



# WESTERN DAKOTA ENERGY ASSOCIATION

March 15, 2023

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Testimony of:

Geoff Simon, Lobbyist #144

in support of HB 1429 – Pushing Back Against ESG  
Senate Industry and Business Committee

Chairman Larsen and Committee members:

On behalf of the city, county and school district members of the Western Dakota Energy Association (WDEA), we wish to express our support for HB 1429 and the message it will send to companies that take a dim view of North Dakota's appreciation of fossil fuels and production agriculture. The amended version of the legislation reflects the state's viewpoint of the environmental, social and governance movement (ESG).

Traditional energy and agriculture production are fundamental to our way of life. HB 1429 would put into statute a simple message: if your company isn't going to respect the lifeblood of our economy and the values we hold dearly, then our government agencies are not going to do business with you. With passage of the legislation, North Dakota will join other states that have begun to push back against companies that place the "feel good" policies of the environmental and social governance movement above basic economic common sense.

House members put considerable work into HB 1429 before agreeing on amended language that accomplishes four things:

- 1) The bill further defines social investment to include those based on ESG criteria,
- 2) It prohibits insurance companies from discriminating based on ESG practices,
- 3) It specifies that proxy votes made by firms investing state funds must be based on the prudent investor rule and not social factors, and
- 4) It provides for an interim study of the possibility of divestment of companies that boycott fossil fuels or the state's ag commodities.

These are excellent steps the legislature can take to stand behind our state's fossil fuel and agriculture industries, sending a strong message to "woke" companies that base business decisions on ESG criteria. WDEA urges the Senate Industry and Business Committee to give HB 1429 a strong Do Pass recommendation.

Thank you for the opportunity to offer testimony on this important issue.

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