

**FIRST ENGROSSMENT
with Conference Committee 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, 6-09.18-07, 10-30.5-04, 10-30.5-05, 54-60-22, 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 workforce
7 enhancement council, the administration of uncrewed aircraft system programs, workforce
8 development grants to tribally controlled community colleges, and a North Dakota development
9 fund grant program; to provide a transfer; to provide an exemption; to provide for a report; and
10 to declare an emergency.

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

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

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
20 Salaries and wages	\$12,835,431	\$2,622,805	\$15,458,236
21 Operating expenses	17,317,760	7,410,202	24,727,962
22 Grants	50,232,330	64,065,351	114,297,681
23 Discretionary funds	2,150,000	0	2,150,000
24 Workforce programs	0	28,500,000	28,500,000

Sixty-eighth
Legislative Assembly

1	COVID-19 response	0	16,739,696	16,739,696
2	Weatherization and energy programs	0	120,000,000	120,000,000
3	Partner programs	1,562,531	(654,611)	907,920
4	Entrepreneurship grants and vouchers	<u>948,467</u>	<u>0</u>	<u>948,467</u>
5	Total all funds	\$85,046,519	\$238,683,443	\$323,729,962
6	Less estimated income	<u>53,544,379</u>	<u>208,013,053</u>	<u>261,557,432</u>
7	Total general fund	\$31,502,140	\$30,670,390	\$62,172,530
8	Full-time equivalent positions	58.80	5.00	63.80

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

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

13	<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
14	Unmanned aircraft system	\$1,000,000	\$0
15	Beyond visual line of sight uncrewed aircraft system	20,000,000	26,000,000
16	Enhanced use lease grant	7,000,000	10,000,000
17	Workforce grants to tribally controlled community colleges	500,000	0
18	Workforce safety grant	1,500,000	0
19	Job development and economic growth grant	1,500,000	0
20	Tourism marketing	7,000,000	5,000,000
21	Tourism destination development initiative	0	25,000,000
22	Technical skills training grants	6,000,000	2,000,000
23	Motion picture production and recruitment grant	100,000	600,000
24	Creamery assistance grant	0	250,000
25	Travel agent and tour operator emergency resiliency grants	2,000,000	0
26	Event center emergency resiliency grants	2,000,000	0
27	Tourism transportation improvement grant	565,432	0
28	Discretionary funds	1,000,000	0
29	Small business credit initiative	56,234,176	572,143
30	Workforce community service Americorps program	1,074,888	785,000
31	Community development planning grants	1,000,000	0

Sixty-eighth
Legislative Assembly

1	Workforce innovation network grant program	100,000	0
2	North Dakota development fund	5,000,000	0
3	Autonomous agriculture grant program	10,000,000	0
4	Local workforce development incentive grant program	15,000,000	0
5	Rural workforce housing grant program	0	2,000,000
6	Workforce talent attraction initiative	0	12,000,000
7	Workforce investment grant program	0	12,500,000
8	Weatherization and energy assistance program	0	120,000,000
9	New Americans workforce training grants	0	2,000,000
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	\$237,596,946
14	Less estimated income	<u>135,409,064</u>	<u>208,246,946</u>
15	Total general fund	\$3,165,432	\$29,350,000

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 \$10,000,000 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 \$120,000,000 from federal funds derived from the
7 Infrastructure Investment and Jobs Act and the Inflation Reduction Act for weatherization and
8 energy assistance programs. Of the full-time equivalent positions included in section 1 of this
9 Act, three positions are for the administration of weatherization and energy assistance
10 programs for the 2023-25 biennium. The full-time equivalent positions identified in this section
11 are considered one-time positions.

