



**Testimony of Jennifer Greuel, Executive Director  
Economic Development Association of North Dakota  
In Support of HB 1275  
February 1, 2021**

Chair Delzer and members of the House Appropriations Committee:

EDND represents more than 80 state economic development organizations and related businesses on the front line of economic development efforts throughout North Dakota. The primary purpose of the organization is to promote the creation of new wealth throughout North Dakota to develop more vibrant communities and improve quality of life.

**Infrastructure**

One of EDND's top five 2021 legislative priorities is to strengthen the infrastructure investment in our state. We believe HB 1275 is one of several bills being introduced this session with the potential to address this vital need.

The growth of our state over the last decade, combined with aging infrastructure, has led to a critical need to complete road, water, electric, airport, and other essential projects. Local communities need funds and affordable financing, which is difficult to achieve without raising taxes. From EDND's perspective, updated infrastructure improves quality of life and helps address housing needs. It also provides support to North Dakota businesses already providing jobs and revenue to the state, as well as new businesses able help diversify the economy.

**Regional Economic Development Infrastructure Fund**

We support the inclusion of economic development infrastructure in this bill. One major disadvantage North Dakota has when competing with other states and trying to diversify its

economy is that other states offer cash or other upfront incentives that can be tailored to meet a targeted prospect's needs. An example of this is neighboring South Dakota's Future Fund, which provides flexible grants in discretionary amounts dependent on the company's needs (workforce training, wage base, real estate development, infrastructure, and broader financial assistance needs). The establishment of a fund to provide grants or loans to projects would be a great asset in the toolbox used to diversify the economy. Natural gas is a resource typically required in order to attract any significant manufacturing opportunity, so inclusion of grants for communities which do not have access to this resource would also help ND compete.

### **Research**

EDND has long supported research investments that will enhance North Dakota's historical economic sectors and advance new technologies to support growth of other sectors to diversify our economy.

### **Workforce Development**

Although North Dakota's unemployment rate has gone up slightly due to the pandemic (4.5 percent in Nov. 2020), the state's unemployment rate is still lower than 38 other states and workforce availability remains a significant challenge facing North Dakota businesses, limiting the growth potential of the economy. North Dakota especially needs job seekers to be connected with resources and education in order to be placed in a high demand career path. EDND supports the development of workforce attraction, development and training strategies that address the needs of the state's companies. The investments included in this bill will continue to help grow and diversify our state's economy.

Thank you for your continued commitment to keeping North Dakota globally competitive.