

## Testimony House Appropriations - Education and Environment Division SENATE BILL NO. 2018 March 17, 2025

Chairman Nathe and members of the House Appropriations - Education and Environment Division. The Valley Prosperity Partnership (VPP) is a membership organization led by business executives – joined by economic development, chamber of commerce, and higher education leaders – to advance and advocate for shared strategic economic development opportunities for the Red River Valley region and for North Dakota.

The VPP supports Senate Bill 2018's appropriation of funds for operations of the department of commerce. Moreover, the programs that are included in the bill represent a diverse portfolio of initiatives that will positively impact the state's efforts to attract, retain and expand economic wealth.

VPP strongly supports a funding allocation of \$3 million for this 1-to-1 matching program with private employers. In the past, the entire biennium's funding of \$1 million has been fully committed within 24 hours of opening the application process, verifying high demand. Notably, interns in North Dakota are significantly more likely to join the state's workforce permanently.

A \$5 million appropriation for the Regional Workforce Impact Program empowers locally led solutions to one of the state's greatest challenges. Workforce needs vary by region throughout North Dakota, so a one size fits all approach does not adequately address challenges in all parts of the state. A funding mechanism to support regional workforce initiatives enables local and regional partners to define their unique needs and access funding to address them.

The Legacy Investment for Technology (LIFT) fund has been hugely successful in driving economic growth in our state by fueling innovative North Dakota businesses. VPP supports transferring \$10 million from the strategic investment and improvements fund for LIFT Funds will continue to help equip more North Dakota businesses to commercialize intellectual property with debt financing at favorable interest rates. Likewise, transferring

\$50,000,000 from the strategic investment and improvements fund to the North Dakota development fund will provides "flexible gap financing" through loans and equity investments not available from most conventional lenders for the purpose of economic development.

A \$600,000 appropriation to support an organization dedicated to assisting Native American small businesses in North Dakota will help to overcome challenges that are faced by North Dakota's tribal nations in creating jobs and economic prosperity.

A \$20,000,000 appropriation for the beyond visual line of sight uncrewed aircraft system program and \$5,000,000 for autonomous agriculture grants, which may be provided for autonomous trucking grants, will bolster North Dakota's in the UAS and autonomous sectors of the economy.

Tourism is a powerful statewide industry, an opportunity for workforce and business recruitment, and a tool for community vitality. Travel and tourism generated \$3.3 billion in direct visitor spending and \$307 million in visitor-paid taxes, boosting the state's economy in 2023. The VPP supports the appropriation of \$7 million for tourism awareness and \$20 million for destination development, which will further expand our North Dakota's tourism economy.

A \$444,000 from the general fund for providing matching funds to an organization assisting in the recruitment, distribution, and supply, and enhancing the quality and efficiency of personnel providing health services in rural areas of the state is also a very consequential use of funds.

Finally, as a supporter of the office of legal immigration the VPP commends the name change to the office of global talent, which more accurately portrays its purpose.

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