes \$5 million from the general fund added by the Senate for a grant for construction of a Great Plains applied energy research center on the Bismarck State College campus. This funding is provided in House Bill No. 1350.

<sup>11</sup> This amendment removes one-time funding of \$5 million from the general fund added by the Senate for a base realignment grant program. This funding was also removed by the House.

<sup>12</sup> This amendment removes funding added in the executive budget for state employee salary equity adjustments. This funding was also removed by the House.

<sup>13</sup> This amendment appropriates \$68,594,635 of federal stimulus funding to the Department of Commerce. This amendment also provides that the department use \$2 million of funding for establishing a grant program to assist in the purchase and installation of electrical generators that consume at least 75 percent of the gas from oil and gas well sites which would otherwise be flared or wasted and use \$1 million of the funding for biofuel blender pump grants. This funding was also appropriated in the House version.

<sup>14</sup> This amendment decreases funding for Operation Intern from \$1.2 million as provided for in the executive budget to \$900,000. This adjustment was also made by the House.

<sup>15</sup> This amendment requires the Department of Commerce to compile information during the 2009-10 interim on tax-exempt property in the state. Funding of \$11,500 from the general fund is provided to the department for costs associated with hiring two interns to gather the information.

<sup>16</sup> This amendment adjusts funding for centers of excellence from \$20 million from the general fund as provided for in the Senate version to \$15 million from the general fund with an additional \$5 million contingent general fund appropriation.

- <sup>17</sup> This amendment requires the Department of Commerce to conduct a best practice review of the centers of excellence program. Funding of \$50,000 from the general fund is provided to the department for costs associated with the review.
- <sup>18</sup> This amendment provides funding of \$1 million from the general fund for a technology-based entrepreneurship grant program to be developed by the Department of Commerce.
- <sup>19</sup> This amendment removes \$200,000 from the general fund added by the Senate for providing grants for commercial business district improvement projects. This funding was also removed by the House.
- <sup>20</sup> This amendment removes \$50,000 from the general fund added by the Senate for a grant to the Dakota Defense Alliance organization. This funding was also removed by the House.
- <sup>21</sup> This amendment removes \$250,000 of the \$500,000 additional funding from the general fund added by the Senate for tourism marketing. The House removed the entire \$500,000 of additional funding.

This amendment also:

- Removes Section 7 of the reengrossed bill that provides for an audit of the ethanol production incentive fund.
- Amends Section 8 of the reengrossed bill that increases the amount of North Dakota Trade Office funding that may be provided without requiring a match from 50 percent to 62.5 percent.
- Amends Sections 18 and 19 of the reengrossed bill to provide that grants to the Lewis and Clark Foundation and the Theodore Roosevelt Medora Foundation may only be used for construction. Section 19 is also amended to remove reference to providing a Wade Westin memorial grant to the Theodore Roosevelt Medora Foundation.
- Adds a section to provide for centers of excellence enhancement grants.
- Adds a section to provide for a centers of excellence state tax revenue impact study. This section was vetoed by Governor Hoeven.
- Provides an exemption for funding appropriated for the centers of excellence program for the 2007-09 biennium from North Dakota Century Code (NDCC) Section 54-44.1-11.
- Creates a new subsection to NDCC Section 15-69-01 and amends Sections 15-69-02(1); 15-69-04(1), (2), and (3); 15-69-05 (1), (3), (4), and (5) relating to centers of excellence.
- Adds a section to create a new section to NDCC Chapter 54-18 to provide for an annual transfer from the Mill and Elevator Association to the agricultural fuel tax fund.
- Adds a section to amend NDCC Section 54-60-16(2) relating to the International Business and Trade Office.
- Adds a section to amend NDCC Section 54-60-17 relating to higher education internships and work experience opportunities.