

**DEPARTMENT OF COMMERCE ANNUAL REPORT ON BUSINESS INCENTIVES
TAXATION COMMITTEE
SEPTEMBER 21, 2021
SENATOR DALE PATTEN, CHAIRMAN**

CARLA VALENTINE – NORTH DAKOTA DEPARTMENT OF COMMERCE

Chairman Patten and members of the Taxation Committee, my name is Carla Valentine and I serve as a Program Manager for the North Dakota Department of Commerce. I'm here today to provide the annual report for calendar year 2020 on the business incentive accountability law as directed to by NDCC Section 54-60.1-07. The information is as of December 31, 2020.

The Business Incentive Accountability law (NDCC Chapter 54-60.1) was approved during the 2005 legislative session and the law took effect on January 1, 2006. This law applies to businesses that receive incentives totaling \$25,000 or more in a given year from state or local grantors.

The law requires grantors and recipient businesses enter a business incentive agreement (BIA Agreement) before the recipient business receives an incentive. This BIA Agreement contains a description of the incentive to be granted as well as job goals for the business to achieve within 2 years. Recipient businesses must report on progress towards their goals for at least two years and until they meet their goals. Another requirement of the BIA Agreement is that the incentive must meet one of the following public purposes: assisting community development, increasing the tax base, directly creating employment opportunities or indirectly creating employment opportunities through increased economic activity.

Business Incentive Programs

The following business incentive programs are subject to the Business Incentive Accountability law.

Agricultural Products Utilization Commission (APUC) – a grant program where the purpose is to create new wealth through the development of new and expanded uses of North Dakota agricultural products. It does this through the administration of seven grant categories, basic and applied grants, marketing and utilization grants, farm diversification grants, nature based agri-tourism grants, prototype grants, technology grants, and technical assistance grants. All grant requests are evaluated on the probability for job and wealth creation, the scientific and technical merit of any research, probability of rapid commercialization, a shared commitment for funds from other sources, and overall merit and geographical considerations. The public purposes for APUC grants include indirectly creating employment opportunities through increased economic activity or assisting community development.

Bioscience Innovation Grant (BIG) Program – a grant program to foster the growth of the bioscience industry in the state. The focus is to support biotechnology innovation and commercialization in areas including, crop genetics, biofuels, biomaterials, medical diagnostics, medical therapeutics, farm-based pharmaceuticals, and biosensors and biotechnology in relation to food, nutrition, animals, humans, equipment, medical and health products and services. The public purpose for BIG grants includes indirectly creating employment opportunities through increased economic activity or assisting community development.

Community Development Block Grant (CDBG) Program – provides financial assistance to eligible units of local Governments in the form of grants and loans for Public Facilities, Housing Rehabilitation, and Economic Development projects. The primary beneficiaries of these projects must be very low and low-income individuals. Examples of projects funded by CDBG in the respective emphasis areas are:

- Housing – housing rehabilitation of very low and low-income homeowner units and rental units within a particular area.
- Public Facilities – water and sewer projects, removal of architectural barriers, fire halls, ambulances, etc.
- Economic Development – cities and counties receive funds to loan/grant to businesses which create jobs for low-income persons.

The economic development portion of CDBG is the only portion subject to the Business Incentive Accountability Law and the public purpose is assisting community development.

Entrepreneurship Grants – Provides access to venture tools, online entrepreneur education, and extensive resources. Grant funds can be used to create a business plan, prototype development, coaching, and consulting and marketing assistance. The public purpose for the entrepreneurship grants is assisting community development.

Income Tax Exemption for New or Expanding Businesses – upon application from a project operator that qualifies as a new or expanding primary sector business or tourism destination attraction, the State Board of Equalization may grant an exemption from state income tax for a period not exceeding five years from commencement of project operations. For an expanding business, the income tax exemption applies only to income generated by the expansion of the business. The State Board of Equalization has determined the public purpose of this incentive is assisting community development.

