



Legislative Update

March 20, 2009 - No. 12

Federal Stimulus Update

On Tuesday, March 17, the Office of Management and Budget presented a report on the anticipated Federal Stimulus funding to the House and Senate Appropriation Committees. Legislative budget analysts anticipate that North Dakota will receive approximately \$650 million in stimulus funds, up from the \$582 million they had predicted earlier. These funds have the potential to affect 13 different state agency budgets and 50 state funded programs. The updated summary is attached.

In addition to funds allocated to state agencies, a portion of the funding will be distributed through federal agencies. This includes:

- \$2.5 billion through the United States Department of Agriculture for broadband loans and grants to rural communities and \$4.7 billion through the United States Department of Commerce, and
- \$4.7 billion to develop and expand broadband services to rural and underserved areas and improve access to broadband by public safety agencies.

Key Hearings Held March 16-20

There were no hearings on bills being monitored by ITCND this week.

Status of Key Bills

SB 2040 – Support

SB 2040 was given a 9-3 “do pass with amendment” recommendation by the House Finance and Taxation Committee March 17, and the House adopted the amendment on March 18. This bill provides a sales and use tax exemption for new or replacement equipment used for telecommunications infrastructure development. The amendment removes the interim study the Senate had added, which would examine all taxes imposed on telecommunications services in this state. The bill was rereferred to House Appropriations.

SB 2062 – Support

The House adopted the amendments recommended by the House Education Committee March 16, and it was rereferred to House Appropriations. Included in the bill is the creation of the science, technology, engineering and math (STEM) loan forgiveness program. The House Education amendments decreased the amount and duration of loan forgiveness from \$2,000 for up to five years to \$1,500 for up to four years and also stated the program would not accept new applicants following the 2009-11 biennium. The current total appropriation for the program is \$1.7 million, which is split between SB 2062 (\$1 million) and SB 2003 (\$696,000).

SB 2062 will be heard before the House Appropriations Education and Environment Subcommittee on Monday, March 23, at 1:45 p.m. in the Sakakawea Room.

SB 2269 – Support

SB 2269 unanimously passed the House March 19. This bill builds on the angel fund investment income tax credit that was established during the 2007 session. The tax credit provides an incentive for pools of investors, or angel funds, to invest in high risk economic development projects, which may include IT entrepreneurial ventures. The bill provides further definition of the composition of an angel fund to guard against potential abuse of the credit by investors.

Hearing Schedule and Status Report (March 23-27)

Most of the committee hearings for bills ITCND is monitoring are completed. The work will now take place in subcommittees and conference committees. A status report for the bills being tracked by ITCND is attached.

For More Information

If at any time you need additional information or know of others who are interested in receiving this report, contact Annika Nelson, ITCND assistant executive director, at office@itcnd.org or 701-355-4458.

Copies of bill drafts and information about the 61st Legislative Session can be found at the Bills and Resolutions link on the North Dakota Legislative Council website at www.legis.nd.gov/.

How to Contact Your Legislators

During a legislative session, a legislator can be reached at the State Capitol through e-mail or by leaving a message with the legislative telephone message center at 888-NDLEGIS (635-3447) or 701-328-3373 (local). These numbers can also be used to obtain information on bills under consideration. Otherwise, a legislator can be reached by mail or e-mail at the address listed in the legislator's bio online under the 61st Legislative Assembly link at www.legis.nd.gov/assembly/61-2009.

Addressing Mail Correspondence

To a Senator:

Honorable (full name)
State Senator
600 E. Boulevard Ave.
Bismarck, ND 58505

Dear Senator (last name)

To a Representative:

Honorable (full name)
State Representative
600 E. Boulevard Ave.
Bismarck, ND 58505

Dear Representative (last name)

2009 Legislative Deadlines

Date

April 10

April 30

Topic

Good Friday

Session is limited to 80 legislative days

Legislative Bills Tracked (to date)

Appropriation Bills

[SB 2003](#) – North Dakota University System – Support

[SB 2016](#) – Job Service North Dakota – Support

[SB 2018](#) – North Dakota Department of Commerce – Support

[SB 2019](#) – North Dakota Department of Career and Technical Education – Support

[SB 2021](#) – Information Technology Department – Support

Other Bills

[HB 1144](#) – Relating to confidentiality of information contained in records – Track

[HB 1202](#) – Relating to entrepreneurship awards; relating to the Bank of North Dakota and North Dakota development fund, incorporated, use of funds for entrepreneurship awards; and to provide an expiration date – Track

[SB 2040](#) – Sales and use tax exemption for telecommunications infrastructure equipment – Support

[SB 2062](#) – STEM loan forgiveness program – Support; Opportunity grant program – Support

[SB 2110](#) – Expands Operation Intern to include apprenticeships and participation from 11th and 12th graders – Support

[SB 2131](#) – Relating to service charges for recycling and disposal for surplus property – Track

[SB 2269](#) – Relating to angel fund investment income tax credits – Support

[SB 2325](#) – Relating to the streamlined sales tax agreement – Track

[SB 2347](#) – Relating to gross receipts from the sale of items delivered electronically – Track

[SB 2390](#) – Relating to the establishment and development of certified technology parks – Track