

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2336

2001 SENATE FINANCE AND TAXATION
SB 2336

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 2336

Senate Finance and Taxation Committee

Conference Committee

Hearing Date 2/5/01

Tape Number	Side A	Side B	Meter #
1	x		44.3-end
		x	0-10.2
2/13/01 - 1		x	31.4-end
2	x		0-5.7
2/14/01 - 1	x		13.6-27
Committee Clerk Signature <i>Lynelle M. Kraft</i>			

Minutes:

Senator Urlacher: Opened the hearing on SB 2336, relating to a corporate and income tax deduction for research and development expenditures at an approved research and development center in this state.

Senator Judy Lee: Co-sponsored the bill, testified in support. This is a great opportunity for some interesting things to be done in our small communities.

John Kramer: President of Fargo-Cass County Development Corp., testified in support.

Explains the bill & gives some examples of research and development centers.

Senator Christmann: What's the difference between this and the existing credit that's available?

John Kramer: I don't know if any companies that have gotten credit.

Donnita Wald: State Tax Dept., testified neutrally. Has a couple of concerns. We read this bill as the R & D center could be located out of state, just that the product has to be produced in ND.

There is a credit already available and this could make it possible for double-dipping. The biggest concern is not clear as whether it is a one-time 20% deduction or 5 years of the deduction with 20% each year. This would need some clarifications on that.

Senator Stenchjem: I see you have statistics for 1998. Do have any statistics for 1999?

Donnita Wald: We don't have those statistics for the full year yet.

Senator Christmann: Would it be the same people from 1998?

Donnita Wald: It could be. Explains again who is eligible as far as in state and out of state development centers.

Senator Christmann: Is it the intention that these research centers have to be in the state? If that's the case, they already get a credit. All this would do is allow a deduction for the ones out of state. What's the intention?

John Kramer: The intent was for research done inside the state. Will work on amendments.

Senator Christmann: Were you aware that they already get a credit?

John Kramer: No, we were not. We will look to make sure we are not duplicating.

Senator Urlacher: Closed the hearing. Action delayed.

Discussion held 2/13/01. Meter number 31.4-end, Tape 1, Side B & 0-5.7, Tape 2, Side A.

Donnita Wald: Appeared to explain amendments.

Senator Wardner: So it takes care of the double-dipping?

Donnita Wald: That's correct.

Senator Wardner: What are some examples of research centers other than universities?

John Kramer: Farm equipment company, explains how it would qualify.

Discussion continued.

Discussion held 2/14/01. Meter number 13.6-27.

John Walstad: Appeared to explain what the amendment does. It incorporates some suggestions that the tax dept. made for clarity. Also some thing that John Kramer suggested. The concern is that ED & F should look at the product that is being marketed here and make a determination before this deduction is available that the net long term affect to the state general fund is going to be positive. The other thing they would do is make a determination that the product does incorporate innovative technology.

Senator Urlacher: Are there a lot of safeguards in there?

John Walstad: A fair number.

Senator Christmann: Do you get any kind of picture of how much R & D might fall into this category so there's a fiscal note.

John Walstad: I really don't have a feel for how much R & D will be done. As far as the fiscal note, the fiscal effect of this is a ways in the future.

Senator Kroeplin: When they do research and development, aren't those expenses deductible when they're doing that? If you hire somebody and he's working for you, you can deduct his wages right? So that portion's already covered?

Joe Becker: State Tax Dept., when it's a person that's working in the research area, I'm not sure if that has to be capitalized as far as the cost. I really can't answer that.

AMENDMENT ACTION:

Motion made by Senator Nichols, Seconded by Senator Wardner, to move the amendments numbered 10500.0102. Voice Vote taken. All in favor, amendment adopted.

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Senate Finance and Taxation Committee
Bill/Resolution Number 2336
Hearing Date 2/5/01

COMMITTEE ACTION: 2/14/01

Motion made by Senator Wardner for a DO PASS AS AMENDED, Seconded by Senator Christmann. Vote was 6 yeas, 0 nays, 0 absent and not voting. Bill carrier was Senator Christmann.

FISCAL NOTE
 Requested by Legislative Council
 01/23/2001

Bill/Resolution No.: SB 2336

Amendment to:

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

SB 2336 creates a corporation income tax deduction for certain research and development expenditures.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The revenue loss associated with SB 2336 cannot be determined.

(Note: Current law allows a tax credit for certain research expenses. A total of 6 corporations claimed this credit on 1998 returns. The amount of the credit claimed was \$557,000.)

