



**Testimony of Jennifer Greuel
Economic Development Association of North Dakota
In Support of HB 1380
House Finance and Taxation Committee
Feb. 2, 2021**

Chair Headland and members of the Legacy Fund Earnings Committee:

My name is Jennifer Greuel and I am the executive director of the Economic Development Association of North Dakota (EDND). EDND represents more than 80 state economic development organizations and 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, develop more vibrant communities and improve quality of life. EDND would like to express its support for HB 1380.

EDND believes Legacy Fund dollars were intended for legacy purposes and should therefore be invested in long-term strategies to benefit future generations. In this bill the funds would be invested in infrastructure, economic diversification projects, research, CTE, and housing, all of which would benefit future generations and the state as a whole.

Infrastructure

According to a recent survey of EDND members, 100 percent of those surveyed agreed the fund and its earnings should be used to support infrastructure. The growth of our state over the last decade, combined with aging infrastructure, has led to a critical need to complete road, water, sewer, stormwater management, airport, and other essential projects. New and updated infrastructure provides support to North Dakota businesses already providing jobs and revenue to the state, as well giving the state the capacity to grow and diversify strategically.

LIFT

EDND generally supports any funding for economic diversification projects. One tool to help bring new industries to the state is further investment in programs such as the Innovation Technology Loan Program (LIFT) as part of a comprehensive statewide strategy. The UAS and technology fields are quickly becoming an important piece of North Dakota's economy, and investments in these fields would reduce the state's dependence on oil and ag income and avoid boom and bust cycles.

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 investments into career and technical education to implement workforce attraction, development and training strategies that address the needs of the state's companies.

EDND also supports the inclusion of funding for HIF, as affordable housing is another component to attracting workforce. For every dollar of HIF funding provided by the state has leveraged an additional \$5.11. As the program has evolved, more private and federal funding is being leveraged and HIF has been used as an important gap financing tool to keep a project moving forward.

EDND believes HB 1380 is a forward-thinking bill which uses legacy fund earnings as the citizens originally intended. We urge a do pass recommendation.