Partnership in Assisting Community Expansion (PACE) – The PACE family of programs at the Bank of North Dakota (BND) is designed to encourage specific types of economic activity within the State of North Dakota. In general terms, PACE provides an interest buydown that can reduce the borrower’s rate of interest by as much as 5 percent.

[HB 1050 \(2021\)](#) amended NDCC Chapter 54-60.1-01.2b where incentives resulting from Bank of North Dakota programs are not included unless the incentive requires job creation to fulfill a requirement for the incentive. Effective August 1, 2021, Bank of North Dakota BIA Agreements that do not require job creation were closed.

The traditional PACE Program assists North Dakota communities expand their economic base by providing an interest buydown to encourage new job development. In May of 2017, the Industrial Commission approved changes to the parameters of the PACE program enabling program participants to choose job creation or project investment for buydown eligibility. This change creates a connection between the community buydown and investment or job creation as proposed to a loan amount. If the goals are not met, the interest buydown is prorated to reflect any partial fulfillment or discontinued if no creation has occurred.

As part of the change, companies applying for PACE are required to secure certification as a primary sector company through the Department of Commerce per NDCC 1-01-49. The public purpose for PACE includes directly creating employment opportunities, indirectly creating employment opportunities, or assisting community development.

The North Dakota Development Fund, Inc. – provides financing for “primary sector” businesses, including agricultural processing, manufacturing, tourism and export service companies. The Fund provides “gap” financing not available from other, more conventional sources. Innovative financing options are available to provide both short and long-term capital to new, expanding or relocating businesses in the state of North Dakota. The public purpose for the Development Fund financing includes

directly creating employment opportunities, job retention, assisting community development, or indirectly creating employment opportunities through increased economic activity.

The Renaissance Zone program – offers a tool to help cities revitalize their communities. By offering both state and local tax incentives for 5 years, the program is unique in that cities develop handcrafted development plans that address each city's specific goals. The public purpose of the Renaissance Zone is assisting community development.

Summary of Results

The Department of Commerce has the responsibility under NDCC §54-60.1-07 to report annually on the business incentive accountability law including a summary of the results and a compilation of the data reported by the state grantors. In fulfillment of this responsibility, this report includes a summary of the results and a full compilation is being provided to Legislative Council staff. A full copy of this report, including the 221-page compilation of the results by business, is also available at www.NDCommerce.com/Accountability. Commerce also offers a public search feature on its website that provides real time results of the business incentive reporting.

For the period 2016 through 2020 there were 865 BIA agreements entered into the database with a total incentive value of \$124,835,930. Tables 1-3 provide the distribution of business incentives by incentive type, public purpose, and type of business, respectively. We utilized the North American Industrial Classification System (NAICS) in order to breakdown the type of business. Table 4 provides the number of agreements entered into the database by year and goal type (create jobs, retain jobs, or neither create nor retain jobs).

Tables 5a, 5b, and 5c show there were 4,113.5 jobs created and retained over the last five years compared to a goal of 1,990.5 jobs. Of these 4,113.5 jobs, 2,289 jobs are considered bonus jobs. The definition of a bonus job is when the public purpose does not require job creation, such as assisting community development. Projects with no job creation goals are still required to report on the number of jobs created annually.

Tables 5a, 5b, and 5c also show the wages and benefits compared to their goals and as you can see, the wages and benefits generally exceeded the goals over the last five-year period.

Table 6 provides the number of agreements and job results for each program over the five-year period.

Chart 1 shows the percentage of business incentives that reached goals within two, three, and four years from the benefit date.

Chairman Patten and members of the Taxation Committee, that concludes my report and I'd be happy to answer any questions you may have.