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name:	Kathryn L. Strombeck	Agency:	Tax Department
Phone Number:	328-3402	Date Prepared:	02/02/2001

PROPOSED AMENDMENTS TO SENATE BILL NO. 2336

Page 1, line 8, remove "twenty percent of"

Page 1, line 9, replace "This" with "Twenty percent of this"

Page 1, line 15, remove "nonprofit"

Page 1, line 16, after "facility" insert "located in this state"

Page 1, after line 18, insert:

"(3) Any expenditure for which a deduction is claimed under this
subdivision is not eligible for the tax credit under section
57-38-30.5."

Renumber accordingly

PROPOSED AMENDMENTS TO SENATE BILL NO. 2336

Page 1, line 3, replace "an approved" with "a certified"

Page 1, line 8, remove "twenty percent of"

Page 1, line 9, replace "This" with "Twenty percent of this"

Page 1, line 13, replace "an approved" with "a certified"

Page 1, line 14, replace "the" with "a" and after "product" insert "that has been approved by the department of economic development and finance as a product that has potential to have a net long-term positive fiscal effect for state general fund revenues and as a product that incorporates innovative technology"

Page 1, line 15, remove "nonprofit"

Page 1, line 16, after "facility" insert "located in this state" and replace "approved" with "certified"

Page 1, line 18, after "products" insert "incorporating innovative technology"

Page 1, after line 18, insert:

"(3) Any expenditure for which a deduction is claimed under this subdivision is not eligible for the tax credit under section 57-38-30.5."

Renumber accordingly

Date: 2/14/01
Roll Call Vote #: 1

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2336

Senate Finance and Taxation Committee

Subcommittee on _____

or

Conference Committee

Legislative Council Amendment Number 10500.0102

Action Taken Move Amendment (voice vote)

Motion Made By Nichols Seconded By Wardner

Senators	Yes	No	Senators	Yes	No
Senator Urlacher-Chairman					
Senator Wardner-Vice Chairman					
Senator Christmann					
Senator Stenehjem					
Senator Kroeplin					
Senator Nichols					

Total (Yes) 6 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2/14/01
Roll Call Vote #: 2

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2330

Senate Finance and Taxation Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass As Amended

Motion Made By Wardner Seconded By Christmann

Senators	Yes	No	Senators	Yes	No
Senator Urlacher-Chairman	✓				
Senator Wardner-Vice Chairman	✓				
Senator Christmann	✓				
Senator Stenehjem	✓				
Senator Kroeplin	✓				
Senator Nichols	✓				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Christmann

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2336: Finance and Taxation Committee (Sen. Urlacher, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2336 was placed on the Sixth order on the calendar.

Page 1, line 3, replace "an approved" with "a certified"

Page 1, line 8, remove "twenty percent of"

Page 1, line 9, replace "This" with "Twenty percent of this"

Page 1, line 13, replace "an approved" with "a certified"

Page 1, line 14, replace "the" with "a" and after "product" insert "that has been approved by the department of economic development and finance as a product that has potential to have a net long-term positive fiscal effect for state general fund revenues and as a product that incorporates innovative technology"

Page 1, line 15, remove "nonprofit"

Page 1, line 16, after "facility" insert "located in this state" and replace "approved" with "certified"

Page 1, line 18, after "products" insert "incorporating innovative technology"

Page 1, after line 18, insert:

"(3) Any expenditure for which a deduction is claimed under this subdivision is not eligible for the tax credit under section 57-38-30.5."

Renumber accordingly

2001 HOUSE FINANCE AND TAXATION

SB 2336

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2336

House Finance and Taxation Committee

Conference Committee

Hearing Date March 12, 2001

Tape Number	Side A	Side B	Meter #
1	x		6100 to Side B

Committee Clerk Signature *Jamie Stein*

Minutes:

REP. AL CARLSON, CHAIRMAN Opened the hearing and read the fiscal note.

JOHN KRAMER, FARGO CASS COUNTY DEVELOPMENT CORPORATION,

Testified in support of the bill. See written Fact Sheet.

REP. CARLSON Used Great Plains as an example, if they develop a new software package for a particular niche, and the work they did would be in a computer program, but yet, those diskettes are produced somewhere else, are you saying they would have to move the manufacturer of the diskette, they have already done the work, how does this apply to someone like them when there really isn't something very tangible, other than they have a copyright on this program that they developed?

