



Testimony of David Flohr
House Industry Business and Labor Committee
HB 1362
January 20, 2025

Chairman Warrey and Members of the Committee,

I am Dave Flohr, Executive Director of the North Dakota Housing Finance Agency (NDHFA) and I am in favor of HB 1362.

Along with 26 other individuals I was a member of the North Dakota Housing Initiative Advisory Committee in 2024 - [North Dakota Housing Initiative](#). The other members consisted of Realtors, local financial institutions, community leaders from across the state, apartment owners, housing developers and builders, your fellow Representatives Schauer and Beltz and Senators Bekkedahl and Rummel. The Committee met 3 times over the summer of 2024 and conducted 5 listening sessions in Bismarck, Fargo, Williston, Harvey and at the Tribal Government to Government Conference. The Committee also conducted a statewide survey of the public - [ND Housing Initiative public survey highlights](#).

In October 2024 the Committee released its recommendations - [ND Housing Initiative recommendations](#). HB 1362 assists in meeting these recommendations and goals:

1. Make targeted investments to bridge affordability gaps in today's housing market.
2. Assist the path of moderate-income households to make a transition from renting to owning.
3. Provide for a full range of housing choices in our communities.
4. Helping to ensure communities have adequate housing for their workforce.

Low interest construction loans for builders are a specific recommendation of the Initiative and HB 1362 accomplishes this goal. As a member of the ND Housing Initiative Advisory Committee and in my role at the North Dakota Housing Finance Agency I recommend a Do Pass on HB 1362.

NDHFA is a state agency that was created by an initiated measure in 1980. We sell mortgage revenue bonds exempt from federal income tax. Private investors purchase these bonds and NDHFA uses the sale proceeds to purchase mortgages from North Dakota private sector mortgage lenders, primarily for first-time homebuyers. NDHFA services the loans (mortgage payments, tax and insurance payments) on behalf of the first-time homebuyers. We also administer several federal housing programs on behalf of the State.