



**Reshoring
Institute**

NORTH DAKOTA

State Economic Survey and Incentive Comparison

CONTACT INFORMATION

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US State Name: **North Dakota**

State Abbreviation: **ND**

State Economic Development Web
Address: www.NDBusiness.com

State Economic Development Email
Address: ndedf@nd.gov

State Economic Development Phone
Number: 701-328-5300

Additional Relevant Links for Relocating
Companies:

<http://www.nd.gov/>

INCOME AND OUTPUT

This section highlights the state's productivity and income to provide an understanding of the amount of business conducted and the rate of growth for businesses and individuals.

Source: *Federal Reserve Economic Data (FRED)*

Gross Domestic Product, in millions (2023): **74,113 millions of current dollars, all industries**

Gross Domestic Product % Growth (2022-2023): **2.01%, % change from preceding period**

GDP Per Capita (*This is often used as a standard of living measurement*) (2023): **94,540, current dollars**

Per Capita Personal Income % Change (2022-2023): **-2.6, % change from preceding period**

WORKFORCE

Source: *Federal Reserve Economic Data (FRED), Bureau of Labor Statistics, Dun & Bradstreet*

Total Population (2023): **783,926**

Total Civilian Labor Force (February 2024): **417,600**

Total Number of Persons Employed (February 2024): **409,400**

Total Number of Persons Unemployed (February 2024): **8,200**

Unemployment Rate % (February 2024): **2.0%**

Manufacturing Employment (February 2024): **28,900**

Professional and Business Services Employment (February 2024): **33,900**

State Right-to-Work Law (2024): **Yes**

Number of Manufacturing Operations (2024): **1,723**

State Workforce Development: **The North Dakota Workforce Development Division has multiple talent attraction strategies to support new and growing businesses meet their workforce needs. A national talent attraction program called [Find The Good Life](#) that allows employers to directly access people interested in relocating to North Dakota for job opportunities. The [Office of Legal Immigration](#) is partnering with communities and countries to give North Dakota employers access to qualified candidates already work-authorized in the U.S. and using existing Visa pathways for international recruitment. These programs work in partnership with Job Service ND where businesses can post jobs to North Dakota job seekers.**

EDUCATION

This section provides further insight into the potential workforce education levels, advanced areas of education, and partnerships between higher education and industry for insight into quality of labor force and growth sustainability.

Source: Federal Reserve Economic Data (FRED), North Dakota University System

% High School Diploma or More (2022): **93.9%**

% Bachelor's Degree or Higher (2022): **31.8%**

Enrollment in Higher Education Institutions (2022-2023): **65,962 students**

Science and Engineering Graduate Students (2023): **1,134 students**

List of High School, College, or University Manufacturing Partnership Programs (2024) (These are partnerships with manufacturers to help train future employees in certain skills):

- **R U Ready ND**
<https://www.cte.nd.gov/businessindustry>
- **University of North Dakota (UND) Center for Innovation**
<http://www.innovators.net/>
- **North Dakota State University (NDSU) Research and Technology Park**
<https://www.ndsuresearchpark.com/>
- **TrainND**
<https://www.trainnd.com/>

List of additional manufacturing training Programs (2024):

- **North Dakota New Jobs Training Program**
<https://www.jobsnd.com/employer-resources/north-dakota-new-jobs-training-program/>
- **Jobs Service Eligible Training Provider Lists**
<https://www.jobsnd.com/job-seeker/training-opportunities>

COST OF DOING BUSINESS

This section highlights the costs associated with doing business in the state including taxes, wages, insurance, and energy expenses.

Source: Tax Foundation, ND Jobs Service, Find Energy, Energy Information Administration, Federal Reserve Economic Data (FRED), ND Workforce Safety & Insurance

State Corporate Income Tax % (2024): **Graduated rate of 1.41% to 4.31%**

State Individual Income Tax % (2024): **Graduated rate of 1.1% to 2.9%**

State Level Sales Tax % (2024): **5%**

Local Average Sales Tax Rate % (2024): **1.96%**

Unemployment Insurance Tax Rate Schedule (2024):

- **Taxable Wage Base \$40,800**
- **New Employer Rates**
 - **Non-Construction: 1.09%**
 - **Construction: 9.68%**
- **Experience Rated Employers**
 - **Assigned rates based on the company's record of unemployment insurance taxes paid and benefits charged.**

Workers' Compensation Employer Insurance Costs per \$100 of Payroll (2024):

- **Companies may be eligible for discounts on their premium based on the company's "experience rating" or approved safety incentive program participation.**
- **Rates are based on industry, examples are provided in the table below.**

	Class	Base Rate	Max Annual Charge @ Wage Cap
Food Processing	2014	\$2.21	\$901.68
Mfg of Light Metal/Non-Metal	3124	\$1.37	\$558.96
Foundries - Implement and/or Equip	3504	\$3.38	\$1379.04
Computer/Electronics/Assembly	3685	\$0.62	\$252.96
Trucking and Hauling	7215	\$4.46	\$1819.68
Wholesale Warehouse	8016	\$2.53	\$1032.24
Professional/Business Reps	8747	\$0.26	\$106.08
Clerical Office Employees	8805	\$0.16	\$65.28

Average Industrial Electric Rate (2024): **6.99¢/kWh**

Average Price of Natural Gas Delivered to Industrial Consumers (March 2024): **\$1.84/Mcf**

Average Hourly Earnings of Production Workers in Manufacturing (2023): **\$26.42**

Minimum Wage (current): **\$7.25/hour**

Pending Legislation Regarding Minimum Wage: **No**

If you answered YES to the above question, What is the proposed minimum wage?:

If you answered YES to the above question, What is the legislative bill number?:

ENTREPRENEURSHIP AND INNOVATION

This section underscores the successes of the state in terms of business innovation through awards, venture capital, and intellectual property attainment.