JOHN KRAMER For instance, if they develop a new piece of software, and in fact, they are considering some of that now, and they spent a half a million. the plastic diskette, although that is a generic product, and they would never make that, but the product then is the service, it is the

selling of those diskettes, with the value added to it, as long as that revenue is coming into North Dakota, but then they have to back it up with servicing stations, as long as they set up this servicing station, where we can analyze how many jobs are in that service, and then how much revenue is coming into the state from that product, then that product would be eligible. Great Plains would have to set aside an area where that research would be done.

REP. CARLSON Let's take that another step further, I am trying to relate how this fits into a tax credit. They say it costs a half a million dollars to develop this diskette, are we going to, therefore, give them one hundred thousand dollars credit each year for five years?

JOHN KRAMER It is for the Department of Commerce to analyze how much return the state gets. If the state is not receiving a better rate of return then the credit, it simply would not do this. We are trying to keep what is not staying here, to stay here. If Great Plains comes and says we are going to spend five hundred thousand dollars and that agreement occurs, they do get that credit on that five hundred thousand dollars.

REP. CARLSON Let's take this a step further, Great Plains is in the software business, wouldn't they be doing this anyway, even if we weren't offering them a credit, cause that is their business?

JOHN KRAMER Some companies, especially now, since they are owned by Microsoft, which is the only location Microsoft has, other than their corporate office, it is very possible that Microsoft would say, that is a great product, but we can develop it further and they could pull it back to Bulgaria or Seattle or wherever. That has happened a lot. It happened with Bobcat, it happened with the plastic industry and in the oil industry. Companies choose to manufacture it

but they don't do it here. This simply gives us an ability, when talking to a company, to say, why don't you do it here.

REP. CARLSON How do the universities fit into this?

JOHN KRAMER Used John Deere as an example. In the whole process of John Deere put on the campus at NDSU, they are going to develop new technology, I don't know what they are, they are very confidential about it, but, we would very much like to take that technology and say to John Deere, instead of taking it to Illinois, why don't you manufacture it here in North Dakota. E D & F, goes to John Deere, it is kind of an edge that we have. There are cases, unlike John Deere, who has a physical facility as a technology center, there is a client out of Chicago, who manufactures motors, they went to NDSU to fine tune a new concept for electric motors. The company paid NDSU to do the research and the whole deal, but when they went to manufacture the electric motor, they did it in Iowa.

REP. WINRICH Pursued the Great Plains Software example further. Let's suppose Great Plains developed a new software product and, if I understood your answer correctly, even though they have the C D's burned somewhere else, if that comes back to Great Plains and the distribution is out of there, so that the product is actually sold from North Dakota, it would qualify. They get the tax credit, and let's suppose, after three years, Great Plains enters into an agreement with Gateway Computers and their distribution center moves to Sioux Falls, would they still get the tax credit from their North Dakota income tax, after the distribution is out of the state, are there provisions in here to treat that?

JOHN KRAMER If they pull the production out of the state, the tax credit ends. In the initial agreement, that would be developed between E D & F, and the company, if they don't live up to that agreement, E D & F would have the ability to get their money back.

REP. WINRICH The point I was trying to make is, on something like software, it is basically, intellectual property, the question is, what is production, and if I understood the first time you answered Rep. Carlson's question, you basically said, production amounts to distribution. Where is the product shipped from or sold from, that is what I am trying to get at, is that what production amounts to for intellectual property?

JOHN KRAMER On intellectual property, it is a lot of the time, not the disk, but the service to the disk. We have a company called SBI in Fargo, they developed the software for computerized McDonald's Restaurants, but the disk they sell is nothing, in comparison to the seven service people that are there in Fargo, they service all of the McDonald's Restaurants for their computers. If ED & F were to write them an agreement, they would log in and say, the servicing of that product is as important as the distribution of the initial disk. There is big money in servicing the product.

REP. SCHMIDT Who certifies these research and development centers and how many are there in the state?

JOHN KRAMER There are no certified research centers right now. E D & F would have to, on an individual basis, sit down and do it. Related to a new company that makes a new wiring technology that has a thirty five person shop. If E D & F were to go to them and say, you market that, how much research would you do on that, it would be E D & F developing the agreement.

REP. DROVDAL Referred to page 2, line 1 and 2, asked how the statement fit in.

JOHN KRAMER Stated he was not a tax person, even if they can deduct this just for research, it is not for profit, you can deduct for research.

REP. RENNER Where in the bill does it say you have to manufacture it in North Dakota?

REP. CARLSON Answered on Line 8 and 9.

JOHN KRAMER Answered stating the research has to be done in the state too.