Table 1. Incentive Value by Incentive Type

Incentive Type	Total BIA Value	2016	2017	2018	2019	2020
Contribution of Property or Infrastructure	\$748,827.00	\$0.00	\$0.00	\$748,827.00	\$0.00	\$0.00
Direct Cash Transfer, Loan or Equity Investment	\$41,113,111.42	\$7,939,032.39	\$9,436,985.02	\$10,154,918.37	\$9,520,502.95	\$4,061,672.69
Guarantee of Payment under Loan Lease	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Interest Buydown	\$67,081,708.61	\$11,463,591.35	\$10,416,925.62	\$21,096,492.08	\$10,930,152.40	\$13,174,547.16
Preferential Use of Government Facilities	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Reduction or Deferral of Tax or Fee	\$15,892,282.51	\$3,339,150.54	\$2,612,203.55	\$3,608,896.39	\$3,363,930.33	\$2,968,101.70
TOTAL	\$124,835,929.54	\$22,741,774.28	\$22,466,114.19	\$35,609,133.84	\$23,814,585.68	\$20,204,321.55

Table 2. Incentive Value by Public Purpose

Public Purpose	Total BIA Value	2016	2017	2018	2019	2020
Assisting Community Development	\$84,500,277.33	\$16,424,692.84	\$13,259,109.64	\$23,769,403.38	\$15,365,130.45	\$15,681,941.02
Directly Creating Employment Opportunities	\$21,998,040.63	\$4,710,765.05	\$6,075,628.00	\$5,115,860.00	\$4,561,748.90	\$1,534,038.68
Increasing Tax Base	\$10,276,018.13	\$0.00	\$1,401,376.55	\$3,887,760.55	\$2,587,706.33	\$2,399,174.70
Indirectly Creating Employment Opportunities through Increased Economic Development	\$1,314,167.45	\$0.00	\$650,000.00	\$75,000.30	\$0.00	\$589,167.15
Job Retention (only in cases in which job loss is specific and demonstrable)	\$6,747,426.00	\$1,606,316.39	\$1,080,000.00	\$2,761,109.61	\$1,300,000.00	\$0.00
TOTAL	\$124,835,929.54	\$22,741,774.28	\$22,466,114.19	\$35,609,133.84	\$23,814,585.68	\$20,204,321.55

Table 3. Incentive Value by Type of Business (Sorted by Total BIA Value)

Business Type	Total BIA Value	2016	2017	2018	2019	2020
531 - Real Estate	\$40,825,518.47	\$7,565,900.94	\$6,682,832.13	\$13,939,092.90	\$7,536,658.15	\$5,101,034.35
541 - Professional, Scientific, and Technical Services	\$8,709,953.08	\$1,608,750.00	\$2,580,435.13	\$1,845,801.79	\$1,929,107.51	\$745,858.65
311 - Food Manufacturing	\$6,360,307.38	\$570,300.00	\$509,299.60	\$3,835,706.33	\$416,075.00	\$1,028,926.45
624 - Social Assistance	\$6,290,766.01	\$1,818,355.33	\$1,512,337.45	\$1,523,066.82	\$1,090,856.66	\$346,149.75
112 - Animal Production	\$3,767,673.58	\$799,208.84	\$1,251,660.30	\$821,634.50	\$323,139.44	\$572,030.50
722 - Food Services and Drinking Places	\$3,148,932.49	\$129,390.00	\$383,940.32	\$891,217.32	\$1,161,842.73	\$582,542.12
523 - Securities, Commodity Contracts, and Other Financial Investments and Related Activities	\$3,131,906.41	\$475,000.00	\$0.00	\$2,574,952.55	\$0.00	\$81,953.86
333 - Machinery Manufacturing	\$3,047,967.63	\$25,500.00	\$372,875.00	\$689,562.12	\$1,834,970.00	\$125,060.51
332 - Fabricated Metal Product Manufacturing	\$3,005,998.95	\$600,000.00	\$227,338.38	\$915,578.87	\$941,958.31	\$321,123.39
339 - Miscellaneous Manufacturing	\$2,970,761.46	\$452,274.70	\$600,500.00	\$1,523,309.61	\$190,510.00	\$204,167.15