Source: ND Department of Commerce, US Census, Federal Reserve Economic Data (FRED), Small Business Administration

Major Innovation Projects:

Northern Plains UAS Test Site: The Northern Plains Unmanned Aircraft Systems Test Site (NPUASTS) is one of only seven FAA-designated UAS test sites in the United States. The NPUASTS supports industry and government partners in UAS research and development, UAS flight operations; interfacing with the Federal Aviation Administration in pursuit of waivers, certifications, and other validations; and building commercial use cases such as critical infrastructure inspection, package delivery, advanced air mobility, and urban air mobility. The NPUASTS is developing Vantis, the nation's first Beyond Visual Line of network for UAS flight operations. A statewide network that is designed to expand, Vantis is enabling reliable and safe UAS BVLOS flight operations in North Dakota.

Grand Sky: Grand Sky is the first fully operational commercial unmanned aerial systems (UAS) research and development park in the United States. Strategically located on the Grand Forks Air Force Base, Grand Sky offers build-to-suit locations and temporary facilities for commercial UAS development and testing, as well as defense related operations support and has attracted more than \$100 million in private investment. Grand Sky offers access to secure defense networks, dark fiber, a 12,351-foot runway, uncongested airspace with less than 10 operations daily and more than 330 days of flying weather annually. Testing operations are supported with electronics component distributors, metal fabrication, 3D printing, and equipment support for the most demanding test requirements.

Grand Farm: Grand Farm, led by Emerging Prairie aims to capitalize on the region's potential in the agriculture and technology industries. The Grand Farm Test Site will create the farm of the future by 2025 as the global example in solving challenges to farming worldwide, while unleashing vast new potential for technology for the greater good. It will do so by growing and inspiring regional businesses, organizations, and entrepreneurs to collaborate globally in developing technological and human solutions for farming in a new era. Grand Farm focus areas include soil health monitoring, autonomous systems, precision spraying, and more.

North Dakota's Primary Innovation Areas of Focus:

- Advanced computing, data management, etc.
- Agriculture technology
- Autonomous and unmanned vehicles and related technologies
- Biotechnology and Medical Devices
- Value-added agriculture
- Value-added energy

Total Small Business Innovation Research (SBIR) Awards (2023): **\$1,648,108**

% of State with Internet Accessibility: **100% fiber optic broadband communication network links all regions of the state.**

Newly Registered Businesses (2022): **7,940**

Newly Registered Patents (2020): **138**

TRANSPORTATION AND INFRASTRUCTURE

This section sheds light on the basic infrastructure of the state and what a company can expect in terms of the logistics of shipping their product.

Source: ND Aeronautics Commission, North Dakota Department of Transportation, US Foreign-Trade Zones Board, ND Public Service Commission, US Customs and Border Protection, ND Information Technology

Number of airports throughout the state: **89 general aviation and public-use airports, including 8 commercial service airports**

Number of international airports throughout the state:

4 major international airports

- **Hector International Airport (Fargo)**
- **Grand Forks International Airport**
- **Minot International Airport**
- **Williston Sloulin Field International Airport**

Number of major 2 or 4-Lane Highways running through the state: **81 (2 interstates + 7 U.S. highways + 72 State highways)**

Number of major railways going through the state: **6**

Number of major ports connected to the state: **18**

Number of foreign trade zones: **2**

- **FTZ No. 103 Grand Forks**
- **FTZ No. 267 Fargo**

Percent of Residents with Broadband Access of Speeds 100 Mbs or greater: **95.4%**

INCENTIVES

Different states offer different incentives to entice companies to move to their state. This section will allow you to highlight these incentives.