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

13 **FUND - LEGISLATIVE INTENT.** The estimated income line item in section 1 of this Act includes
14 the sum of \$68,000,000 from the strategic investment and improvements fund, of which
15 \$2,000,000 is for the rural workforce housing grant program, \$5,000,000 is for the tourism
16 marketing awareness initiative, \$25,000,000 is for the tourism destination development initiative
17 program, \$26,000,000 is for the beyond visual line of sight uncrewed aircraft system program,
18 and \$10,000,000 is for the enhanced use lease grant program. It is the intent of the sixty-eighth
19 legislative assembly that the department of commerce not hire a third-party consultant when
20 determining how funding for the tourism destination development initiative program will be
21 spent. The department of commerce may provide funding for the tourism destination
22 development initiative program in the form of program grants or grants for interest rate
23 buydowns but may not award more than \$5,000,000 for a project under this program.

24 **SECTION 8. RURAL WORKFORCE HOUSING GRANT PROGRAM.** The grants line item
25 in section 1 of this Act includes \$1,500,000 from the strategic investment and improvements
26 fund as identified in section 7 of this Act for the purpose of providing rural workforce housing
27 grants. The department of commerce shall develop guidelines for the grants, including eligibility
28 criteria, maximum grant awards, and reporting requirements. Grants may be awarded to cities
29 with a population of fewer than 10,000 residents. Grant funding may be used to:

- 30 1. Conduct a housing study in the city to identify workforce housing needs, blighted
31 property, and vacant lots within the city;

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

5 **SECTION 9. WORKFORCE PROGRAMS.** The workforce programs line item in section 1 of
6 this Act includes \$28,500,000 from the general fund for workforce-related programs, of which
7 \$12,000,000 is for the workforce talent attraction initiative, \$12,500,000 is for the workforce
8 investment grant program, \$2,000,000 is for technical skills training grants, and \$2,000,000 is
9 for new Americans workforce development and training grants.

10 **SECTION 10. RURAL HEALTH CARE GRANT PROGRAM - MATCHING FUNDS**

11 **REQUIREMENT.** The grants line item in section 1 of this Act includes \$444,000 from the
12 general fund for providing matching funds to an organization assisting in the recruitment,
13 distribution, and supply, and enhancing the quality and efficiency of personnel providing health
14 services in rural areas of the state. The department of commerce may spend the funds
15 identified in this section only to the extent the organization has secured matching funds from
16 nonstate sources on a dollar-for-dollar basis.

17 **SECTION 11. DISCRETIONARY FUNDS.** Of the funding appropriated from the general
18 fund in the discretionary funds line item in section 1 of this Act, \$150,000 is designated for
19 supporting the continuation of the North Dakota state magazine with the current publisher of the
20 magazine, \$350,000 is designated for supporting an organization dedicated to assisting native
21 American small businesses in North Dakota, and \$350,000 is designated for providing base
22 retention grant funding to eligible organizations in Minot.

23 **SECTION 12. ENTREPRENEURSHIP GRANTS AND VOUCHER PROGRAM.** The
24 entrepreneurship grants and voucher line item in section 1 of this Act includes \$948,467, of
25 which \$740,956 is from the general fund and \$207,511 is from the economic development fund,
26 for the purpose of defraying the expenses of the entrepreneurship grants and voucher program.
27 The department shall establish guidelines to provide grants under the program.

28 **SECTION 13. AMENDMENT.** Section 6-09.18-01 of the North Dakota Century Code is
29 amended and reenacted as follows:

30 **6-09.18-01. Definitions.**

31 In this chapter, unless the context otherwise requires:

- 1 1. "Commissioner" means the commissioner of the department of commerce.
- 2 2. "Committee" means the ~~innovation loan fund to support technology-~~
3 ~~advancement~~legacy investment for technology committee.
- 4 3. "Diversification sectors" means the following industries:
 - 5 a. Advanced computing and data management;
 - 6 b. Agriculture technology;
 - 7 c. Autonomous and ~~unmanned~~uncrewed vehicles and related technologies;
 - 8 d. Energy;
 - 9 e. Health care;
 - 10 f. Value-added agriculture;
 - 11 g. Value-added energy; and
 - 12 h. Any industry or area specifically identified by the committee as an industry that
13 will contribute to the diversification of the state's economy.

