

## **CHAPTER 54-60**

### **DEPARTMENT OF COMMERCE**

**54-60-01. Definitions.** In this chapter, unless the context or subject matter otherwise requires:

1. "Cabinet" means the North Dakota commerce cabinet.
2. "Commissioner" means the commissioner of commerce.
3. "Department" means the department of commerce.
4. "Foundation" means the North Dakota economic development foundation.

**54-60-02. Department of commerce - Divisions.** The North Dakota department of commerce is created. All records, materials, supplies, and equipment used by the division of community services, department of economic development and finance, and the department of tourism are transferred to the department.

1. The department must consist of:
  - a. A division of community services;
  - b. A division of economic development and finance;
  - c. A division of tourism;
  - d. A division of workforce development; and
  - e. Any division the commissioner determines necessary to carry out this chapter.
2. The commissioner shall appoint the director of each division of the department. Each director appointed by the commissioner serves at the pleasure of the commissioner and is entitled to receive a salary set by the commissioner within the limits of legislative appropriations.

**54-60-03. Commissioner of commerce - Duties.** With the advice and counsel of the North Dakota development foundation, the governor shall appoint a commissioner to supervise, control, and administer the department. The commissioner serves at the pleasure of the governor and receives a salary set by the governor within the limits of legislative appropriations. The commissioner:

1. Shall file an oath of office in the usual form before commencing to perform the duties of the commissioner;
2. Shall serve as chairman of the cabinet;
3. Shall appoint personnel as may be determined necessary to carry out the duties of the department;
4. Shall manage the operations of the department and oversee each of the divisions;
5. Shall assume central responsibilities to develop, implement, and coordinate a working network of commerce service providers;
6. Shall coordinate the department's services with commerce-related services of other state agencies;

7. Shall advise and cooperate with departments and agencies of the federal government and of other states; private businesses, agricultural organizations, and associations; research institutions; and with any individual or other private or public entity;
8. May enter contracts upon terms and conditions as determined by the commissioner to be reasonable and to effectuate the purposes of this chapter;
9. Shall report between the first and tenth legislative days of each regular legislative session to a standing committee of each house of the legislative assembly as determined by the legislative management and shall report annually to the foundation:
  - a. On the department's goals and objectives since the last report;
  - b. On the department's goals and objectives for the period until the next report;
  - c. On the department's long-term goals and objectives;
  - d. On the department's activities and measurable results occurring since the last report; and
  - e. On commerce benchmarks, including the average annual wage in the state, the gross state product exclusive of agriculture, and the number of primary sector jobs in the state;
10. Shall adopt rules necessary to implement this chapter; and
11. May take any actions necessary and proper to implement this chapter.

**54-60-04. North Dakota economic development foundation - Executive committee - Duties.** The North Dakota economic development foundation is created.

1. The foundation is composed of a minimum of fifteen and a maximum of thirty members appointed by the governor for two-year terms, except the governor shall appoint approximately one-half of the initial foundation members to one-year terms in order to initiate a cycle of staggered terms. Appointment of the foundation members must ensure a cross section of business, tourism, and economic development representation, and must ensure that at least one member represents rural concerns.
2. The foundation members shall elect an executive committee with a minimum of five and a maximum of seven foundation members, which shall include a chairman, vice chairman, secretary, treasurer, and up to three members at large.
3. The foundation shall seek funding for administrative expenses from private sector sources and shall seek and distribute private sector funds for use in commerce-related activities of the state.
4. The foundation shall:
  - a. Provide the governor advice and counsel in selecting the commissioner.
  - b. Serve in an advisory role to the commissioner.
  - c. Develop a strategic plan for economic development in the state and set accountability standards, measurements, and benchmarks to evaluate the effectiveness of the department in implementing the strategic plan.

- d. Develop a strategic plan for the development of value-added agriculture in the state.
- e. Monitor tourism and economic development activities and initiatives of the department.
- f. Recommend state and federal legislation relating to strengthening the state's economy and increasing the state's population.
- g. Monitor state and federal legislation and initiatives that may impact the state's economy and population.
- h. Serve as a source of expertise for developing public and private initiatives to strengthen the state's economy and increase the state's population.

