Testimony HB 1089—Department of Water Resources House Energy and Natural Resources Representative Todd Porter, Chairman January 12, 2023

Chairman Porter, and members of the House Energy and Natural Resources Committee – I am Patrick Fridgen, Director of the Planning and Education Division for the Department of Water Resources. I am here today to testify in support of House Bill (HB) 1089, and more specifically, the proposed amendments pertaining to administration of the Drinking Water State Revolving Fund.

North Dakota Century Code (N.D.C.C.) § 61-28.1-12(3) and (4) currently require the Department of Environmental Quality (DEQ) to administer and disburse funds, establish grant priorities, and expend grant funds related to the Drinking Water State Revolving Fund (DWSRF) Intended Use Plan (IUP) only after obtaining State Water Commission approval. The proposed amendments as presented by DEQ to N.D.C.C. § 61-28.1-12(3) and (4) would remove that requirement. This is but one of several government processes identified through Governor Burgum's Red Tape Initiative that could be eliminated to reduce existing inefficiencies in state government.

Because the DWSRF is a federally funded program through the Environmental Protection Agency (EPA), there are additional requirements in place for DEQ to seek and consider public comments during the development of the IUP. This public process already allows for DWR and the Water Commission to provide comments if deemed necessary. Thus, the added requirement to seek Water Commission approval is an unnecessary step that takes additional time to complete by DEQ, DWR, and the Water Commission, and it slows the IUP completion process by at least a month.

Multiple times in the past, Commission members have questioned the usefulness of DEQ bringing the IUP to them for approval. In addition, with the establishment of the new Funding for Infrastructure In North Dakota (or FIND) funding opportunity through the one-

stop-shop WebGrants platform - DEQ, DWR, Public Finance Authority, and the Bank of North Dakota are coordinating more than ever to address grant and loan requests of the state from local project sponsors. This is yet another reason for approval of the proposed amendments to N.D.C.C. § 61-28.1-12(3) and (4).

Mr. Chairman, and members of the committee, this concludes my testimony in support of HB 1089, and I will stand for any questions that you might have.