

**FIRST ENGROSSMENT
with Senate Amendments
ENGROSSED HOUSE BILL NO. 1018**

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 commerce; to amend and reenact sections 6-09.18-01, 6-09.18-02, 6-09.18-03, 6-09.18-04,
3 6-09.18-05, 6-09.18-06, and 6-09.18-07, 10-30.5-04, 10-30.5-05, 54-60-28, 54-60-29,
4 54-60-29.1, 54-60.2-01, and 54-60.2-02 of the North Dakota Century Code and subsection 35
5 of section 1 of chapter 550 of the 2021 Special Session Session Laws, relating to the legacy
6 investment for technology program, the North Dakota development fund, the administration of
7 uncrewed aircraft system programs, workforce development grants to tribally controlled
8 community colleges, and a North Dakota development fund grant program; to provide a
9 transfer; to provide an exemption; to provide for a report; and to declare an emergency.

10 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

11 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
12 as may be necessary, are appropriated out of any moneys in the general fund in the state
13 treasury, not otherwise appropriated, and from special funds derived from federal funds and
14 other income, to the department of commerce for the purpose of defraying the expenses of the
15 department of commerce, for the biennium beginning July 1, 2023, and ending June 30, 2025,
16 as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
19 Salaries and wages	\$12,835,431	\$2,672,817	\$15,508,248
20 Operating expenses	17,317,760	8,116,440	25,434,200
21 Grants	50,232,330	86,115,351	136,347,681
22 Discretionary funds	2,150,000	0	2,150,000
23 Workforce programs	0	30,000,000	30,000,000
24 COVID-19 response	0	16,739,696	16,739,696

Sixty-eighth
Legislative Assembly

1	Weatherization and energy programs	0	210,000,000	210,000,000
2	Partner programs	1,562,531	(654,611)	907,920
3	Entrepreneurship grants and vouchers	<u>948,467</u>	<u>0</u>	<u>948,467</u>
4	Total all funds	\$85,046,519	\$352,989,693	\$438,036,212
5	Less estimated income	<u>53,544,379</u>	<u>318,013,053</u>	<u>371,557,432</u>
6	Total general fund	\$31,502,140	\$34,976,640	\$66,478,780
7	Full-time equivalent positions	58.80	7.00	65.80

8 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**

9 **SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding
10 items approved by the sixty-seventh legislative assembly for the 2021-23 biennium and the
11 one-time funding items included in the appropriation in section 1 of this Act:

12	<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
13	Unmanned aircraft system	\$1,000,000	\$0
14	Beyond visual line of sight uncrewed aircraft system	20,000,000	20,000,000
15	Enhanced use lease grant	7,000,000	7,000,000
16	Workforce grants to tribally controlled community colleges	500,000	2,500,000
17	Workforce safety grant	1,500,000	0
18	Job development and economic growth grant	1,500,000	0
19	Tourism marketing	7,000,000	5,000,000
20	Tourism destination development initiative	0	50,000,000
21	Technical skills training grants	6,000,000	2,000,000
22	Motion picture production and recruitment grant	100,000	0
23	Travel agent and tour operator emergency resiliency grants	2,000,000	0
24	Event center emergency resiliency grants	2,000,000	0
25	Tourism transportation improvement grant	565,432	0
26	Discretionary funds	1,000,000	0
27	Small business credit initiative	56,234,176	572,143
28	Workforce community service Americorps program	1,074,888	785,000
29	Community development planning grants	1,000,000	0
30	Workforce innovation network grant program	100,000	0
31	North Dakota development fund	5,000,000	0