**54-60-05. Compensation and reimbursement of foundation members.** The foundation may establish the level of compensation to which a foundation member is entitled. A foundation member is entitled to reimbursement for mileage and expenses as provided for state officers.

**54-60-06. Commerce cabinet.** The North Dakota commerce cabinet is created. The cabinet is composed of the directors of each of the department divisions and of the executive heads, or other authorized representatives, of the state board for career and technical education, the state board of higher education, the Bank of North Dakota, the department of agriculture, workforce safety and insurance, the department of transportation, job service North Dakota, the game and fish department, and of any other state agency appointed by the commissioner. The commissioner is the chairman of the cabinet and shall determine which agencies are members of the cabinet. The cabinet shall:

- 1. Coordinate and communicate economic development and tourism efforts of the agencies represented.
- 2. Meet at times determined by the commissioner.

**54-60-07. Cooperation with other agencies or private entities to jointly publish or mail publications.** The department may cooperate with other state agencies or with a private entity for the purpose of jointly publishing or distributing information or publications as provided in section 54-06-04.3.

**54-60-08. Workforce safety and insurance commerce data.** Repealed by S.L. 2005, ch. 606, § 3.

**54-60-09. Division of workforce development - Duties.** The division of workforce development shall:

- 1. Actively monitor local, regional, and national private and public workforce development initiatives.
- 2. Develop and implement the state's talent strategy.
- 3. Develop and implement a statewide intelligence coordination strategy.

**54-60-10. Career guidance and job opportunities - Internet web site - Fees - Continuing appropriation.** Repealed by S.L. 2007, ch. 493, § 9.

**54-60-11. Target industries - Report to legislative council.** Repealed by S.L. 2009, ch. 480, § 16.

**54-60-12. North Dakota image information program.** The commissioner shall implement a program for use by state agencies to assist state agencies and state agencies' employees to present to the public a positive image of the state. The commissioner may expand the program to include use of the program by the private sector.

**54-60-13. Business hotline.** The commissioner shall create and implement a business hotline program. The program must provide for a telephone number through which the department shall provide, during regular business hours, in-state and out-of-state callers with information regarding how to do business in the state, the services and assistance available to businesses, the advantages of doing business in the state, and information on state and other resources that provide assistance to businesses in the state. In addition to directly providing information, the department may use the business hotline as a clearinghouse through which to refer callers to other federal, state, local, or private sector economic developers. The program must include an in-state and out-of-state marketing campaign in support of the program. The commissioner shall follow up on business leads gained through the program and shall gather data on the results of calls, including business expansion, location, and startup.

**54-60-14. North Dakota American Indian business development office.** A North Dakota American Indian business development office is established within the department to assist North Dakota American Indian tribal and individual economic development representatives, businesses, and entrepreneurs with access to state and federal programs designed to assist these business interests. The office shall provide services to assist in the formation of partnerships between American Indian and non-American Indian businesses. The commissioner may contract with a third party for the provision of services for the office. If the commissioner contracts with a third party under this section, all data and data bases collected and created by the third party in performing services for the office are the property of the department and the third party.

**54-60-15. North Dakota women's business development office.** A North Dakota women's business development office is established within the department to develop and administer the North Dakota women's business program, to establish and fund the women's business leadership council, certify women-owned businesses for federal or state contracting, and to recruit, train, and assist women entrepreneurs to develop and diversify their businesses. The office must have an administrator and staff sufficient to implement the office's programs. The commissioner may contract with a third party for the provision of services for the office. If the commissioner contracts with a third party under this section, all data and data bases collected and created by the third party in performing services for the office are the property of the department and the third party.

**54-60-16. (Effective through June 30, 2011) International business and trade office - Advisory board.**

1. The commissioner shall administer the international business and trade office. The purpose of the office is to assist North Dakota businesses expand exports to international markets by:
  - a. Advocating for exporters;
  - b. Offering export educational opportunities to North Dakota businesses;
  - c. Researching and raising awareness of export opportunities, issues, and challenges impacting North Dakota businesses;
  - d. Assisting North Dakota businesses in identifying, developing, and cultivating international markets for products; and
  - e. Organizing and carrying out trade missions that seek to facilitate contact and communication between North Dakota businesses and international markets.

