

Representative Mike Lefor

HB 1379 Testimony

Good morning, chair Bekkedahl, vice chair Krebsbach and members of the Senate appropriations committee, for the record, my name is Mike Lefor and I represent District 37-Dickinson in the House. Today, I bring HB 1379 for your consideration.

Attached to my testimony you will find how the legacy streams or HB 1380 from the 2021 session and the current allocations in code. Going down the list, it includes dollars for the bond payments for water projects borrowed during the 2021 session, and allocations for PERS, Highway Tax Distribution Fund, two slots for “other legislative purposes” tax relief, clean sustainable energy, research, innovation, workforce and how the remaining earnings would be allocated.

In the HB 1380 version from last session, it included how the percent of market value would be addressed in code. Basically, it takes the last five fiscal year ending balance, divides it by five to get an average and then allocates 7% of that amount for distribution under the POMV section of the bill on the left side of the ledger.

You will note that many of the streams remain the same as they did in HB 1380. The differences include increasing the portion for tax relief from \$50 million to \$200 million as the legislature looks at various plans for tax relief for the coming biennium. The final stream on the POMV side would be for legacy projects.

On page three, you will see how HB 1379 would allocate dollars for the 25-27 biennium. I would direct your attention to the engrossed version of the bill and explain some of the provisions in it.

On page 1, starting on line 12, it breaks down the economic diversification research fund and the membership of the committee. Page 2 describes the process of how the dollars are spent and the reporting requirements. On page 3, beginning on line 18, it details the creation of the workforce development and enrichment fund and to appropriate dollars for strategic workforce development, technical education, workforce guidance and support.

Further, I would direct your attention to page 6, line 16 – which is new language added by the House appropriations committee, which provides that one percent of

the POMV would be returned to legacy fund principal. On pages 7 and 8 it goes through the allocations shown on the attachment from earlier in my testimony. On page 8, beginning on line 29, it describes “legacy projects fund which may be spent on projects and infrastructure designated for projects to support statewide economic diversification and growth, including projects related to tourism.

On page 9, beginning on line 4, if a political subdivision receives funding they must provide a report to the state treasurer detailing the use of the funding. Continuing on page 9, it shows the members of the legacy projects advisory board, how often they must meet and reporting requirements.

On page 10, beginning on line 8, it provides for the creation of the county and township bridge fund. The dollars would be authorized by the legislative assembly for the repair or replacement of county and township bridges within the county.

As you know, the expected earnings for this biennium will be between \$480 - \$510 million and not the \$680 million projected earlier. With the allocations under the totaling \$486.6 million, it renders the “remaining earnings” side largely moot.

HB 1379 attempts to provide many avenues to spur growth in our economy, through tax relief, economic diversification, clean sustainable energy, workforce development and more. That completes my testimony and I would the committee to consider giving this bill a “do pass” recommendation. Thank you.