



**Testimony of Shawn Wenko, President
Economic Development Association of North Dakota
In Support of SB 2018
March 3, 2021**

Chair Monson and members of the House Appropriations Committee- Education and Environment Division:

I'm Shawn Wenko, executive director of Williston Economic Development and president of the Economic Development Association of North Dakota (EDND). It is in that capacity I am testifying before you today in support of SB 2018.

EDND represents more than 80 state economic development organizations on the front line of economic development efforts throughout North Dakota. The primary purpose of the organization is to promote the creation of new wealth throughout North Dakota to develop more vibrant communities and improve quality of life.

One of EDND's top priorities is to support North Dakota Department of Commerce programs as valuable tools, programs and resources for the economic developers in our state. EDND members can attest that a strong partnership with the state helps us locally recruit and retain new and expanding businesses, train North Dakota's workforce, and compete in national and international markets. We also rely on the Commerce Department to help local entrepreneurs explore potential opportunities and diversify the state's economy.

The pandemic and other unpredictability in oil and agriculture activity over the last decade have highlighted the need for North Dakota to diversify its economy and stabilize budget sources. Commercialization, entrepreneurship, and small business growth are crucial to North Dakota's economic future. Entrepreneurs and small businesses are leaders in the nation in employment growth. EDND is supportive of the continuation of all Department of Commerce programs which support local economic developers and businesses, such as Innovate ND, funding partners like the North Dakota Small Business Development Centers, providing training programs to redeploy displaced workers through the Technical Skills Training Grant, attracting

workers and new industries through business development programs and tourism, investing in emerging industries such as Unmanned Aerial Systems, and much more. Further investment in programs such as the Innovation Technology Loan Program (LIFT) as part of a comprehensive statewide strategy to continue to bring new industries to the state are other tools to help diversification.

Partner programs such as the ND Small Business Development Centers (ND SBDCs), ND Women's Business Center (NDWBC), Impact ND, and the North Dakota Procurement Technical Assistance Center are vitally important to small business owners launching a new business and the economies of small communities. As an example of the impact of one of these partners, the 10 ND SBDCs provide training and direct business advising and have served 1,879 clients since the biennium began in 2019. During this time, SBDCs have helped 138 new businesses start in the state, supported more than 6,900 jobs and secured more than \$76 million in funds for these businesses. For a few specific examples in the Williston area, the local SBDC was able to help the Hair Society Institute run cash flow scenarios and figure out the number of students to accept and training services to provide in order to get the school off the ground. They were also recently able to help Busted Knuckle Brewery and the Pit 105 Barbecue put together a finance plan with funders to enable the project, which took an old county building and rehabbed it, increasing the city's property tax base, to move forward. Across the state, every community or region can provide a multitude of examples like this, showing the value of these partner programs. EDND advocates for funding for all partner programs to remain stable from the 2019-21 biennium.

EDND believes an investment in the Department of Commerce is needed to grow and diversify the economy so North Dakota can ensure a more revenue-stable future. EDND members could spend the rest of the day giving examples of ways the Department of Commerce has aided their communities. No matter the location or size of the community, our membership relies on the Department of Commerce to provide guidance, resources, and staff to support and diversify our state's growth. Thank you for the opportunity to address the committee and express support for SB 2018 on behalf of economic developers statewide.