

Sixty-seventh
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2018

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 provide an appropriation to the department of transportation; to create and enact
3 a new section to chapter 4.1-01 of the North Dakota Century Code, relating to the transfer of the
4 international business and trade office from the department of commerce to the agriculture
5 commissioner; to amend and reenact section 54-60-29 of the North Dakota Century Code,
6 relating to the unmanned aircraft systems program fund; to repeal section 54-60-16 of the North
7 Dakota Century Code, relating to the international business and trade office; to provide a
8 continuing appropriation; to provide for a transfer; to provide for a report; and to provide an
9 exemption.

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, 2021, and ending June 30, 2023.

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
18 Salaries and wages	\$13,217,286	(\$353,133)	\$12,864,153
19 Operating expenses	14,873,203	9,444,557	24,317,760
20 Grants	52,638,527	28,543,803	81,182,330
21 Discretionary funds	2,150,000	(600,000)	1,550,000
22 North Dakota trade office	1,600,000	(1,600,000)	0
23 Partner programs	1,562,531	0	1,562,531
24 Entrepreneurship grants and vouchers	<u>948,467</u>	<u>0</u>	<u>948,467</u>

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1	Total all funds	\$86,990,014	\$35,435,227	\$122,425,241
2	Less estimated income	<u>54,123,293</u>	<u>26,424,774</u>	<u>80,548,067</u>
3	Total general fund	\$32,866,721	\$9,010,453	\$41,877,174
4	Full-time equivalent positions	61.80	(3.00)	58.80

5 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**
6 **SIXTY-EIGHTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding
7 items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the
8 one-time funding items included in the appropriation in section 1 of this Act:

9	<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
10	Unmanned aircraft system	\$2,225,000	\$1,000,000
11	Beyond visual line of sight unmanned aircraft system	0	20,000,000
12	Enhanced use lease grant	3,000,000	7,000,000
13	Workforce grants to tribally controlled community colleges	500,000	500,000
14	Census 2020 program	1,000,000	0
15	Workforce safety grant	1,000,000	0
16	Entrepreneurship grants and vouchers	2,000,000	0
17	Sculpture maintenance grants	75,000	0
18	Nonresident nurse employment recruitment	500,000	0
19	Intermodal container transportation shipping fees	1,300,000	0
20	Job development and economic growth grant	25,000	0
21	Tourism marketing	0	7,000,000
22	Technical skills training grants	<u>0</u>	<u>1,000,000</u>
23	Total all funds	\$11,625,000	\$36,500,000
24	Less estimated income	<u>4,300,000</u>	<u>27,000,000</u>
25	Total general fund	\$7,325,000	\$9,500,000

26 The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget
27 for the 2023-25 biennium. The department of commerce shall report to the appropriations
28 committees of the sixty-eighth legislative assembly on the use of this one-time funding for the
29 biennium beginning July 1, 2021, and ending June 30, 2023.

30 **SECTION 3. APPROPRIATION - DEPARTMENT OF TRANSPORTATION - BEYOND**
31 **VISUAL LINE OF SIGHT UNMANNED AIRCRAFT SYSTEM PROGRAM - ONE-TIME**

1 **FUNDING.** There is appropriated from special funds, derived from grant funds received from the
2 department of commerce pursuant to section 11 of this Act, not otherwise appropriated, the sum
3 of \$28,000,000, or so much of the sum as may be necessary, to the department of
4 transportation for the purpose of defraying tower infrastructure construction expenses of the
5 beyond visual line of sight unmanned aircraft system program, for the biennium beginning
6 July 1, 2021, and ending June 30, 2023. The department of transportation may bid, award, and
7 administer any contracts necessary to complete the construction of the tower infrastructure.
8 This funding is considered a one-time funding item.

9 **SECTION 4. TRANSFER - INTERNSHIP FUND.** The office of management and budget
10 shall transfer \$755,000 of the amount appropriated in the operating expenses line item in
11 section 1 of this Act to the internship fund for the purpose of administering the operation intern
12 program, for the biennium beginning July 1, 2021, and ending June 30, 2023.

13 **SECTION 5. ENTREPRENEURSHIP GRANTS AND VOUCHER PROGRAM.** The
14 entrepreneurship grants and voucher line item in section 1 of this Act includes \$948,467, of
15 which \$740,956 is from the general fund and \$207,511 is from the economic development fund,
16 for the purpose of defraying the expenses of the entrepreneurship grants and voucher program.
17 The department shall establish guidelines to provide grants to entrepreneurial centers certified
18 by the department. The department also shall establish guidelines to award vouchers to
19 entrepreneurs to procure business development assistance from certified entrepreneurial
20 centers or to provide grants to entrepreneurs working with an entrepreneurial center.

21 **SECTION 6. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS**
22 **FUND - ONE-TIME FUNDING.** The estimated income line item in section 1 of this Act includes
23 the sum of \$26,000,000 from the strategic investment and improvements fund, of which
24 \$19,000,000 is for beyond visual line of sight unmanned aircraft system grants and \$7,000,000
25 is for enhanced use lease grants. This funding is considered a one-time funding item.

26 **SECTION 7. BEYOND VISUAL LINE OF SIGHT UNMANNED AIRCRAFT SYSTEM**
27 **PROGRAM - MATCHING FUND REQUIREMENT - ONE-TIME FUNDING.** The grants line item
28 in section 1 of this Act includes \$1,000,000 from the general fund for grants to an organization
29 dedicated to expanding workforce opportunities, training, and education related to the beyond
30 visual line of sight unmanned aircraft system industry, which the department of commerce may
31 provide only to the extent the organization provides one dollar of matching funds from private or

1 other public sources for each one dollar provided by the department. This funding is considered
2 a one-time funding item.