Sixty-eighth
Legislative Assembly

1	Autonomous agriculture grant program	10,000,000	0
2	Local workforce development incentive grant program	15,000,000	0
3	Rural workforce housing grant program	0	2,000,000
4	Workforce talent attraction initiative	0	14,000,000
5	Workforce investment grant program	0	12,500,000
6	Main street initiative community development grants	0	400,000
7	New Americans workforce training grants	0	1,500,000
8	Regional council grant program	0	4,000,000
9	Weatherization and energy assistance program	0	210,000,000
10	Parks and recreation grants	0	1,550,000
11	Energy conservation grant program	0	14,081,719
12	Heating and cooling grant program	<u>0</u>	<u>3,258,084</u>
13	Total all funds	\$138,574,496	\$351,146,946
14	Less estimated income	<u>135,409,064</u>	<u>318,246,946</u>
15	Total general fund	\$3,165,432	\$32,900,000

16 The 2023-25 biennium one-time funding amounts are not part of the entity's base budget for
 17 the 2025-27 biennium. The department of commerce shall report to the appropriations
 18 committees of the sixty-ninth legislative assembly on the use of this one-time funding for the
 19 biennium beginning July 1, 2023, and ending June 30, 2025.

20 **SECTION 3. TRANSFER - INTERNSHIP FUND.** The office of management and budget
 21 shall transfer \$1,006,896 of the amount appropriated in the operating expenses line item in
 22 section 1 of this Act to the internship fund for the purpose of administering the operation intern
 23 program, for the biennium beginning July 1, 2023, and ending June 30, 2025.

24 **SECTION 4. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO**
 25 **LEGACY INVESTMENT FOR TECHNOLOGY FUND - INNOVATION TECHNOLOGY LOANS.**
 26 The office of management and budget shall transfer the sum of \$5,000,000 from the strategic
 27 investment and improvements fund to the legacy investment for technology fund for the purpose
 28 of providing legacy investment technology loans, for the biennium beginning July 1, 2023, and
 29 ending June 30, 2025.

30 **SECTION 5. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO**
 31 **NORTH DAKOTA DEVELOPMENT FUND.** The office of management and budget shall transfer

1 the sum of \$65,000,000 from strategic investment and improvements fund to the North Dakota
2 development fund for programs under chapter 10-30.5, during the biennium beginning July 1,
3 2023, and ending June 30, 2025.

4 **SECTION 6. ESTIMATED INCOME - FEDERAL WEATHERIZATION AND ENERGY**

5 **ASSISTANCE PROGRAMS - FULL-TIME EQUIVALENT POSITIONS.** The estimated income
6 line item in section 1 of this Act includes \$210,000,000 from federal funds derived from the
7 Infrastructure Investment and Jobs Act and Inflation Reduction Act for weatherization and
8 energy assistance programs. Of the full-time equivalent positions included in section 1 of this
9 Act, the department of commerce is authorized three positions for the administration of
10 weatherization and energy assistance programs for the 2023-25 biennium. The full-time
11 equivalent positions identified in this section are considered one-time positions.

12 **SECTION 7. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS**

13 **FUND - REGIONAL COUNCIL GRANTS - LEGISLATIVE INTENT.** The estimated income line
14 item in section 1 of this Act includes the sum of \$88,000,000 from the strategic investment and
15 improvements fund, of which \$2,000,000 is for the rural workforce housing grant program,
16 \$5,000,000 is for the tourism marketing awareness initiative, \$50,000,000 is for the tourism
17 destination development initiative program, \$20,000,000 is for the beyond visual line of sight
18 uncrewed aircraft system program, \$7,000,000 is for the enhanced use lease grant program,
19 and \$4,000,000 is for a regional council grant program. The department of commerce shall
20 award funding for the regional council grant program equally to the eight regional councils
21 established in the state to support the planning, development, and implementation of economic
22 development, community infrastructure, entrepreneurship, housing, child care, and workforce
23 development initiatives in rural communities in accordance with chapter 54-40.1. It is the intent
24 of the sixty-eighth legislative assembly that the department of commerce not hire a third-party
25 consultant when determining how funding for the tourism destination development initiative
26 program will be spent. The department of commerce may provide funding for the tourism
27 destination development initiative program in the form of program grants or grants for interest
28 rate buydowns.