DONNITA WALD, ATTORNEY FOR THE STATE TAX DEPARTMENT. Testified in a neutral position. She felt there was some confusion what this bill does, and wanted to clarify it. E D & F determines whether or not the research and development center, which must be located in the state and the product qualifies innovative technology. Once they do that, the taxpayer is entitled to a tax deduction for the five years that they sell the product. There is a tax credit for research and development, Rep. Drovdal was correct, there is a double dipping on the federal and state level. Referred to the fiscal note, stating it would be 9.9 million for one year.

She stated that Mr. Kramer alluded to a clawback provision, there is no clawback provision.

She stated that the intangibles in the bill, will allow job security for her in the next five years.

REP. WINRICH You talked about twenty percent tax deduction for each of five years, then you said, they could deduct sixty percent of their cost, that is one hundred percent, isn't it?

DONNITA WALD They get the credit for five years if they have sales for five years. Referred to Lines 9 and 10.

REP. CARLSON E D & F is the major player in this, they approve the projects and the terms of the projects, they then mail to you the information that this is the qualifications by which they will get that tax exemption, in your case, it will be different for each project?

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House Finance and Taxation Committee

Bill/Resolution Number SB 2336

Hearing Date March 12, 2001

DONNITA WALD We haven't quite worked out those details. I am sure it will be some kind of communication between E D & F and our department. If we couldn't work anything out, it would become an audit issue.

REP. CARLSON This would be one of those where we would be grabbing at straws to come up with a fiscal impact?

DONNITA WALD There may be information on the tax credit that is there.

REP. KROEBER Under current law, we have such an exemption. There are six corporations that claim this on the 1998 return, the credit claimed was five hundred and fifty seven thousand dollars, so we have something now. This one is twenty percent in addition, then you mentioned the 9.9 million, where did that come from?

DONNITA WALD This is a tax credit which is already in law. SB 2336 is a deduction. This bill provides that if you take the credit, you can't take the deduction and vice versa. There is nothing to prevent a taxpayer from taking a credit in one year, and a deduction next year.

REP. CARLSON Asked her to walk them through the tax form so they understand where it falls into place.

JOHN KRAMER Added a couple more comments. This technology is not being done, are you losing anything, NO YOU ARE NOT. If someone says this has a fiscal note to it, you have to remember somebody is generating a whole bunch of income for that technology. That is why it is difficult to forecast a fiscal note on this. But you don't lose anything until you gain something.

REP. CARLSON Asked Rep. Grosz and Rep. Winrich research the bill and come back with some recommendations on the bill.

REP. WINRICH Thought they should ask someone from E D & F to come back with ideas of how this would be administered.

With no further testimony, the hearing was closed.

COMMITTEE ACTION 3-14-01, TAPE #2, SIDE B, METER #5347

REP. WINRICH Explained the amendments he had prepared.

He related to the fiscal note which was presented with the bill. There were six corporations who claimed this credit.

REP. BRANDENBURG Made a motion to adopt the amendments as presented by Rep. Winrich.

REP. CLARK Second the motion. **MOTION CARRIED BY VOICE VOTE.**

REP. BRANDENBURG Made a motion for a **DO NOT PASS AS AMENDED.**

REP. RENNERFELDT Second the motion **MOTION CARRIED**

12 YES 1 NO 2 ABSENT

REP. WINRICH Was given the floor assignment.

Date: 3-14-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2336

House FINANCE & TAXATION Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Not Pass as amended

Motion Made By Rep. Brandenburg Seconded By Rep. Rennerfeldt

Representatives	Yes	No	Representatives	Yes	No
CARLSON, AL, CHAIRMAN	✓		NICHOLAS, EUGENE	A	
DROVDAL, DAVID, V-CHAIR	✓		RENNER, DENNIS	✓	
BRANDENBURG, MICHAEL	✓		RENNERFELDT, EARL	✓	
CLARK, BYRON		✓	SCHMIDT, ARLO	A	
GROSZ, MICHAEL	✓		WIKENHEISER, RAY	✓	
HERBEL, GIL	✓		WINRICH, LONNY	✓	
KELSH, SCOT	✓				
KROEBER, JOE	✓				
LLOYD, EDWARD	✓				

Total (Yes) 12 No 1

Absent 2

Floor Assignment Rep. Winrich

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2336, as engrossed: Finance and Taxation Committee (Rep. Carlson, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO NOT PASS** (12 YEAS, 1 NAY, 2 ABSENT AND NOT VOTING). Engrossed SB 2336 was placed on the Sixth order on the calendar.

Page 1, after line 23, insert:

"(3) The taxpayer shall apply to the director of the department of economic development and finance for certification that the research and development center and its expenditures are qualified for the deduction under this subdivision. The director shall provide the taxpayer with a certificate of approval, a copy of which must be attached to each return on which the deduction is claimed."

