

SENATE BILL NO. 2018

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of
2 commerce; to provide exemptions; to provide for an audit; to provide for a transfer; to establish
3 a state grant program for child care; and to provide for state biofuels blender pumps and an
4 alternative energy grant program.

5 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

6 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the
7 funds as may be necessary, are appropriated out of any moneys in the general fund in the state
8 treasury, not otherwise appropriated, and from special funds derived from federal funds and
9 other income, to the department of commerce for the purpose of defraying the expenses of the
10 department of commerce, for the biennium beginning July 1, 2009, and ending June 30, 2011,
11 as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>	
12				
13				
14	Salaries and wages	\$8,826,879	\$1,359,088	\$10,185,967
15	Operating expenses	14,308,688	119,584	14,428,272
16	Capital assets	25,000	0	25,000
17	Grants	48,774,748	5,111,310	53,886,058
18	Discretionary funds	1,450,127	(522,044)	928,083
19	Economic development initiatives	1,296,846	(1,110,000)	186,846
20	Agricultural products utilization	3,008,193	(471,563)	2,536,630
21	North Dakota trade office	1,500,000	500,000	2,000,000
22	Partner programs	<u>50,000</u>	<u>1,972,044</u>	<u>2,022,044</u>
23	Total all funds	\$79,240,481	\$6,958,419	\$86,198,900
24	Less special funds	<u>55,758,516</u>	<u>(2,049,655)</u>	<u>53,708,861</u>

1	Total general fund	\$23,481,965	\$9,008,074	\$32,490,039
2	Full-time equivalent positions	66.00	2.00	68.00

3 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**
 4 **SIXTY-SECOND LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time
 5 funding items approved by the sixtieth legislative assembly for the 2007-09 biennium and the
 6 2009-11 one-time funding items included in the appropriations in section 1 and section 11 of
 7 this Act:

8	<u>One-Time Funding Description</u>	<u>2007-09</u>	<u>2009-11</u>
9	Transfer to development fund	\$3,000,000	\$0
10	Tax expenditure and business incentive reports	100,000	0
11	Transfer to workforce enhancement fund	0	2,000,000
12	Ethanol/biodiesel blender pumps	0	2,000,000
13	and alternative energy		
14	Grants to establish or expand child care	0	3,500,000
15	Promotion and marketing of U.S.S.	0	100,000
16	North Dakota		
17	Total general fund	<u>\$3,100,000</u>	<u>\$7,600,000</u>

18 The 2009-11 one-time funding amounts are not a part of the entity's base budget for the
 19 2011-13 biennium. The department of commerce shall report to the appropriations committees
 20 of the sixty-second legislative assembly on the use of this one-time funding for the biennium
 21 beginning July 1, 2009, and ending June 30, 2011.

22 **SECTION 3. AGRICULTURE FUEL TAX REFUNDS.** The estimated income line item
 23 in section 1 of this Act includes \$575,000 from refunds of tax for fuel used for agricultural
 24 purposes, to be used by the agricultural products utilization commission, for the biennium
 25 beginning July 1, 2009, and ending June 30, 2011.

26 **SECTION 4. EXEMPTION.** The amount appropriated for the agricultural products
 27 utilization commission in section 3 of chapter 18 of the 2007 Session Laws is not subject to
 28 section 54-44.1-11 and any unexpended funds from this line item for grants are available for
 29 grants during the biennium beginning July 1, 2009, and ending June 30, 2011.

30 **SECTION 5. EXEMPTION.** The amount appropriated for the discretionary funds line
 31 item in section 3 of chapter 18 of the 2007 Session Laws is not subject to section 54-44.1-11

1 and any unexpended funds from this line item are available during the biennium beginning
2 July 1, 2009, and ending June 30, 2011.

3 **SECTION 6. EXEMPTION.** The amount appropriated for internships contained in the
4 economic development initiative line item in section 3 of chapter 18 of the 2007 Session Laws
5 is not subject to section 54-44.1-11 and any unexpended funds from this line item are available
6 during the biennium beginning July 1, 2009, and ending June 30, 2011.

7 **SECTION 7. STATE GRANT PROGRAM FOR CHILD CARE.** The sum of \$3,500,000,
8 or so much of the sum as may be necessary, included in the grants line item in section 1 of this
9 Act, must be used to provide matching grants to economic development corporations, regional
10 councils, job development authorities, or chambers of commerce to develop new child care
11 programs, expand existing programs, and provide technical assistance, including the
12 development of business plans. The state grants require one dollar of matching funds from
13 other public or private sources for every three dollars of state funds.

14 **SECTION 8. STATE BIOFUELS BLENDER PUMPS AND RENEWABLE ENERGY**
15 **GRANT PROGRAM.** The sum of \$2,000,000, or so much of the sum as may be necessary,
16 included in the grants line item in section 1 of this Act, is to establish a cost-share program to
17 encourage the installation of retail biofuels blender pumps. The funds must be used to
18 encourage the installation of multiproduct fuel dispensers which provide multiple consumer
19 determined ratios of ethanol and gasoline; or varying biodiesel blends with mineral diesel from a
20 single dispenser. The funds not utilized to provide biofuels blender pump cost-share grants
21 may be used by the department for renewable energy and energy conservation programs and
22 initiatives.

23 **SECTION 9. TAX COMMISSIONER - AUDIT OF ETHANOL PRODUCTION**
24 **INCENTIVE PROGRAM.** The tax commissioner shall conduct an audit of the ethanol
25 production incentive program during the biennium beginning July 1, 2009, and ending June 30,
26 2011.

27 **SECTION 10. TRADE OFFICE - MATCHING FUND REQUIREMENT.** The total North
28 Dakota trade office special line and the general fund appropriation in section 1 of this Act
29 include \$2,000,000 of funding relating to the North Dakota trade office. The department of
30 commerce may spend fifty percent of this amount without requiring any matching funds from the
31 trade office. Any additional amounts may be spent only to the extent that the North Dakota

1 trade office provides one dollar of matching funds from private or other public sources for each
2 one dollar provided by the department for the biennium beginning July 1, 2009, and ending
3 June 30, 2011. Matching funds may include money spent by businesses or organizations to
4 pay salaries to export assistants, provide training to export assistants, or buy computer
5 equipment as part of the North Dakota trade office's export assistance program.

6 **SECTION 11. APPROPRIATION - TRANSFER - WORKFORCE ENHANCEMENT**

7 **FUND.** There is appropriated out of any moneys in the general fund in the state treasury, not
8 otherwise appropriated, the sum of \$2,000,000, which the office of management and budget
9 shall transfer to the workforce enhancement fund for the purpose of assisting two-year colleges
10 to respond to business and industry workforce training for the biennium beginning July 1, 2009,
11 and ending June 30, 2011.