



# INDUSTRIAL COMMISSION OF NORTH DAKOTA

Doug Burgum  
Governor

Wayne Stenehjem  
Attorney General

Doug Goehring  
Agriculture Commissioner

Testimony  
House Bill 1485  
Karlene Fine  
North Dakota Industrial Commission  
January 28, 2021

Chairman Dockter and members of the Political Subdivisions Committee, for the record I am Karlene Fine, North Dakota Industrial Commission Executive Director/Secretary and an Authorized Officer for the North Dakota Building Authority. I am appearing today on behalf of the Industrial Commission in opposition to House Bill 1485, primarily Section 5 which repeals the North Dakota Building Authority. I will focus my comments on the North Dakota Building Authority. I have no comments on Sections 2 and 3.

The North Dakota Building Authority was created by the Legislature in 1985 to allow the State access to the capital markets for low cost, long-term financing of capital projects approved by the Legislature. The Building Authority provides the Legislature with another option as it considers how to fund the costs of projects declared by the Legislature to be in the public interest.

Since the Building Authority was created over \$250,000,000 of bonds have been issued for projects across the state—North Dakota University campuses, State Penitentiary, Heritage Center, James River Correctional Center, Developmental Center at Grafton, Job Service North Dakota, Veterans Home, Office of Management and Budget, Youth Correctional Center, etc. Currently we have bonds outstanding that have interest rates that range from 1.41% to 3.33%.

Regarding Section 1, the removal of the reference to the North Dakota Building Authority would limit the ability of the Authority to seek the services of the Public Finance Authority staff to assist in the issuance of North Dakota Building Authority bonds. The Public Finance Authority has expertise in the issuance of bonds, and it is important that we have access to this expertise.

For these reasons the Industrial Commission requests a do not pass on HB 1485 and the elimination of this low-cost financing tool for funding projects approved by the Legislature.