325 - Chemical Manufacturing	\$2,378,380.51	\$84,000.00	\$374,675.00	\$764,705.51	\$0.00	\$1,155,000.00
424 - Merchant Wholesalers, Nondurable Goods	\$2,010,579.30	\$712,941.10	\$62,726.66	\$852,285.83	\$99,502.28	\$283,123.43
621 - Ambulatory Health Care Services	\$1,816,157.85	\$0.00	\$225,928.19	\$223,313.55	\$906,933.36	\$459,982.75
721 - Accommodation	\$1,733,491.93	\$534,217.28	\$165,689.55	\$0.00	\$626,511.69	\$407,073.41
511 - Publishing Industries (except Internet)	\$1,637,195.64	\$82,195.64	\$1,200,000.00	\$125,000.00	\$150,000.00	\$80,000.00
532 - Rental and Leasing Services	\$1,602,908.22	\$500,000.00	\$832,280.00	\$31,097.00	\$39,915.00	\$199,616.22
713 - Amusement, Gambling, and Recreation Industries	\$1,515,867.39	\$39,191.65	\$819,548.43	\$49,300.00	\$607,827.31	
334 - Computer and Electronic Product Manufacturing	\$1,369,409.34	\$326,990.00	\$867,298.00	\$66,586.44	\$83,534.90	\$25,000.00
238 - Specialty Trade Contractors	\$1,365,175.55	\$745,171.29	\$38,967.12	\$56,702.84	\$448,786.28	\$75,548.02
444 - Building Material and Garden Equipment and Supplies Dealers	\$1,295,734.17	\$268,442.80	\$263,462.10	\$110,444.64	\$56,372.37	\$597,012.26
522 - Credit Intermediation and Related Activities	\$1,294,596.79	\$170,659.74	\$26,547.05	\$0.00	\$220,000.00	\$877,390.00
213 - Support Activities for Mining	\$1,211,396.00	\$0.00	\$171,445.42	\$152,285.73	\$620,499.49	\$267,165.36
811 - Repair and Maintenance	\$1,171,748.05	\$349,722.85	\$0.00	\$188,922.30	\$405,665.82	\$227,437.08
445 - Food and Beverage Stores	\$1,119,014.13	\$157,391.55	\$312,266.42	\$75,745.89	\$178,891.82	\$394,718.45
115 - Support Activities for Agriculture and Forestry	\$1,108,112.27	\$261,263.25	\$203,107.13	\$137,201.15	\$259,715.39	\$246,825.35
447 - Gasoline Stations	\$1,102,477.91	\$501,000.00	\$242,682.11	\$60,000.00	\$200,000.00	\$98,795.80
326 - Plastics and Rubber Products Manufacturing	\$952,147.39	\$0.00	\$249,798.65	\$350,000.00	\$77,812.74	\$274,536.00
312 - Beverage and Tobacco Product Manufacturing	\$932,708.48	\$0.00	\$31,456.82	\$802,200.00	\$37,396.66	\$61,655.00
236 - Construction of Buildings	\$912,627.81	\$100,000.00	\$87,695.27	\$0.00	\$309,932.54	\$415,000.00
484 - Truck Transportation	\$899,491.30	\$142,857.02	\$0.00	\$226,429.71	\$250,604.42	\$279,600.15
321 - Wood Product Manufacturing	\$857,761.83	\$0.00	\$21,745.00	\$236,016.83	\$600,000.00	\$0.00
441 - Motor Vehicle and Parts Dealers	\$788,363.16	\$326,812.32	\$107,475.00	\$136,991.67	\$0.00	\$217,084.17
999 - Unknown	\$746,250.00	\$65,000.00	\$25,000.00	\$0.00	\$26,250.00	\$630,000.00

