

TESTIMONY OF

**Josh Teigen, Commissioner, ND Department of Commerce**

Mr. Chairman and members of the committee. My name is Josh Teigen and I have the privilege of serving as the Commissioner for the ND Department of Commerce and by statute also the chair of the EmPower ND Commission.

I am here today in support of 1511 both as the Commissioner of Commerce and on behalf of the EmPower ND Commission as its chairman.

ND prides itself on being a business-friendly state. A state with a favorable regulatory environment, low taxes, and an approach that innovation trumps regulation. This bill supports these principles that we have used to build our state as a great place to invest and do business.

This proposed tax exemption is for new facilities, therefore not decreasing current state revenues.

These facilities will diversify the North Dakota lignite industry by linking it to the production of rare earth elements and critical minerals. North Dakota is well-versed in adding value to its abundant commodities. We strive to stimulate growth in industries via value-added agriculture, value-added manufacturing, value-added energy and now to value-added lignite.

Lignite processing facilities that target rare earth elements or critical minerals will supplement multiple other industries to include advanced manufacturing facilities specializing in building materials, battery manufacturers, and other industries that require access to the very valuable rare earth elements and critical minerals. These facilities could also play a vital role in the development of the next generation of fuel with the establishment of hydrogen hubs. These factors will allow lignite to play a vital role in the next generation of options to provide the world with alternative energy.

Sourcing these rare earth elements and critical minerals in North Dakota will help alleviate the foreign supply chain issues we are currently experiencing. This local sourcing will also support the "Made in America" requirements of many federal contracts.

Both Commerce and EmPower ND believe this bill to be beneficial to the future of our economy. There is so much opportunity on the horizon and by enacting policies such as this, we signal to the world that ND is changing course and taking a stance of regulation over innovation. The passage of this bill will allow us to maintain critical investments that will contribute to a quality of life and economic opportunity for all citizens of ND.

Mr. Chairman and members of the committee, on behalf of EmPower ND and Commerce, I strongly urge you to vote yes on this bill and I will be happy to stand for any questions you may have.