14 **SECTION 14. AMENDMENT.** Section 6-09.18-02 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **~~6-09.18-02. Innovation loan fund to support technology advancement~~Legacy**
17 **investment for technology committee - Membership - Meetings.**

- 18 1. The ~~innovation loan fund to support technology advancement~~legacy investment for
19 technology committee consists of:
 - 20 a. The commissioner or the commissioner's designee who shall serve as the
21 chairperson of the committee and is a nonvoting member of the committee;
 - 22 b. Three members representing active venture capital firms, private entities, or
23 angel capital funds;
 - 24 c. One member with finance-related experience, knowledge, or education; and
 - 25 d. Three members from the private sector with expertise in the diversification
26 sectors.
- 27 2. The commissioner, in consultation with the president of the Bank of North Dakota,
28 shall appoint the members of the committee. The term of office of the appointed
29 members of the committee is four years, and the terms must be staggered so that no
30 more than one of the members' terms appointed under subdivisions b and c of
31 subsection 1 expires each year, and so that no more than one of the members' terms

1 appointed under subdivision d of subsection 1 expires each year. Each term of office
2 commences on the first day of July. Members serve at the pleasure of the
3 commissioner and may be reappointed for additional terms. Members of the
4 committee may not invest or otherwise participate in applied research,
5 experimentation, or operational testing associated with a loan awarded under this
6 chapter. If a committee member appointed under subdivision b of subsection 1 ceases
7 to represent an active venture capital firm, private entity, or angel capital fund, that
8 individual's membership on the committee ceases immediately and the commissioner,
9 in consultation with the president of the Bank of North Dakota, shall appoint a new
10 member to the committee for the remainder of the term.

11 3. A committee member representing the private sector is eligible to receive
12 compensation in an amount not exceeding one hundred thirty-five dollars per day and
13 travel and expense reimbursement as provided by law for state officers for attending
14 meetings of the committee.

15 4. The committee shall meet as necessary to make loan recommendations and provide
16 ongoing review of research, development, and commercialization activities.

17 **SECTION 15. AMENDMENT.** Section 6-09.18-03 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 ~~6-09.18-03. Innovation loan fund to support technology advancement~~
20 ~~Innovation~~Legacy investment technology loan program.

21 The department of commerce shall administer the ~~innovation~~legacy investment technology
22 loan program in consultation with the Bank of North Dakota to provide loans for activities
23 identified in this chapter. The department of commerce shall provide administrative support for
24 the program, including the drafting of application forms, receiving applications, reviewing
25 applications for completeness and compliance with committee policy, and forwarding complete
26 applications to the committee in accordance with the guidelines established by the committee.
27 Program guidelines relating to ownership of intellectual property, inventions, and discoveries
28 must address activities and issues unique to technologies, patents, and companies created as a
29 result of a legacy ~~innovation~~investment technology loan.

30 **SECTION 16. AMENDMENT.** Section 6-09.18-04 of the North Dakota Century Code is
31 amended and reenacted as follows:

1 **6-09.18-04. Innovation~~Legacy investment~~ technology loans - Eligibility.**

- 2 1. The committee shall establish guidelines for entities to qualify for an ~~innovation~~
3 legacy investment technology loan under this section. The committee shall consider
4 and process applications in a timely manner that does not jeopardize an applicant's
5 opportunity to leverage other funds.
- 6 2. In determining whether to recommend approval of an application, the committee shall
7 consider the extent to which the proposal will:
- 8 a. Deliver applied research, experimentation, or operational testing in one or more
9 of the diversification sectors to create information or data to enhance North
10 Dakota companies or industries or companies making investments in North
11 Dakota;
- 12 b. Lead to the commercialization or patent of an innovation technology solution; or
- 13 c. Result in the development of a new company or expansion of an existing
14 company that will diversify the state's economy through new products,
15 investment, or skilled jobs.
- 16 3. The Bank of North Dakota shall review the business plan, financial statements, and
17 other information necessary for the Bank to determine which applications
18 recommended for approval by the committee will be approved by the Bank for final
19 loan approval. The terms of the loan must include:
- 20 a. Zero percent interest for the first three years of the loan;
- 21 b. Two percent interest for the next two years of the loan; and
- 22 c. An interest rate equal to a standard Bank of North Dakota loan for all subsequent
23 years.
- 24 4. To be eligible for a loan under this chapter, an entity shall agree to provide the Bank of
25 North Dakota with information as requested by the Bank.