518 - Data Processing, Hosting, and Related Services	\$728,125.00	\$228,125.00	\$500,000.00	\$0.00	\$0.00	\$0.00
335 - Electrical Equipment, Appliance, and Component Manufacturing	\$721,547.18	\$0.00	\$65,000.00	\$0.00	\$265,000.00	\$391,547.18
813 - Religious, Grantmaking, Civic, Professional, and Similar Organizations	\$670,471.14	\$0.00	\$100,000.00	\$234,549.73	\$0.00	\$335,921.41
336 - Transportation Equipment Manufacturing	\$650,000.00	\$0.00	\$0.00	\$250,000.00	\$400,000.00	\$0.00
812 - Personal and Laundry Services	\$618,784.81	\$173,735.61	\$0.00	\$150,183.18	\$131,877.82	\$162,988.20
561 - Administrative and Support Services	\$609,386.17	\$0.00	\$35,308.40	\$0.00	\$0.00	\$574,077.77
331 - Primary Metal Manufacturing	\$567,684.53	\$240,000.00	\$327,684.53	\$0.00	\$0.00	\$0.00
212 - Mining (except Oil and Gas)	\$500,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$500,000.00
423 - Merchant Wholesalers, Durable Goods	\$487,398.80	\$0.00	\$100,000.00	\$135,546.44	\$251,852.36	\$0.00
111 - Crop Production	\$441,762.54	\$126,250.00	\$75,000.00	\$0.00	\$0.00	\$240,512.54
485 - Transit and Ground Passenger Transportation	\$427,100.00	\$427,100.00	\$0.00	\$0.00	\$0.00	\$0.00
337 - Furniture and Related Product Manufacturing	\$417,289.65	\$109,674.16	\$42,695.10	\$264,920.39	\$0.00	\$0.00
448 - Clothing and Clothing Accessories Stores	\$377,848.33	\$312,103.33	\$32,745.00	\$0.00	\$0.00	\$33,000.00
454 - Nonstore Retailers	\$368,519.04	\$197,115.00	\$0.00	\$171,404.04	\$0.00	\$0.00
622 - Hospitals	\$365,743.99	\$127,687.13	\$0.00	\$83,081.44	\$0.00	\$154,975.42
442 - Furniture and Home Furnishings Stores	\$355,662.57	\$312,500.00	\$43,162.57	\$0.00	\$0.00	\$0.00
211 - Oil and Gas Extraction	\$333,714.24	\$0.00	\$0.00	\$133,714.24	\$200,000.00	\$0.00
446 - Health and Personal Care Stores	\$332,857.63		\$100,000.00	\$53,926.00	\$178,931.63	
562 - Waste Management and Remediation Services	\$321,890.21	\$38,247.71	\$0.00	\$283,642.50	\$0.00	\$0.00
611 - Educational Services	\$307,180.73	\$0.00	\$100,297.67	\$0.00	\$0.00	\$206,883.06
524 - Insurance Carriers and Related Activities	\$305,649.06	\$0.00	\$0.00	\$137,481.50	\$115,142.44	\$53,025.12
425 - Wholesale Electronic Markets and Agents and Brokers	\$283,513.76	\$0.00	\$0.00	\$177,041.81	\$0.00	\$106,471.95
314 - Textile Product Mills	\$250,000.00	\$250,000.00	\$0.00	\$0.00	\$0.00	\$0.00
525 - Funds, Trusts, and Other Financial Vehicles	\$224,782.00	\$0.00	\$224,782.00	\$0.00	\$0.00	