2. The commissioner may designate a nonprofit corporation incorporated in this state that has the primary purpose of assisting North Dakota exporters or contract with a third party for the provision of services for the international business and trade office. If the commissioner designates a nonprofit corporation or contracts with a third party under this subsection, all data and data bases collected and created by the third party in performing services for the office are the property of the department and the third party.
3. The department may seek and accept any gift, grant, or donation of funds, property, services, or other assistance from public or private sources for the purpose of furthering the objectives of the international business and trade office.
4. The commissioner may establish an international business and trade office advisory board with which the director may consult in administering the international business and trade office. Each member of the advisory board created under this subsection is entitled to receive per diem compensation at a rate established by the director not exceeding sixty-two dollars and fifty cents and reimbursement of expenses as provided by law for state officers, while attending meetings or performing duties directly related to board membership, except that per diem compensation under this section may not be paid to any member who receives compensation or salary as a regular state employee or official.

**(Effective after June 30, 2011) International business and trade office - Advisory board.**

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  - b. Offering export educational opportunities to North Dakota businesses;
  - c. Researching and raising awareness of export opportunities, issues, and challenges impacting North Dakota businesses;
  - d. Assisting North Dakota businesses in identifying, developing, and cultivating international markets for products; and
  - e. Organizing and carrying out trade missions that seek to facilitate contact and communication between North Dakota businesses and international markets.
2. The commissioner may contract with a third party for the provision of services for the international business and trade office. If the commissioner contracts with a third party under this subsection, all data and data bases collected and created by the third party in performing services for the office are the property of the department and the third party.
3. The department may seek and accept any gift, grant, or donation of funds, property, services, or other assistance from public or private sources for the purpose of furthering the objectives of the international business and trade office.
4. The commissioner may establish an international business and trade office advisory board with which the director may consult in administering the international business and trade office. Each member of the advisory board created under this subsection is entitled to receive per diem compensation at a rate established by the director not exceeding sixty-two dollars and fifty cents and reimbursement of expenses as provided by law for state officers, while attending meetings or performing duties directly related to board membership, except that per diem compensation under this

section may not be paid to any member who receives compensation or salary as a regular state employee or official.

**54-60-17. Division of workforce development - Internships, apprenticeships, and work experience opportunities.** The division of workforce development shall administer a program to increase use of internships, apprenticeships, and work experience opportunities for higher education students and high school students enrolled in grade eleven or twelve. The primary focus of this program must be higher education internships in target industries. This program shall provide services to employers, communities, and business organizations to increase internship, apprenticeship, and work experience opportunities. The department shall maintain records of the number of internship, apprenticeship, and work experience opportunities subsidized within each funding recipient which shall then constitute a base level for that funding recipient. The department in each subsequent biennium may only subsidize new or expanded internship, apprenticeship, and work experience opportunities above the base level for funding recipients.

**54-60-18. Division of workforce development - Career specialist.** The division of workforce development, in consultation with the department of career and technical education, job service North Dakota, and the superintendent of public instruction, shall develop and implement a program to assist public schools in promoting North Dakota career opportunities to students in grades nine through twelve.

**54-60-19. Division of workforce development - Talent strategy - Performance and accountability.**

1. The division of workforce development, in developing and implementing the state's talent strategy, shall:
  - a. Consult with partners in the state's system for workforce development, workforce training, and talent attraction, including job service North Dakota, the department of career and technical education, the superintendent of public instruction, the state board of higher education, the department of human services, and other divisions of the department of commerce.
  - b. Develop a comprehensive, consolidated biennial statewide strategic plan for the state's system for workforce development, workforce training, and talent attraction.
  - c. Continuously review, identify how to improve, and implement improvements to the state's system for workforce development, workforce training, and talent attraction.
  - d. Develop linkages between partners of the state's system for workforce development, workforce training, and talent attraction, to assure coordination and nonduplication of programs and services provided in the state.
2. The division of workforce development shall develop and implement a system of performance and accountability measures for the state's system for workforce development, workforce training, and talent attraction. Each partner of the state's system for workforce development, workforce training, and talent attraction shall cooperate in providing the division the data necessary to implement these measures.