29 **SECTION 8. RURAL WORKFORCE HOUSING GRANT PROGRAM.** The grants line item
30 in section 1 of this Act includes \$1,500,000 from the strategic investment and improvements
31 fund as identified in section 7 of this Act for the purpose of providing rural workforce housing

1 grants. The department of commerce shall develop guidelines for the grants, including eligibility
2 criteria, maximum grant awards, and reporting requirements. Grants may be awarded to cities
3 with a population of fewer than 10,000 residents. Grant funding may be used to:

- 4 1. Conduct a housing study in the city to identify workforce housing needs, blighted
5 property, and vacant lots within the city;
- 6 2. Purchase blighted properties or vacant lots;
- 7 3. Remove hazards or structures from blighted properties or vacant lots; and
- 8 4. Provide up to \$10,000 per business for repairs or improvements if the business is
9 located in a mixed-use property that will be used for rural workforce housing.

10 **SECTION 9. WORKFORCE PROGRAMS.** The workforce programs line item in section 1 of
11 this Act includes \$30,000,000 from the general fund for workforce-related programs, of which
12 \$14,000,000 is for the workforce talent attraction initiative, \$12,500,000 is for the workforce
13 investment grant program, \$2,000,000 is for technical skills training grants, and \$1,500,000 is
14 for new Americans workforce development and training grants.

15 **SECTION 10. RURAL HEALTH CARE GRANT PROGRAM - MATCHING FUNDS**
16 **REQUIREMENT.** The grants line item in section 1 of this Act includes \$444,000 from the
17 general fund for providing matching funds to an organization assisting in the recruitment,
18 distribution, and supply, and enhancing the quality and efficiency of personnel providing health
19 services in rural areas of the state. The department of commerce may spend the funds
20 identified in this section only to the extent the organization has secured matching funds from
21 nonstate sources on a dollar-for-dollar basis.

22 **SECTION 11. DISCRETIONARY FUNDS - STATE MAGAZINE.** Of the funding appropriated
23 from the general fund in the discretionary funds line item in section 1 of this Act, \$150,000 is
24 designated for supporting the continuation of the North Dakota state magazine.

25 **SECTION 12. WORKFORCE DEVELOPMENT GRANTS TO TRIBALLY CONTROLLED**
26 **COMMUNITY COLLEGES - LEGISLATIVE MANAGEMENT REPORT.** The grants line item in
27 section 1 of this Act includes \$2,500,000 from the general fund for workforce development
28 grants to tribally controlled community colleges. To be eligible for a grant under this section, a
29 tribally controlled community college must partner with at least one high school in the state for
30 programs under section 54-60.2-02. During the 2023-24 interim, each tribally controlled
31 community college receiving funding under this program shall report to the department of

1 commerce by August 1, 2024, regarding the use of grant funds and the department of
2 commerce shall provide a report to the legislative management by October 1, 2024, regarding
3 the use of grant funds.

4 **SECTION 13. ENTREPRENEURSHIP GRANTS AND VOUCHER PROGRAM.** The
5 entrepreneurship grants and voucher line item in section 1 of this Act includes \$948,467, of
6 which \$740,956 is from the general fund and \$207,511 is from the economic development fund,
7 for the purpose of defraying the expenses of the entrepreneurship grants and voucher program.
8 The department shall establish guidelines to provide grants under the program.

9 **SECTION 14. AMENDMENT.** Section 6-09.18-01 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **6-09.18-01. Definitions.**

12 In this chapter, unless the context otherwise requires:

- 13 1. "Commissioner" means the commissioner of the department of commerce.
- 14 2. "Committee" means the ~~innovation loan fund to support technology~~
15 ~~advancement~~legacy investment for technology committee.
- 16 3. "Diversification sectors" means the following industries:
 - 17 a. Advanced computing and data management;
 - 18 b. Agriculture technology;
 - 19 c. Autonomous and ~~unmanned~~uncrewed vehicles and related technologies;
 - 20 d. Energy;
 - 21 e. Health care;
 - 22 f. Value-added agriculture;
 - 23 g. Value-added energy; and
 - 24 h. Any industry or area specifically identified by the committee as an industry that
25 will contribute to the diversification of the state's economy.

