HB 1209: Foreign Adversary Threat Assessment Judiciary Committee January 21, 2015 Testimony Provided by Rep. SuAnn Olson

Mr. Chairman and members of the committee, please note that HB 1209 is being presented with an amendment. A Christmas tree version of the amended bill and a final version as amended have been handed out.

The need for this bill evolved over time as I, and members of the interim ag committee, heard various testimonies regarding the threat posed by foreign adversaries, now referred to as "foreign countries of concern" by CFIUS (Committee on Foreign Investment in the US). The overriding theme from much of that testimony was that no single department of state government had the resources and skills to research and address the multiple ways our state can be threatened by foreign adversaries. Several members of the committee had discussions with contractors who have the security clearances and knowledge to conduct a study of the risks to North Dakota and the original bill would have required a study by contractors to conduct a deep threat assessment.

After Gov. Kelly Armstrong took office, he appointed newly retired Major General Alan Dohrmann as his Chief Operating Officer. This appointment brings new skills and oversight by the Governor's office that just wasn't possible before. The amended bill moves the responsibility for the assessment to the Department of Emergency Services which is reportable to the Governor. The requirements of the risk assessment remain the same while the cost is substantially reduced by keeping it in-house.

Section 1.1 of the bill allocates up to \$500,000 of general funds for a risk assessment to be conducted by the Department of Emergency Services.

Section 1.2 lists the requirements for the assessment.

Section 1.3 requires a written report outlining findings and recommendations by July 1, 2026.

Section 1.4 requires the Department of Emergency Services to present its findings and recommendations to legislative management by September 1, 2026.

Members of the committee, North Dakota is a high-value target for our adversaries. We are an agriculture, energy and military powerhouse. All three of these areas are important to national security as well as to North Dakota's security. Knowing where vulnerabilities are is the first step in creating good policy that addresses weaknesses. I urge you to pass HB 1209.

Thank you.