323 - Paper Manufacturing	\$200,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$200,000.00
481 - Air Transportation	\$200,000.00		\$0.00	\$0.00	\$0.00	\$200,000.00
492 - Couriers and Messengers	\$200,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$200,000.00
711 - Performing Arts, Spectator Sports, and Related Industries	\$200,000.00	\$0.00	\$0.00	\$0.00	\$200,000.00	\$0.00
926 - Administration of Economic Programs	\$200,000.00	\$0.00	\$0.00	\$200,000.00	\$0.00	
113 - Forestry and Logging	\$197,889.79	\$0.00	\$0.00	\$0.00	\$197,889.79	\$0.00
551 - Management of Companies and Enterprises	\$175,280.90	\$82,462.71	\$92,818.19	\$0.00	\$0.00	\$0.00
516 - Internet Publishing and Broadcasting	\$160,000.00	\$160,000.00	\$0.00	\$0.00	\$0.00	\$0.00
322 - Paper Manufacturing	\$151,000.00	\$151,000.00	\$0.00	\$0.00	\$0.00	\$0.00
517 - Telecommunications	\$150,841.00	\$150,841.00	\$0.00	\$0.00	\$0.00	\$0.00
452 - General Merchandise Stores	\$150,477.58	\$0.00	\$0.00	\$0.00	\$150,477.58	\$0.00
237 - Heavy and Civil Engineering Construction	\$147,094.85	\$66,314.40	\$30,608.50	\$0.00	\$0.00	\$50,171.95
451 - Sporting Goods, Hobby, Musical Instrument, and Book Stores	\$145,000.00	\$0.00	\$145,000.00	\$0.00	\$0.00	\$0.00
712 - Museums, Historical Sites, and Similar Institutions	\$129,999.99	\$0.00	\$0.00	\$0.00	\$0.00	\$129,999.99
623 - Nursing and Residential Care Facilities	\$121,604.32	\$83,636.54	\$0.00	\$0.00	\$0.00	\$37,967.78
453 - Miscellaneous Store Retailers	\$102,397.45	\$62,397.45	\$0.00	\$40,000.00	\$0.00	\$0.00
443 - Electronics and Appliance Stores	\$88,490.67	\$0.00	\$0.00	\$88,490.67	\$0.00	\$0.00
315 - Apparel Manufacturing	\$76,129.00	\$0.00	\$0.00	\$0.00	\$0.00	\$76,129.00
519 - Other Information Services	\$75,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$75,000.00
114 - Fishing, Hunting and Trapping	\$62,500.00	\$0.00	\$0.00	\$0.00	\$62,500.00	\$0.00
221 - Utilities	\$54,240.00	\$0.00	\$0.00	\$0.00	\$0.00	\$54,240.00
512 - Motion Picture and Sound Recording Industries	\$40,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$40,000.00
327 - Nonmetallic Mineral Product Manufacturing	\$30,047.94	\$30,047.94	\$0.00	\$0.00	\$0.00	\$0.00
491 - Postal Service	\$29,644.19	\$0.00	\$0.00	\$0.00	\$29,644.19	\$0.00

Table 4. Total Business Incentive Agreements by Job Creation, Job Retention, or Neither

Year	Total	Create Jobs	Neither Create or Retain Jobs	Retain Jobs
2016	181	39	133	9
2017	161	40	117	4
2018	167	35	124	8
2019	173	29	136	8
2020	183	13	164	6
TOTAL	865	156	674	35
Percentage	100%	18%	78%	4%

Table 5a. Create Jobs

Year	No. of Agreements	Incentive Value	Job Goals	Jobs Actual	Average Comp Goal	Average Comp Actual	Percentage Compliant	Percentage Open
2016	39	\$7,419,607.14	411.5	508.5	\$21.81	\$31.27	72%	21%
2017	40	\$7,191,924.49	407.0	343.0	\$26.64	\$31.65	65%	35%
2018	35	\$6,557,835.00	156.5	419.0	\$22.77	\$34.57	60%	54%
2019	29	\$4,872,078.84	239.0	81.5	\$29.53	\$28.73	72%	69%
2020	13	\$2,181,118.83	153.0	105.0	\$23.80	\$29.20	100%	92%
TOTAL	156	\$28,222,564.30	1,367.0	1,457.0				

Table 5b. Retain Jobs

Year	No. of Agreements	Incentive Value	Job Goals	Jobs Retained	Bonus Jobs	Total Jobs	Average Comp Goal	Average Comp Actual	Percentage Compliant	Percentage Open
2016	9	\$1,634,003.52	316.5	161.5	12.0	173.5	\$11.50	\$13.23	89%	11%
2017	4	\$980,000.00	74.0	66.0	8.5	74.5	\$34.62	\$38.92	75%	25%
2018	8	\$1,861,109.61	94.0	64.0	3.5	67.5	\$23.44	\$22.30	63%	38%
2019	8	\$1,024,305.00	77.0	69.0	9.0	78.0	\$38.50	\$41.31	50%	100%
2020	6	\$507,438.07	62.0	7.0	1.0	8.0	\$26.40	\$13.00	100%	83%
TOTAL	35	\$6,006,856.20	623.5	367.5	34.0	401.5				

