

SB 2391 Testimony by Dustin Gawrylow, N.D. Watchdog Network (#266)

Mr. Chairman and members of the Senate Finance and Tax Committee,

In my personal capacity, I have served on the Bismarck Renaissance Zone Authority since 2019 since being appointed by former mayor Steve Bakken.

Prior to about 2019, I was without question the biggest critic of the Renaissance Zone Program.

In the 2016-2017 era, I helped lead an effort in Bismarck to end the city's 37 year old TIF District - the major way we did that was by leveraging the renewal of the Renaissance Zone by the county and forcing the city to pick one or the other. The city wisely chose to shut down the TIF District and keep the Renaissance Zone.

In the 2017 session, the assembly passed SB 2166 to formally give political sub-divisions the right to have a say in whether the city can exempt property on behalf of the other political subdivisions.

In 2019, then-mayor Steve Bakken appointed me to the Bismarck Renaissance Zone Authority.

In that role, by my count I voted for 14 of 18 projects that have come before us.

I was appointed to a subcommittee to re-configure how the ROI (Return on Investment) was calculated and portrayed in marketing materials.

This last fall, while we as a committee were putting together the new development plan, the city City of Bismarck went to the Burleigh County Commission seeking their letter of approval for the next renewal. Burleigh County denied the request by not taking a vote.

Earlier this session, I testified on House Bill 1266 from a Neutral with caveats position.

(See attached.)

HB 1266 gives cities that had their Renaissance Zones end or lapse go back for a second shot.

I stated that if that bill was passed cleanly, there would be no reason to have a big fight over this.

I am here today to urge you to give SB 2391 a DO NOT PASS recommendation, and when HB 1266 comes across the hall, leave it clean.

HB 1266 – Testimony by Dustin Gawrylow (Lobbyist #266) North Dakota Watchdog Network

Mr. Chairman,

This bill is primarily here because of actions that have taken place here locally in Bismarck and Burleigh County.

As many of you know, I have been a long time critic of the Renaissance Zone program – and have been heavily involved with addressing this locally in Bismarck/Burleigh.

I have also personally been serving on the Bismarck Renaissance Zone Authority since 2019 when Mayor Steve Bakken appointed me to the committee.

My philosophy since being appointed has been “if it were up to me, the program would not exist, but as long as it does, I will do what I can to make it work for Bismarck.”

As HB stands today, I am taking a Neutral Stance on this bill as it only allows cities to come back into the system.

However, I will issue a caveat: if this bill is amended to remove the ability for other political subdivisions to have a say in how their tax revenue streams (protections that were created by the passage and enactment of 2017’s SB 2166) this neutral position will change.

One political subdivision should not have the power to influence the revenue of another political subdivision based on a discretionary tax exemption.

In conclusion, if the goal of this session is to simply give cities a second chance at the program, I do not see a problem on the surface. But if the overall goal is to do more than that, either in this bill or another bill, our position will change.

Thank you for your consideration.