26 **SECTION 17. AMENDMENT.** Section 6-09.18-05 of the North Dakota Century Code is
27 amended and reenacted as follows:

28 **6-09.18-05. ~~Innovation loan fund to support technology advancement~~Legacy**
29 **investment for technology fund - Continuing appropriation.**

30 The ~~innovation loan fund to support technology advancement~~legacy investment for
31 technology fund is a special fund in the state treasury and must be administered by the

1 department of commerce. All moneys in the fund are appropriated to the department of
2 commerce on a continuing basis for the purpose of providing ~~innovation~~legacy investment
3 technology loans and for administrative expenses. The department of commerce shall deposit in
4 the ~~innovation loan fund to support technology advancement~~legacy investment for technology
5 fund all principal and interest paid on loans made from the fund. Interest earned on moneys in
6 the fund must be credited to the fund.

7 **SECTION 18. AMENDMENT.** Section 6-09.18-06 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **6-09.18-06. Use of loan funds.**

10 Loan recipients shall use ~~innovation~~legacy investment technology loan funds to enhance
11 capacity and, to the extent possible, leverage state, federal, and private sources of funding. An
12 entity receiving a loan under this chapter may not use the funds for capital or building
13 investments or for research or other activities not identified in this chapter. The funds may not
14 be used for academic or instructive programming, workforce training, administrative costs, or to
15 supplant funding for regular operations of institutions of higher education. Unless otherwise
16 approved by the committee, loan recipients may use funding only to conduct applied research,
17 experimentation, or operational testing within the state. If an entity awarded a loan no longer
18 conducts its activities in the state, the interest rate of the loan shall default to the rate of a
19 standard Bank of North Dakota loan.

20 **SECTION 19. AMENDMENT.** Section 6-09.18-07 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **6-09.18-07. ~~Innovation loan fund to support technology advancement~~ - Postaward**
23 **monitoring.**

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

- 27 1. How the work performed has contributed to the development of a company or the
28 expansion of an existing company, has enhanced the ability of a company to make
29 investments in the state, or otherwise enticed a company to invest or move to the
30 state.

- 1 2. How the work performed has led to additional economic investment of capital from
- 2 public and private sector entities within and outside North Dakota.
- 3 3. How the work performed has led to or may lead to a patent or research that is
- 4 commercially viable.

5 **SECTION 20. AMENDMENT.** Section 10-30.5-04 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **10-30.5-04. Powers.**

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

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

17 **SECTION 21. AMENDMENT.** Section 10-30.5-05 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **10-30.5-05. Management.**

- 20 1. The director of the department of commerce division of economic development and
- 21 finance shall appoint the chief executive officer of the corporation. The board of
- 22 directors shall determine minimum qualifications of all other staff positions.
- 23 2. If the chief executive officer of the corporation is absent for more than five consecutive
- 24 days or is anticipated to be absent for more than five consecutive days, the chief
- 25 executive officer may delegate the duties and responsibilities of the chief executive
- 26 officer to the director of the department of commerce division of economic
- 27 development and finance, or the director's designee.
- 28 3. All investments, contracts, partnerships, limited liability companies, and business
- 29 transactions of the corporation are the responsibility of the chief executive officer and
- 30 the board of directors. The board may provide that normal operating costs anticipated
- 31 in an approved budget may be incurred and paid without prior board approval.