Table 5c. Neither Create or Retain Jobs

Year	No. of Agreements	Incentive Value	Bonus Jobs	Percentage Compliant	Percentage Open
2016	133	\$13,688,163.62	246.0	92%	0%
2017	117	\$14,294,189.70	580.5	91%	3%
2018	124	\$27,190,189.23	941.0	92%	9%
2019	136	\$17,918,201.84	429.5	93%	17%
2020	164	\$17,515,764.65	58.0	99%	28%
TOTAL	674	\$90,606,509.04	2,255.0		

Table 6. Results by Program

Grantor	Incentive Value	Number of Agreements				Number of Jobs				
		Create	Retain	Neither	Total	Created	Retained	Bonus	Total	% Compliant
APUC	\$3,372,471.00	0	0	56	56	0.0	0.0	127.0	127.0	71%
Bank of North Dakota	\$72,323,234.39	12	1	488	501	638.5	0.0	1,826.0	2,464.5	99%
NVCP	\$5,499,044.82	29	4	4	37	87.0	65.0	8.5	160.5	68%
Child Care Grants	\$528,670.22	5	0	0	5	27.0	0.0	0.0	27.0	25%
Entrepreneurship	\$692,500.00	0	0	19	19	0.0	0.0	7.0	7.0	100%
Renaissance Zone	\$16,450,669.61	31	11	58	100	280.0	85.5	142.5	508.0	64%
Bioscience Innovation	\$443,322.00	0	0	7	7	0.0	0.0	6.0	6.0	100%
ND Development Fund	\$22,385,080.77	66	17	41	124	257.5	215.0	172.0	644.5	75%
CDBG	\$691,675.73	2	2	0	4	8.5	2.0	0.0	10.5	50%
St. Board of Equalization	\$2,449,261.00	11	0	1	12	158.5	0.0	0.0	158.5	100%
TOTAL	\$124,835,929.54	156	35	674	865	1,457.0	367.5	2,289.0	4,113.5	

Chart 1. Timeframe Job Creation and Job Retention Goals were Achieved



Definitions of the Business Incentive Agreement Results

Recipient: The Business or individual that was granted the business incentive.

Project Purpose: Assisting community development, increasing tax base, directly creating employment opportunities, or indirectly creating employment opportunities through economic development.

Incentive Type: Direct cash transfer, loan, or equity investment; contribution of property or infrastructure; reduction or deferral of any tax or any fee; guarantee of any payment under any loan, lease, or other obligation; or preferential use of government facilities given to a business.

Goal Type: Job creation, job retention or neither job creation or retention.

Compliance: The compliance status of the business incentive agreement. If the agreement is non-compliant, the reason(s) for non-compliance will be listed.

Grantor: The state agency that provided the business incentive.

Jobs: The number of jobs created or retained.

Wages: The average wages associated with the jobs created or retained.

Benefits: The average benefits associated with the jobs created or retained.

Total Compensation: The combined average wages and average benefits associated with the jobs.

Agreement Number: The unique number assigned to each agreement in the database.

Goal Value: The number of jobs to be created or retained. The average wages and benefits associated with these jobs.

Benefit Date: The date the business incentive was provided (benefit date).

Value at Benefit Date: The number of FTEs, average wages and benefits reported at the time the business incentive agreement was signed.

Value of Incentive: The dollar value of the business incentive.

Most Recently Reported: The number of FTEs and average wages and benefits reported on the latest recipient report.

Number of Reports Received: The number of completed recipient reports received.

Net Change: The Most Recently Reported minus the Value at Benefit Date.

Status: Whether the business incentive agreement is open or closed in the database. A closed agreement is no longer required to report annually.

Bonus Jobs: Projects where the project goal is neither create nor retain jobs, any jobs reported are categorized as bonus jobs. Projects where the project goal is to retain jobs and the job count reported exceeds the number of jobs at the time the business incentive agreement was signed, the jobs are categorized as bonus jobs.