3 **SECTION 8.** A new section to chapter 4.1-01 of the North Dakota Century Code is created
4 and enacted as follows:

5 **International business and trade office - Advisory board - Continuing appropriation.**

- 6 1. The commissioner shall administer the international business and trade office. The
7 purpose of the office is to assist North Dakota businesses to expand exports to
8 international markets by:
- 9 a. Advocating for exporters;
 - 10 b. Offering export educational opportunities to North Dakota businesses;
 - 11 c. Researching and raising awareness of export opportunities, issues, and
12 challenges impacting North Dakota businesses;
 - 13 d. Assisting North Dakota businesses in identifying, developing, and cultivating
14 international markets for products; and
 - 15 e. Organizing and carrying out trade missions that seek to facilitate contact and
16 communication between North Dakota businesses and international markets.
- 17 2. The commissioner may designate a nonprofit corporation incorporated in this state
18 which has the primary purpose of assisting North Dakota exporters or contract with a
19 third party for the provision of services for the international business and trade office. If
20 the commissioner designates a nonprofit corporation or contracts with a third party
21 under this subsection, all data and databases collected and created by the third party
22 in performing services for the office are the property of the department and the third
23 party.
- 24 3. The commissioner may seek and accept any gift, grant, or donation of funds, property,
25 services, or other assistance from public or private sources for the purpose of
26 furthering the objectives of the international business and trade office. Any funds
27 accepted under this subsection are appropriated to the commissioner on a continuing
28 basis.
- 29 4. The commissioner may establish an international business and trade office advisory
30 board with whom the commissioner may consult in administering the international
31 business and trade office. Each member of the advisory board is entitled to receive

1 per diem compensation at a rate established by the director not exceeding sixty-two
2 dollars and fifty cents and reimbursement of expenses as provided by law for state
3 officers, while attending meetings or performing duties directly related to board
4 membership, except that per diem compensation under this section may not be paid to
5 any member who receives compensation or salary as a regular state employee or
6 official.

7 **SECTION 9. AMENDMENT.** Section 54-60-29 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **54-60-29. Unmanned aircraft systems program fund - Continuing appropriation.**

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

21 **SECTION 10. REPEAL.** Section 54-60-16 of the North Dakota Century Code is repealed.

22 **SECTION 11. EXEMPTION - BEYOND VISUAL LINE OF SIGHT UNMANNED AIRCRAFT**

23 **SYSTEM PROGRAM.** The amount of \$28,000,000 appropriated from the general fund in the
24 grants line item for the beyond visual line of sight unmanned aircraft system program in
25 section 27 of chapter 40 of the 2019 Session Laws is not subject to section 54-44.1-11 and is
26 available for the program during the biennium beginning July 1, 2021, and ending June 30,
27 2023. The department of commerce may provide grants of up to \$28,000,000, to the
28 department of transportation, for the purpose of defraying tower infrastructure construction
29 expenses of the beyond visual line of sight unmanned aircraft system program during the
30 2021-23 biennium.

1 **SECTION 12. EXEMPTION - UNMANNED AIRCRAFT SYSTEM PROGRAM.** The amount
2 of \$2,250,000 appropriated from the general fund in the operating expenses line item for the
3 unmanned aircraft system program in section 27 of chapter 40 of the 2019 Session Laws is not
4 subject to section 54-44.1-11 and is available for the program during the biennium beginning
5 July 1, 2021, and ending June 30, 2023.

6 **SECTION 13. EXEMPTION - ENHANCED USE LEASE GRANT PROGRAM.** The amount
7 of \$3,000,000 appropriated from the general fund in the grants line item for the enhanced use
8 lease grant program in section 27 of chapter 40 of the 2019 Session Laws is not subject to
9 section 54-44.1-11 and is available for the program during the biennium beginning July 1, 2021,
10 and ending June 30, 2023.

11 **SECTION 14. EXEMPTION - EARLY CHILDHOOD EDUCATION PROGRAM.** The amount
12 of \$1,500,000 appropriated from the general fund in the operating expenses line item and
13 grants line item for the early childhood education program in section 27 of chapter 40 of the
14 2019 Session Laws is not subject to section 54-44.1-11 and is available for the program during
15 the biennium beginning July 1, 2021, and ending June 30, 2023.

16 **SECTION 15. EXEMPTION - NONRESIDENT NURSE EMPLOYMENT RECRUITMENT**
17 **PROGRAM - ELIGIBILITY.** Of the \$500,000 appropriated from the general fund in the grants
18 line item for the nonresident nurse employment recruitment program in section 27 of chapter 40
19 of the 2019 Session Laws, \$320,000 is not subject to section 54-44.1-11 and is available for the
20 program during the biennium beginning July 1, 2021, and ending June 30, 2023. In addition to
21 the program eligibility guidelines established for the 2019-21 biennium, the department of
22 commerce shall provide funding authorized in this section to eligible nursing students in the
23 state who have not been employed by a health care provider on a full-time basis in the year
24 preceding the grant award.

25 **SECTION 16. EXEMPTION - DISCRETIONARY FUNDS.** The amount of \$2,150,000
26 appropriated from the general fund in the discretionary funds line item in section 27 of chapter
27 40 of the 2019 Session Laws is not subject to section 54-44.1-11 and is available for the
28 program during the biennium beginning July 1, 2021, and ending June 30, 2023.