



January 22, 2025

House Industry, Business and Labor Committee

HB 1239

Representative Jonathan Warrey, Chair

For the record, my name is Kory Peterson. I am appearing before you today on behalf of the North Dakota League of Cities, in opposition to HB 1239. Prior to working with the North Dakota League of Cities, I was the Mayor of Horace for 8 years, from June 2016 to July 2024.

The League has reviewed this bill and has concerns with language in sections 1 and 3. There is reference to residential data mining along with remarks about set noise levels requirements.

The League feels that any data mining operations should be performed away from residentially zoned properties. Data mining requires a large amount of power compared to a normal residential house. Most city residential areas are not equipped to supply the amount of power needed on a consistent basis to operate a data mining facility.

Many cities may not have a noise ordinance currently on the books or do not have the devices and/or training to determine the proper level to meet the ordinance criteria. This places another undue financial burden on cities to possibly have to monitor noise concerns with their residential areas.

Crypto-currency mining facilities should be placed in areas zoned for these types of operations. These operations could include commercial or light/heavy industrial zoned areas with some form of a setback to allow for proper noise abatement.

There is already a housing crisis within the State of North Dakota. There are concerns with data mining operations being used inside a residential home that removes that home from being used as a dwelling for residents.

The League understands the benefits to North Dakota surrounding this newer technology but feels the placement of such facilities should be in a properly zoned area that doesn't include residential properties for all the reasons listed above.

The League of Cities would respectively encourage a "Do Not Pass" on this bill.

Thank you.

Kory Peterson