1 **SECTION 22. AMENDMENT.** Section 54-60-22 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **54-60-22. Workforce enhancement council - Grants.**

4 The workforce enhancement council shall recommend to the commissioner the approval of
5 grants to training providers, businesses, and institutions of higher education assigned primary
6 responsibility for workforce training in this state to be used to create or enhance training
7 programs that address workforce needs of private sector companies. A grant made under this
8 section may be used for curriculum development, equipment, recruitment of participants, and
9 training and certification for instructors but may not be used to supplant funding for current
10 operations. The department may distribute funds under this section after:

- 11 1. The division of workforce development certifies that a proposed training program
12 meets a critical workforce shortage in a target industry or other high-demand
13 occupation and is expected to lead to employment in this state; and
- 14 2. The proposed recipient provides the department with detailed documentation of
15 private sector participation, including the availability of one dollar of matching funds for
16 each dollar of state funds.

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

19 **54-60-28. ~~Unmanned~~Uncrewed aircraft systems program - Report to legislative**
20 **management.**

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

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

3 **54-60-29. UnmannedUncrewed aircraft systems program fund - Continuing**
4 **appropriation.**

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

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

18 **54-60-29.1. Beyond visual line of sight ~~unmanneduncrewed~~ aircraft system program -**
19 **Requirements - Report to legislative management.**

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

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

3 **54-60.2-01. Establishment of workforce development grant for tribally controlled**
4 **community colleges.**

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

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

14 **54-60.2-02. Purpose of grants.**

15 1. ~~Any~~A grant awarded under section 54-60.2-01 may be used at the discretion of the
16 college:

17 a. ~~For development or enhancement of~~To develop or enhance programs that assist
18 in providing certificates or degrees to North Dakota students attending the
19 college that qualify the student to obtain jobs for which applicants are being
20 sought within the state, as identified by the department of commerce, job service
21 North Dakota, or any of the federally recognized Indian tribes within North
22 Dakota; ~~or~~

23 b. To assist any North Dakota student attending the college to establish, or to assist
24 in establishing, a new business operating within North Dakota that will employ
25 North Dakota citizens; or

26 c. To develop or enhance career and technical education programs.

27 2. Any funds provided to tribally controlled community colleges must be used to
28 supplement, not supplant, ~~any~~an existing program or funding source of the college.

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

1 35. There is appropriated from federal funds derived from the state fiscal recovery fund,
2 not otherwise appropriated, the sum of \$5,000,000, which the office of management
3 and budget shall transfer to the North Dakota development fund under chapter
4 10-30.5 for the purpose of a North Dakota development fund grant program during the
5 period beginning with the effective date of this Act, and ending June 30, 2023.

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

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

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

26 **SECTION 30. LEGISLATIVE MANAGEMENT REPORT - DEPARTMENT OF COMMERCE**
27 **GRANT PROGRAMS.** During the 2023-24 interim, the department of commerce shall report to
28 the legislative management regarding the status of each grant program identified in section 2 of
29 this Act derived from the general fund or state special funds, including funding spent to date, the
30 number of individuals or businesses awarded funding, the name and amount of funding
31 awarded to each individual and business, the date funding was awarded, criteria used when

1 awarding funding, and a detailed listing of how the funding has been used. The department of
2 commerce shall provide one report by December 31, 2023, and no fewer than two reports
3 during the period beginning January 1, 2024, and ending October 31, 2024.

4 **SECTION 31. EMERGENCY.** The following are declared to be an emergency measure:

- 5 1. The \$120,000,000 appropriated from federal funds derived from the Infrastructure
6 Investment and Jobs Act and the Inflation Reduction Act for weatherization and energy
7 programs in the weatherization and energy programs line item and in the estimated
8 income line item in section 1 of this Act; and
- 9 2. The \$26,000,000 appropriated from the strategic investment and improvements fund
10 for the beyond visual line of sight uncrewed aircraft system program in the grants line
11 item and in the estimated income line item in section 1 of this Act.