26 **SECTION 15. AMENDMENT.** Section 6-09.18-02 of the North Dakota Century Code is
27 amended and reenacted as follows:

28 **6-09.18-02. ~~Innovation loan fund to support technology advancement~~Legacy**
29 **investment for technology committee - Membership - Meetings.**

- 30 1. The ~~innovation loan fund to support technology advancement~~legacy investment for
31 technology committee consists of:

- 1 a. The commissioner or the commissioner's designee who shall serve as the
2 chairperson of the committee and is a nonvoting member of the committee;
- 3 b. Three members representing active venture capital firms, private entities, or
4 angel capital funds;
- 5 c. One member with finance-related experience, knowledge, or education; and
- 6 d. Three members from the private sector with expertise in the diversification
7 sectors.
- 8 2. The commissioner, in consultation with the president of the Bank of North Dakota,
9 shall appoint the members of the committee. The term of office of the appointed
10 members of the committee is four years, and the terms must be staggered so that no
11 more than one of the members' terms appointed under subdivisions b and c of
12 subsection 1 expires each year, and so that no more than one of the members' terms
13 appointed under subdivision d of subsection 1 expires each year. Each term of office
14 commences on the first day of July. Members serve at the pleasure of the
15 commissioner and may be reappointed for additional terms. Members of the
16 committee may not invest or otherwise participate in applied research,
17 experimentation, or operational testing associated with a loan awarded under this
18 chapter. If a committee member appointed under subdivision b of subsection 1 ceases
19 to represent an active venture capital firm, private entity, or angel capital fund, that
20 individual's membership on the committee ceases immediately and the commissioner,
21 in consultation with the president of the Bank of North Dakota, shall appoint a new
22 member to the committee for the remainder of the term.
- 23 3. A committee member representing the private sector is eligible to receive
24 compensation in an amount not exceeding one hundred thirty-five dollars per day and
25 travel and expense reimbursement as provided by law for state officers for attending
26 meetings of the committee.
- 27 4. The committee shall meet as necessary to make loan recommendations and provide
28 ongoing review of research, development, and commercialization activities.

29 **SECTION 16. AMENDMENT.** Section 6-09.18-03 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **~~6-09.18-03. Innovation loan fund to support technology advancement--~~**

2 **Innovation Legacy investment technology loan program.**

3 The department of commerce shall administer the ~~innovation~~legacy investment technology
4 loan program in consultation with the Bank of North Dakota to provide loans for activities
5 identified in this chapter. The department of commerce shall provide administrative support for
6 the program, including the drafting of application forms, receiving applications, reviewing
7 applications for completeness and compliance with committee policy, and forwarding complete
8 applications to the committee in accordance with the guidelines established by the committee.
9 Program guidelines relating to ownership of intellectual property, inventions, and discoveries
10 must address activities and issues unique to technologies, patents, and companies created as a
11 result of a legacy ~~innovation~~investment technology loan.

