

March 10, 2023

Dear Chairman Wanzek and Members of the Government Operations Appropriations Committee:

My name is Andrea Olson and I'm the Executive Director of Community Action Partnership of North Dakota (CAPND). CAPND represents the collective interests of the seven Community Action Agencies who serve the low-income families in all 53 counties. CAPND provides a plethora of services, include the Weatherization Assistance Program (WAP), which is offered through a decades-long and productive partnership with the North Dakota Department of Commerce, Division of Community Services.

CAPND fully supports HB1018 and are in complete agreement of establishing authority to receive and expend the additional Federal WAP funds available to North Dakota via the Infrastructure Investment and Jobs Act (IIJA). Consideration of an Emergency Clause will expedite the ability for CAPND to deploy the funds to help citizens who are in need.

Additionally, CAPND emphatically supports an increase to DCS staff by at least 2.0 FTEs for WAP and at least 1.0 FTE for the State Energy Program. HB1018 is an extraordinary opportunity for WAP; an appropriate number of staff are needed and lack of sufficient capacity will hinder success.

Historically, WAP has been strongly supported and has shown itself to be a successful, cost-effective investment to the State of North Dakota and our nation. As the largest residential energy efficiency program, it plays a vital role in reducing the burden of energy costs for families, while also providing economic and environmental benefits to our communities and leading the way in industry innovation and technology. Additionally, the State Energy Program promotes energy efficiency and conservation through a variety of measures including energy education, installations of energy efficient measures, and renewable energy technologies.

Each region across North Dakota has been impacted by WAP: over 1,200 homes statewide weatherized since January 1, 2020, including 495 senior families and additional 623 families with children; a return of investment of \$2.78 in non-energy benefits for every \$1.00 invested in the program; and significant contribution to economic growth via over 60 specialized WAP staff and an additional 280+ area contractors and vendors throughout the state to aid in the completion of our work.

The Weatherization Assistance Program is of utmost importance to the state; WAP helps preserve our existing housing stock and allows homes to remain affordable. A <u>recent statewide study</u> conducted by the North Dakota Housing Finance Agency and North Dakota State University showed that the need for affordable housing stock across the state will continue to remain a need over for the foreseeable future. The study reports that, based on estimated change in population by age and the state's current housing inventory, the state would need to add an additional 9,285 housing units by 2025 to meet the potential

need, a 3% increase from 2020. Projections indicate a growing need for more affordable housing for lower-income households. Extremely low-income households in are projected to grow by 6% or 3,621 households by 2025. Very low-income households are projected to grow by 5% or 2,566 households and low-income households will grow by 2% or 1,768 households." WAP serves a purpose in helping meet this projected demand.

We have seen first-hand the benefits that WAP has had and believe this additional funding via HB1018 will allow us to help many more. We appreciate your support of WAP in North Dakota.

Sincerely,

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Andrea Olson Executive Director