Page 2, line 1, replace "3" with "4"

Page 2, after line 2, insert:

"(5) The taxpayer shall maintain production operations in this state for ten years. If the taxpayer relocates any part of its production facilities outside this state within the ten-year period, the deduction is disallowed. The director shall notify the tax commissioner of the relocation. Within ninety days after the relocation, the taxpayer shall file an amended return, or provide other information as required by the tax commissioner, for the tax year in which the deduction was claimed to report the disallowed deduction and pay the tax due. Notwithstanding the time periods for assessment in section 57-38-38, if the taxpayer fails to file the amended return, the tax commissioner may assess any tax attributable to the deduction."

Renumber accordingly

2001 TESTIMONY

SB 2336

2/12/01 Proposed
Amendments
(10500.0100)

10500.0100

Fifty-seventh
Legislative Assembly
of North Dakota

SENATE BILL NO. 2336

Introduced by

Senators Lee, Klein

Representatives Berg, Clark, Pietsch

1 A BILL for an Act to create and enact a new subdivision to subsection 1 of section 57-38-01.3 of
2 the North Dakota Century Code, relating to a corporate income tax deduction for research and
3 development expenditures at an approved research and development center in this state; and
4 to provide an effective date.

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

6 **SECTION 1.** A new subdivision to subsection 1 of section 57-38-01.3 of the North
7 Dakota Century Code is created and enacted as follows:

8 Reduced by ~~twenty percent~~²⁰ of qualified research and development costs of a
9 product produced in this state. ~~This deduction is available in each of the first~~^{Twenty percent of this}
10 five taxable years of sales of the product by the corporation. For purposes of
11 this section:

12 (1) "Qualified research and development costs" means expenditures by the
13 corporation for research and development performed at an approved
14 research and development center for the product.

15 (2) "Research and development center" means a ~~nonprofit~~² research and
16 development facility ^{located in this state} that has been approved by the department of
17 economic development and finance to conduct research necessary to
18 create, develop, and bring products to market.

19 **SECTION 2. EFFECTIVE DATE.** This Act is effective for taxable years beginning after
20 December 31, 2000.

(3) Any expenditure for which a deduction is claimed under
this subdivision is not eligible for the tax credit under
Section 57-38-30.5.



CLAYBURGH
MISSIONER

STATE OF NORTH DAKOTA

OFFICE OF STATE TAX COMMISSIONER

STATE CAPITOL, 600 E. BOULEVARD AVE., DEPT. 127, BISMARCK, NORTH DAKOTA 58505-0599

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<http://www.state.nd.us/taxdpt>

MEMORANDUM

To: Chairman Urlacher and Members of the Senate Finance and Taxation Committee

From: Donnita A. Wald, Special Assistant Attorney General

Date: February 7, 2001

Re: Senate Bill 2336 - Research and Development Deduction

During Monday's hearing on Senate Bill 2336, Senator Stenehjem asked how much of a deduction would have been taken based on the credits claimed in 1998 for the research and development tax credit under N.D.C.C. § 57-38-30.5. Assuming the R&D expenditures would qualify under both, the amount of the deduction under SB 2336 would be approximately \$9,990,000. This amount would then be reduced by the taxpayer's apportionment factor to determine the amount attributable to North Dakota sources.

I hope this answers Senator Stenehjem's question. If you have any questions, please contact me at 328-2777 or dwald@state.nd.us.

FACT SHEET

Senate Bill 2336 (Research and Technology Centers)

Explanation: North Dakota's history has been that of exporting technology. Up until recently, the technology that was developed in North Dakota never generated jobs in North Dakota. That is changing and it can change faster. This bill would give credits to a private sector company on the research they do if they produce that product or service in North Dakota.

- We would lose nothing, this would be a revenue-generating bill. Given the corporate income tax, we would make millions on sales taxes and personal income taxes from the new employees that would be hired in the state when companies take the technology and manufacture it here in North Dakota.
- It would give our universities a tool in their technology centers. They do research for major corporations worldwide and would be able to offer a significant tax credit on the cost of research in the development stage of the product if they made the product in North Dakota.
- It is a sound investment in North Dakota's future. It keeps the technology that is developed in the state and generates quality jobs.
- Rural and statewide impact
- The program is managed by ED&F and it allows them the ability to negotiate the tax credit based on estimated return in tax dollars.
- The program would more than likely cost the state nothing due to the fact that the technology is not being developed here now.