12 **SECTION 17. AMENDMENT.** Section 6-09.18-04 of the North Dakota Century Code is
13 amended and reenacted as follows:

14 **6-09.18-04. Innovation Legacy investment technology loans - Eligibility.**

- 15 1. The committee shall establish guidelines for entities to qualify for an ~~innovation~~a
16 legacy investment technology loan under this section. The committee shall consider
17 and process applications in a timely manner that does not jeopardize an applicant's
18 opportunity to leverage other funds.
- 19 2. In determining whether to recommend approval of an application, the committee shall
20 consider the extent to which the proposal will:
- 21 a. Deliver applied research, experimentation, or operational testing in one or more
22 of the diversification sectors to create information or data to enhance North
23 Dakota companies or industries or companies making investments in North
24 Dakota;
- 25 b. Lead to the commercialization or patent of an innovation technology solution; or
26 c. Result in the development of a new company or expansion of an existing
27 company that will diversify the state's economy through new products,
28 investment, or skilled jobs.
- 29 3. The Bank of North Dakota shall review the business plan, financial statements, and
30 other information necessary for the Bank to determine which applications

- 1 recommended for approval by the committee will be approved by the Bank for final
2 loan approval. The terms of the loan must include:
- 3 a. Zero percent interest for the first three years of the loan;
 - 4 b. Two percent interest for the next two years of the loan; and
 - 5 c. An interest rate equal to a standard Bank of North Dakota loan for all subsequent
6 years.
- 7 4. To be eligible for a loan under this chapter, an entity shall agree to provide the Bank of
8 North Dakota with information as requested by the Bank.

9 **SECTION 18. AMENDMENT.** Section 6-09.18-05 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **6-09.18-05. Innovation loan fund to support technology advancementLegacy**
12 **investment for technology fund - Continuing appropriation.**

13 The ~~innovation loan fund to support technology advancement~~legacy investment for
14 technology fund is a special fund in the state treasury and must be administered by the
15 department of commerce. All moneys in the fund are appropriated to the department of
16 commerce on a continuing basis for the purpose of providing ~~innovation~~legacy investment
17 technology loans and for administrative expenses. The department of commerce shall deposit in
18 the ~~innovation loan fund to support technology advancement~~legacy investment for technology
19 fund all principal and interest paid on loans made from the fund. Interest earned on moneys in
20 the fund must be credited to the fund.

21 **SECTION 19. AMENDMENT.** Section 6-09.18-06 of the North Dakota Century Code is
22 amended and reenacted as follows:

23 **6-09.18-06. Use of loan funds.**

24 Loan recipients shall use ~~innovation~~legacy investment technology loan funds to enhance
25 capacity and, to the extent possible, leverage state, federal, and private sources of funding. An
26 entity receiving a loan under this chapter may not use the funds for capital or building
27 investments or for research or other activities not identified in this chapter. The funds may not
28 be used for academic or instructive programming, workforce training, administrative costs, or to
29 supplant funding for regular operations of institutions of higher education. Unless otherwise
30 approved by the committee, loan recipients may use funding only to conduct applied research,
31 experimentation, or operational testing within the state. If an entity awarded a loan no longer

1 conducts its activities in the state, the interest rate of the loan shall default to the rate of a
2 standard Bank of North Dakota loan.

3 **SECTION 20. AMENDMENT.** Section 6-09.18-07 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 **6-09.18-07. Innovation loan fund to support technology advancement - Postaward**
6 **monitoring.**

7 Upon completion of work performed from funding provided by a legacy investment
8 technology loan, the department of commerce shall provide an independent review of the
9 results. Evaluation criteria may include:

- 10 1. How the work performed has contributed to the development of a company or the
11 expansion of an existing company, has enhanced the ability of a company to make
12 investments in the state, or otherwise enticed a company to invest or move to the
13 state.
- 14 2. How the work performed has led to additional economic investment of capital from
15 public and private sector entities within and outside North Dakota.
- 16 3. How the work performed has led to or may lead to a patent or research that is
17 commercially viable.

18 **SECTION 21. AMENDMENT.** Section 10-30.5-04 of the North Dakota Century Code is
19 amended and reenacted as follows:

20 **10-30.5-04. Powers.**

21 The corporation must be organized as a nonprofit corporation. In addition to the powers in
22 chapter 10-33, the corporation may:

- 23 1. Cooperate and contract with and provide funding to any private or public entity.
- 24 2. Receive appropriations from the legislative assembly and other public moneys as well
25 as contributions from other private or public contributors. The funds for the
26 entrepreneurship awards under section 10-30.5-12 may not exceed one million
27 dollars.
- 28 3. Provide management services for the Bank's alternative and venture capital
29 investments and early-stage capital funds.

