

Testimony
Engrossed HB 1089—Department of Water Resources
Senate Industry and Business
Senator Doug Larsen, Chairman
March 1, 2023

Chairman Larsen, and members of the Senate Industry and Business Committee – I am Patrick Fridgen, the Planning and Education Division Director for the Department of Water Resources. I am here today to testify in support of Engrossed House Bill (HB) 1089, and more specifically, Section 3 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. This bill 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 State Water Commission (Commission) to provide comments if deemed necessary. Thus, the added requirement to seek Commission approval is an unnecessary step that takes additional time to complete by DEQ, DWR, and the 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 HB 1089.

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