

**SB 2326
Testimony of Dennis Reep
House Energy and Natural Resources Committee
March 9, 2023**

Chairman Porter and members of the House Energy and Natural Resources Committee, I'm Dennis Reep, President of the North Dakota Water Resource Districts Association and member of the Burleigh County Water Resource District. I rise today in support of SB 2326.

Water resource districts are the local sponsors of many water conveyance and flood control projects of a variety of sizes. We believe these projects, large and small, provide real benefit to the people we serve, the citizens of our counties. While we recognize the importance of ensuring appropriate use of public funds, we believe that the economic analysis required for water conveyance and flood control projects by the State Water Commission should be limited to those large projects requesting a significant amount of state funds. We believe this to be in line with the legislature's intent when they first passed this requirement in the 2017 legislative session.

Members of our organization have looked at the results of economic analyses on projects greater than and less than \$1M over the past few years, and the results are similar no matter the total project cost. The effort and cost of conducting the economic analysis is essentially the same no matter the overall project cost, creating a higher percentage administrative burden for the local sponsors on the smaller projects.

The Water Resource Districts Association voted to include the following resolution in their 2023 policy document:

We oppose the incorporation of benefit-cost principles in determining the feasibility and justification of state funding for water conveyance and flood control projects under \$1 million total project cost as stipulated by N.D.C.C. 61-03-21.4.

Ultimately, we believe that removing the requirement that projects under \$1 million have to go through the economic analysis for cost share would reduce the burden on WRDs, and also reduce NDDWR staff review time, and allow them and local sponsors to focus on analysis of larger projects with greater need for study, while also expediting the completion of important smaller projects.

For these reasons, I ask you to give SB 2326 a Do Pass recommendation.

Thank you. I'd be happy to stand for any questions you may have.