30 **SECTION 22. AMENDMENT.** Section 10-30.5-05 of the North Dakota Century Code is
31 amended and reenacted as follows:

1 **10-30.5-05. Management.**

2 1. The director of the department of commerce division of economic development and
3 finance shall appoint the chief executive officer of the corporation. The board of
4 directors shall determine minimum qualifications of all other staff positions.

5 2. If the chief executive officer of the corporation is absent for more than five consecutive
6 days or is anticipated to be absent for more than five consecutive days, the chief
7 executive officer may delegate the duties and responsibilities of the chief executive
8 officer to the director of the department of commerce division of economic
9 development and finance, or the director's designee.

10 3. All investments, contracts, partnerships, limited liability companies, and business
11 transactions of the corporation are the responsibility of the chief executive officer and
12 the board of directors. The board may provide that normal operating costs anticipated
13 in an approved budget may be incurred and paid without prior board approval.

14 **SECTION 23. AMENDMENT.** Section 54-60-28 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **54-60-28. ~~Unmanned~~Uncrewed aircraft systems program - Report to legislative**
17 **management.**

18 The department may ~~establish~~operate and administer an ~~unmanned~~uncrewed aircraft
19 systems test site, contingent upon receiving official designation by the federal aviation
20 administration. The department ~~shall~~may cooperate and contract with the university of North
21 Dakota, the North Dakota aeronautics commission, the adjutant general, and other public or
22 ~~private parties appointed by the governor~~entities as determined by the commissioner in the
23 operation and administration of the test site. The department may charge fees sufficient to
24 operate the test site. The department shall, to the extent possible, use competitive bidding in the
25 ~~establishment~~operation and administration of the test site. The commissioner may charter a
26 public corporation to operate the test site. The corporation must possess all of the powers of a
27 business corporation consistent with this chapter. The department shall report to the legislative
28 management semiannually on the status of the program.

29 **SECTION 24. AMENDMENT.** Section 54-60-29 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **54-60-29. UnmannedUncrewed aircraft systems program fund - Continuing**
2 **appropriation.**

- 3 1. There is created in the state treasury a special fund known as the ~~unmanned~~uncrewed
4 aircraft systems fund, which may be used to defray the expenses of the:
- 5 a. Operations of an ~~unmanned~~uncrewed aircraft systems test site officially
6 designated by the federal aviation administration;
- 7 b. Beyond visual line of sight ~~unmanned~~uncrewed aircraft system program; and
8 c. Enhanced use lease grant program.
- 9 2. The fund consists of fees collected for the administration of the test site and other
10 funds appropriated by the legislative assembly. All moneys in the fund are
11 appropriated to the department of commerce on a continuing basis for the purpose of
12 defraying the expenses of the programs identified in subsection 1. Interest earned on
13 moneys in the fund must be credited to the fund.

14 **SECTION 25. AMENDMENT.** Section 54-60-29.1 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **54-60-29.1. Beyond visual line of sight ~~unmanned~~uncrewed aircraft system program -**
17 **Requirements - Report to legislative management.**

18 The department may establish and administer a beyond visual line of sight
19 ~~unmanned~~uncrewed aircraft system program for the design, purchase, implementation, and
20 operating costs of a beyond visual line of sight ~~unmanned~~uncrewed aircraft system. The
21 department shall require any entity receiving funding for this program which is operating the
22 beyond visual line of sight ~~unmanned~~uncrewed aircraft system to provide quarterly payments to
23 the state treasurer ~~equal to three percent of the entity's gross income associated with the~~
24 ~~operation of the beyond visual line of sight unmanned aircraft system as reported in the entity's~~
25 ~~prior year financial statements~~based on a fee structure determined by the commissioner. The
26 state treasurer shall deposit any funds received under this section in the state general fund. The
27 department shall provide semiannual reports to the legislative management regarding the
28 development of the beyond visual line of sight ~~unmanned~~uncrewed aircraft system program and
29 the total amount deposited by the state treasurer in the state general fund.

