



Eric Volk, Executive Director

ND Rural Water Systems Association

In Support of House Bill 1380

Senate Finance & Taxation

March 17, 2021

Chair Bell and members of the Senate Finance & Taxation Committee, my name is Eric Volk. I am the executive director of the North Dakota Rural Water Systems Association (NDRWSA). Our vision is to ensure all of North Dakota has access to affordable, ample, and quality water. NDRWSA is committed to completing and maintaining North Dakota's water infrastructure for economic growth and quality of life. Today, I am submitting written testimony in support of Engrossed House Bill 1380.

HB 1380 sets up a disbursement formula for earnings from the Legacy Fund. The bill allows for an appropriation of 6% of the 5-year rolling average value of Legacy Fund assets. Important to the water industry is the \$100 million appropriation that will be used to pay off the bond payment set up in HB 1431.

The Resources Trust Fund (RTF) provides cost-share for water projects across the state. Some of these projects are small (thousands of dollars), some are moderate (millions), and some are HUGE (billions). Each biennium there is only a finite amount of assistance the RTF can provide. The funding amount is never enough to meet the critical water needs of the state. Current bonding proposals would help fund the state's major flood control projects. This biennium alone, the use of bond revenue would allow for approximately \$142M of RTF dollars to be used for other important water projects. Bonding would also meet the state's promise for the Fargo Diversion Project. Completing this promise would have future benefits for other water projects using RTF dollars, as that promise was being paid out at \$66.5M/biennium.

For reference, the attached funding map highlights the rural & regional water supply projects that would benefit from the RTF. (Please see the attached 21-23 project funding map).

With that said, the NDRWSA supports HB 1380 which will help meet the critical water needs of North Dakota. Thank you for giving me the opportunity to provide testimony on behalf of the NDRWSA. Eric Volk, ericvolk@ndrw.org.