For more details, see North Dakota's Business Incentives Database website:

<http://www.business.nd.gov/finance/FinancialPackages/IncentivesDatabase/>

Pending Legislation

Proposed Incentives Currently Pending Approval (Y/N): **No**

Cash Incentives

Does the state provide any CASH incentives? (Y/N): **No**

If you answered YES above, please provide details of this incentive including the contact information and website if applicable:

State Tax Credits

Does the state provide any Tax Credit incentives? (Y/N): **Yes**

If you answered YES above, please describe the available tax credits:

- **Agricultural Commodity Processing Facility Investment Credit**
- **Angel Investor Investment Tax Credit**
- **Automation Credit**
- **Tax Credits for Producing or Blending Biodiesel or Green Diesel and for Crushing Soybeans or Canola**
- **Internship Employment Credit**
- **Apprentice Employment Credit**
- **Research Expense Credit**
- **Seed Capital Investment Credit**
- **Workforce Recruitment Credit**

State Tax Exemptions

Does the state provide any Tax Exemptions? (Y/N): **Yes**

If you answered YES above, please describe the available tax exemptions:

- **Agricultural Commodity Processing Plant Construction Materials**
- **Bioscience Manufacturing**
- **Carbon Dioxide for Secure Geologic Storage or Enhanced Recovery of Oil and Gas**
- **Coal Feedstock Facility**
- **Coal Gasification By-Products**
- **Coal Mine Machinery or Equipment**
- **Computer and Telecommunications Equipment**
- **Data Centers**
- **Electrical Generating Facilities - Coal-Powered**
- **Electrical Generating Facilities - Other**
- **Fertilizer and Chemical Processing Facilities**
- **Gas Processing Facilities**
- **Liquefied Gas Processing**
- **Manufacturing, Agricultural, or Recycling Equipment**
- **Oil Refineries**
- **Renewable Feedstock Refinery**
- **Straddle Plants, Fractionators, and Associated Infrastructure**
- **Sustainable Aviation Fuel Facility Refining Renewable Feedstock**
- **Coal Conversion Facility Privilege Tax Exemptions**
- **Electrical Generating Facilities**
- **Other Coal Conversion Facilities**
- **Carbon Dioxide Sale and Capture Exemptions**

For more information on Tax Credit and Exemption Programs: <https://www.tax.nd.gov/tax-exemptions-credits>

State Grants

Does the state provide any Grant incentives? (Y/N): **Yes**

If you answered YES above, please describe the available grants:

- **Technical Skills Training Grant**
- **Operation Intern**
- **Regional Workforce Impact Program (RWIP)**
- **Community Development Block Grants (CDBG)**
- **Community Services Block Grant (CSBG)**
- **State Energy Program Grant**
- **Energy Conservation Grant**
- **Rural Workforce Housing Grant**
- **Rural Food Sustainability Grant**
- **Rural Facility Planning Grant**
- **Destination Development Grant Program**
- **Innovate ND**
- **North Dakota Native American Small Business Grant**
- **Automate ND**
- **Biotechnology Research Grants**

State Loans

Does the state provide any Low-Interest Financing incentives? (Y/N): **Yes**

If you answered YES above, please describe the available financing opportunities:

- **Accelerated Growth Loan Program**
- **Bank Participation Loan Program**
- **Bank Stock Loan**

- **Beginning Entrepreneur Loan Guarantee**
- **Bulk Propane Storage Tank Revolving Loan Fund**
- **Business Development Loan Program**
- **Clean Sustainable Energy Authority Loan Fund (CSEA)**
- **Export Enhancement Program**
- **Flex PACE for Affordable Housing**
- **Flex PACE Program**
- **Legacy Investment for Technology Loan Fund**
- **Match Program**
- **PACE Program**
- **SBA Guaranteed Loan Purchase Program**
- **USDA Government Guaranteed Loan Purchase Program**
- **Value-added Guarantee Loan**
- **Venture Capital Fund**

For more information on Business Loan Programs: <https://bnd.nd.gov/loans/business/>

Zoning

Does the state provide any Special Zoning incentives? (Y/N): **Yes**

If you answered YES above, please describe the available special zoning opportunities:

- **Renaissance Zones**

State Marketing and Promotions

Does the state provide any Marketing and Promotional incentives? (Y/N): **No**

If you answered YES above, please describe the available special marketing or promotional opportunities:

Innovation Centers

Does the state have Innovation Centers or Additional Resource available for companies? (Y/N): **Yes**

If you answered YES above, please describe the available innovation centers or additional resources:

- **Impact Dakota**

AMERICAN MADE LABEL REQUIREMENTS

Federal Trade Commission oversees “Truth in Advertising” regulations including promotion or disclosure of products displaying “Made in USA” labeling. FTC requires products advertised as “Made in USA” be “all or virtually all” made in the U.S. “all or virtually all” means the product should contain no – or negligible – foreign content.

Made In USA Requirements

Does the state have any specific requirements for labeling products "Made in USA"? (Y/N): **No**

If you answered YES to the question above, what are the requirements for labeling products "Made in USA":

Is there pending legislation regarding these requirements? (Y/N): **No**

If you answered YES to the question above, please describe the proposed legislation including the bill number:

Made In YOUR STATE Requirements

Does your state have any specific requirements for labeling products "Made in YOUR STATE"? (Y/N): **No**

If you answered YES to the question above, what are the requirements for labeling products "Made in YOUR STATE":

Is there pending legislation regarding these requirements? (Y/N): **No**

If you answered YES to the question above, Please describe the proposed legislation including the bill number:

Is there an organization or entity that monitors state labeling? (Y/N): **No**

If you answered YES to the question above, please provide the name and contact information for the organization or entity:

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Thank you for your time. Please email your responses to alevy@reshoringinstitute.org and your responses will be recorded and available online for review at www.reshoringinstitute.org.