30 **SECTION 26. AMENDMENT.** Section 54-60.2-01 of the North Dakota Century Code is
31 amended and reenacted as follows:

1 **54-60.2-01. Establishment of workforce development grant for tribally controlled**
2 **community colleges.**

3 There is established within the division of workforce development of the department of
4 commerce a program to provide workforce development grants to tribally controlled community
5 colleges in North Dakota. A tribally controlled community college in this state may apply to the
6 department of commerce for a job training grant in such manner as the department of
7 commerce prescribes. The department of commerce shall consult with the executive director of
8 the Indian affairs commission to determine eligible tribally controlled community colleges and
9 shall award grants based on the documented job placement rates at each eligible college.

10 **SECTION 27. AMENDMENT.** Section 54-60.2-02 of the North Dakota Century Code is
11 amended and reenacted as follows:

12 **54-60.2-02. Purpose of grants.**

- 13 1. ~~Any~~A grant awarded under section 54-60.2-01 may be used at the discretion of the
14 college:
- 15 a. ~~For development or enhancement of~~To develop or enhance programs that assist
16 in providing certificates or degrees to North Dakota students attending the
17 college that qualify the student to obtain jobs for which applicants are being
18 sought within the state, as identified by the department of commerce, job service
19 North Dakota, or any of the federally recognized Indian tribes within North
20 Dakota; ~~or~~
- 21 b. To assist any North Dakota student attending the college to establish, or to assist
22 in establishing, a new business operating within North Dakota that will employ
23 North Dakota citizens; or
- 24 c. To develop or enhance career and technical education programs.
- 25 2. Any funds provided to tribally controlled community colleges must be used to
26 supplement, not supplant, ~~any~~an existing program or funding source of the college.

27 **SECTION 28. AMENDMENT.** Subsection 35 of section 1 of chapter 550 of the 2021 Special
28 Session Session Laws is amended and reenacted as follows:

- 29 35. There is appropriated from federal funds derived from the state fiscal recovery
30 fund, not otherwise appropriated, the sum of \$5,000,000, which the office of
31 management and budget shall transfer to the North Dakota development fund

1 under chapter 10-30.5 for the purpose of a North Dakota development fund grant
2 program during the period beginning with the effective date of this Act, and
3 ending June 30, 2023.

4 **SECTION 29. EXEMPTION - UNEXPENDED APPROPRIATIONS.** The following
5 appropriations are not subject to the provisions of section 54-44.1-11 and may be continued into
6 the biennium beginning July 1, 2023, and ending June 30, 2025:

- 7 1. The sum of \$320,000 that was continued into the 2021-23 biennium in section 17 of
8 chapter 46 of the 2021 Session Laws from the appropriation from the general fund for
9 the nonresident nurse employment recruitment program in section 27 of chapter 40 of
10 the 2019 Session Laws;
- 11 2. The sum of \$11,393,078 appropriated from federal funds derived from the Coronavirus
12 Aid, Relief, and Economic Security Act, of which \$3,000,000 was for the community
13 development block grant program, \$7,393,078 was for the community services block
14 grant program, and \$1,000,000 was for the emergency solutions grant program in
15 section 1 of chapter 27 of the 2021 Session Laws;
- 16 3. The sum of \$56,234,176 appropriated from federal funds derived from COVID-19
17 response funds for the state small business credit initiative program in section 2 of
18 chapter 28 of the 2021 Session Laws;
- 19 4. The sum of \$2,150,000 appropriated from the general fund for discretionary funds in
20 section 1 of chapter 46 of the 2021 Session Laws;
- 21 5. The sum of \$1,500,000 appropriated from the strategic investment and improvements
22 fund for a job development and economic growth grant in section 1 of chapter 46 of
23 the 2021 Session Laws;
- 24 6. The sum of \$3,000,000 appropriated from the general fund for the unmanned aircraft
25 system program in section 1 of chapter 46 of the 2021 Session Laws;
- 26 7. The sum of \$19,000,000 appropriated from the general fund for the beyond visual line
27 of sight unmanned aircraft system program in section 1 of chapter 46 of the
28 2021 Session Laws;
- 29 8. The sum of \$1,000,000 appropriated from the strategic investment and improvements
30 fund for beyond visual line of sight unmanned aircraft system program matching funds

