

TESTIMONY  
SENATE APPROPRIATIONS COMMITTEE  
SENATOR RAY HOLMBERG, CHAIRMAN

Mr. Chairman and members of the Committee, my name is Jim Poolman, it truly is a pleasure to be before the committee again, and it has been a long time since I was here to present the budget for the Insurance Commissioner. It's great to be back, even if it is only virtually.

Since my time as Insurance Commissioner, I have been involved in opening three restaurants, a hotel and other commercial real estate ventures. I wanted use my short time by expressing strong private sector support for the Department of Tourism budget, especially the one time funding for targeted destination marketing. These funds are going to be even more instrumental to get ND businesses a shot in the arm (pardon the pun) as the pandemic, hopefully, fades away to a bad memory. We know, as business owners that marketing dollars are important, and absolutely make a difference in keeping our business, or in this case North Dakota at top of mind for the buying public and will pay dividends for this modest investment.

I am probably not breaking any news to you but want to give you some anecdotal and specific figures about how the pandemic has affected our businesses. I want to be clear, I am not complaining, our businesses are going to be lucky and survive the pandemic, but some won't. I just want to give you an idea of the reality of the hand that's been dealt to us.

During the early stages of the pandemic the Blarney Stone Pubs in Bismarck and West Fargo voluntarily closed before the Governor's order, albeit not long because the Governor reacted so quickly, but our goal was to keep our customers as safe as possible. As you can imagine, the revenue decline because of the closure, subsequent capacity limits, social distancing protocols, and the general lack of traffic had a huge negative impact on our business. We injected extra personal capital to make sure employees got paid, payments were paid and we could bridge any gaps on financing.

At our hotel in Bismarck, pre-pandemic we were selling approximately 80 percent of our rooms per night, and even now the average occupancy rates are less than half that at 30 to 40 percent. People have not been traveling, not been eating out at the rate they were pre-pandemic, and certainly not staying in hotels. Both leisure travelers and business travelers are staying home. When the pandemic finally eases, we will certainly need a boost to make sure that North Dakota stays at the forefront of people's minds for a vacation TO North Dakota, or even a North Dakota "staycation" for those that want to support local business.

In my short time with you, I cannot stress enough how important our tourism industry is, and how imperative it is going to be to get kicked back into gear at the right time. Sara and her team have their work cut out for them, and with the additional resources in the Executive Recommendation, it will hopefully provide them the leverage they need to jump start tourism

and our economy post pandemic. The state needs it, your private sector needs it, and the citizens, I believe want it.

I am happy to answer any questions you may have.