

Testimony of Dakota Resource Council  
House Bill No. 1347  
January 18th, 2023

Chairman Louser and members of the committee:

My name is Eliot Huggins and I am testifying on behalf of the Dakota Resource Council and our members. Thank you for allowing me to submit written testimony in opposition to HB 1347.

Our members have serious concerns about this Bill. While there is a reasonable debate to be had about the efficacy of ESG policies— this Bill does nothing meaningful to stop ESG. Rather—to countless financial institutions—it paints North Dakota as a place that is not open to business and they will simply take their business elsewhere. This would be a huge detriment to companies and individuals needing access to capital to grow or start a business. Efforts to preserve the fossil fuel industry are understandable given the industry's large economic footprint in our state. However, North Dakota is subject to international market forces that we cannot shield ourselves from if we want to remain competitive in the global economy. In September of 2021, Senator Cramer held a Bully Pulpit interview with the CEO of Goldman Sachs, David Solomon. Mr. Solomon stated: “But one of the things that I will say and look, this is just, you know the reality, that I think that we all have to accept. The institutional capital world is done with coal.” “Too much of the institutional capital is controlled by parties that have decided for good or bad that they want to accelerate that process. It’s going to be very very difficult to finance, you know coal on a go-forward basis anywhere in the world. It’s not just here, but anywhere in the world. I don’t see that getting easier.” [North Dakota energy leaders wrestle with ESG metrics during forum featuring Goldman Sachs CEO | Oil And Energy | willistonherald.com](https://www.willistonherald.com/news/north-dakota-energy-leaders-wrestle-with-esg-metrics-during-forum-featuring-goldman-sachs-ceo-oil-and-energy/)

The reality is, like it or not: Financial institutions more and more commonly don’t see fossil fuels as a worthwhile investment. This market trend will only be exacerbated as Climate Change impacts more and more communities around the world. North Dakota is not immune to the changing dynamics of the international economy. If this legislation passes— it will signal to countless investors and financial institutions that this state is not a place they want to do business. This would hurt our economy and the ability of hardworking people to access capital to grow or start their business. Thank you for the opportunity to share our testimony. I urge the committee to oppose HB 1347 and recommend a DO NOT PASS on HB 1347.