- 1 in section 1 of chapter 46 of the 2021 Session Laws and amended in section 22 of
2 chapter 549 of the 2021 Special Session Session Laws;
- 3 9. The sum of \$7,000,000 appropriated from the strategic investment and improvements
4 fund for the enhanced use lease grant program in section 1 of chapter 46 of the
5 2021 Session Laws;
- 6 10. The sum of \$1,330,212 appropriated from the general fund for the homeless shelter
7 grant program in section 1 of chapter 46 of the 2021 Session Laws;
- 8 11. The sum of \$1,074,888 appropriated from federal funds for the workforce community
9 services Americorps program in section 19 of chapter 549 of the 2021 Special Session
10 Session Laws;
- 11 12. The sum of \$1,000,000 appropriated from federal funds for the community
12 development planning grant program in section 20 of chapter 549 of the 2021 Special
13 Session Session Laws;
- 14 13. The sum of \$10,000,000 appropriated from federal funds derived from the state fiscal
15 recovery fund for autonomous agriculture matching grants in subsection 37 of
16 section 1 of chapter 550 of the 2021 Special Session Session Laws, which shall be
17 awarded without any matching fund requirements;
- 18 14. The sum of \$15,000,000 appropriated from federal funds derived from the state fiscal
19 recovery fund for the workforce development incentive grant program in subsection 38
20 of section 1 of chapter 550 of the 2021 Special Session Session Laws; and
- 21 15. The sum of \$5,000,000 appropriated from federal funds derived from the state fiscal
22 recovery fund for the technical skills training grants program in subsection 39 of
23 section 1 of chapter 550 of the 2021 Special Session Session Laws.

24 **SECTION 30. LEGISLATIVE MANAGEMENT REPORT - DEPARTMENT OF COMMERCE**
25 **GRANT PROGRAMS.** During the 2023-24 interim, the department of commerce shall report to
26 the legislative management regarding the status of each grant program administered by the
27 department during the 2023-25 biennium, including funding spent to date, the number of
28 individuals or businesses awarded funding, the name and amount of funding awarded to each
29 individual and business, the date funding was awarded, criteria used when awarding funding, a
30 detailed listing of how the funding has been used, current and future estimated return on
31 investment statistics and the economic effect on the state's economy as a result of each

1 program, future plans for the use of remaining grant funds, any funding the department
2 anticipates requesting to continue into the 2025-27 biennium, and any anticipated requests to
3 the sixty-ninth legislative assembly for additional funding for each program. The department of
4 commerce shall provide information regarding actual and expected revenue received as a result
5 of the beyond visual line of sight uncrewed aircraft system program under section 54-60-29.1.
6 The department of commerce shall provide one report by December 31, 2023, and no fewer
7 than two reports during the period beginning January 1, 2024, and ending October 31, 2024.

8 **SECTION 31. EMERGENCY.** The \$210,000,000 appropriated from federal funds derived
9 from the Infrastructure Investment and Jobs Act and the Inflation Reduction Act in the
10 weatherization and energy programs line item and in the estimated income line item in section 1
11 of Act is declared to be an emergency measure.