**54-60-20. Beginning again North Dakota pilot program - Continuing appropriation - Report to legislative council.** Expired under S.L. 2007, ch. 18, § 53.

**54-60-21. Workforce enhancement council.** The workforce enhancement council consists of the private sector members of the workforce development council, the director of the

department of career and technical education, and the director of the division of workforce development, who shall serve as chairman.

**54-60-22. Workforce enhancement council - Grants.** The workforce enhancement council shall recommend to the commissioner the approval of grants to institutions of higher education assigned primary responsibility for workforce training in this state to be used to create or enhance training programs that address workforce needs of private sector companies. A grant made under this section may be used for curriculum development, equipment, recruitment of participants, and training and certification for instructors but may not be used to supplant funding for current operations. The department may distribute funds under this section after:

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

**54-60-23. Workforce enhancement fund - Continuing appropriation.** The workforce enhancement fund is a special fund in the state treasury. All funds in the workforce enhancement fund are appropriated to the department of commerce on a continuing basis for the purpose of implementing and administering sections 54-60-21 and 54-60-22. Interest earned by the fund must be credited to the fund.

**54-60-24. Rural development office.**

1. The commissioner shall administer the rural development office. The purpose of the office is to assist in the development of rural North Dakota communities.
2. The commissioner may contract with a third party for the provision of services for the rural development office. If the commissioner contracts with a third party under this subsection, all data and databases collected and created by the third party in performing services for the office are the property of the department and the third party.
3. The department may seek and accept any gift, grant, or donation of funds, property, services, or other assistance from public or private sources for the purpose of furthering the objectives of the rural development office.

**54-60-25. North Dakota rural development council - Composition.** The North Dakota rural development council is created.

1. The North Dakota rural development council is composed of a minimum of nine and a maximum of seventeen members. The commissioner is an ex officio voting member of the council. The governor shall appoint council members for two-year terms, except the governor shall appoint approximately one-half of the initial council members to one-year terms in order to initiate a cycle of staggered terms. Appointment of the council members must ensure representation from eight regions designated by the commissioner. Members of the council serve at the pleasure of the governor.
2. The council shall select its own officers who shall serve for a term of two years commencing on October first of each year.
3. The council shall have at least two meetings each year and such additional meetings as the chairman determines necessary at a time and place to be fixed by the chairman. Special meetings must be called by the chairman on written request of any four members. A simple majority of the council constitutes a quorum and may

act upon any matter coming before the council. Members of the council are entitled to reimbursement in the same manner and at the same rate provided by law for other state officials.

4. The council, in cooperation with the rural development office, shall:
  - a. Facilitate collaboration among federal, state, local, and tribal governments and the private and nonprofit sectors in the planning and implementation of programs and policies that have an impact on rural areas of the state;
  - b. Monitor, report, and comment on policies and programs that address, or fail to address, the needs of the rural areas of the state; and
  - c. Facilitate the development of strategies to reduce or eliminate conflicting or duplicative administrative or regulatory requirements of federal, state, local, and tribal governments.

**54-60-26. Division of workforce development - Annual reports - North Dakota workforce development council - Budget acceptance.**

1. Annually, job service North Dakota, the department of career and technical education, the department, and the state board of higher education each shall submit a report to the division of workforce development relating to the respective agency's current workforce initiatives and activities and that agency's plan for future workforce initiatives and activities. The division of workforce development shall consider these reports in preparing the consolidated biennial statewide strategic plan for the state's system for workforce development, workforce training, and talent attraction required under section 54-60-19.
2. Before November first of each even-numbered year, job service North Dakota, the department of career and technical education, the department, and the state board of higher education each shall present the respective agency's workforce-related budget initiatives for the upcoming biennium, including alignment of these initiatives with the consolidated biennial statewide strategic plan, to the North Dakota workforce development council, created by governor's executive order 1995-01, dated January 3, 1996. The North Dakota workforce development council members shall consider potential areas for collaboration.