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TESTIMONY OF DEANA WIESE
Executive Director, Information Technology Council of North Dakota

Interim Political Subdivision Taxation Committee
June 29, 2016

Chairman Dockter and Members of the Committee:

My name is Deana Wiese, and I am the executive director of the Information Technology Council of North Dakota (ITCND). On behalf of ITCND, I'd like to indicate support of the reauthorization of the telecommunications infrastructure sales tax exemption, which is set to expire July 1, 2017.

ITCND was created in 2000 by North Dakota business, government and education leaders who recognized the need to strengthen the state's information technology infrastructure and reposition the state as a national leader in IT. Today, ITCND has nearly 90 member organizations, with representatives from the public and private sectors.

One of ITCND's goals is to achieve affordable access to state-of-the-art voice, video and data service for all North Dakotans. Therefore, ITCND, in cooperation with private and public sector stakeholders, championed the Dakota Fiber Initiative beginning in 2013 to ensure the state remains at the top of the nation in broadband availability, speed and affordability. Being a statewide entity, ITCND represents both the supply and demand side of the broadband issue. After nearly two years of discussion, the one policy item that had strong support from both broadband providers and users was the permanency of the telecommunications infrastructure sales and use tax exemption. Both broadband providers and users agree this is extremely beneficial in accelerating availability of affordable broadband services across the state and providing the most return on investment to the state.

The exemption is serving its legislative intent of encouraging telecommunications companies to expand infrastructure in North Dakota and provide a tool to help enhance business opportunities in rural areas. Therefore, the continuation of this valuable incentive for the enhancement and expansion of North Dakota's telecommunications infrastructure is a top priority for ITCND. The continued expansion of wireless data coverage across North Dakota is essential to ensuring the state is competitive in business retention and attraction, including IT businesses. It also provides increased opportunities for

the state's rural communities, through the ability to reliably conduct business globally from remote locations, and is essential for effective diversification of the state's economy.

Given the strong support and use of the incentive, we'd recommend extending the telecommunications infrastructure sales tax exemption until it can be properly and fairly evaluated.

For these reasons, ITCND encourages your support of the reauthorization of the telecommunications infrastructure sales tax exemption.

Thompson, Emily L.

From: Deana Wiese - ITCND <deana@itcnd.org>
Sent: Tuesday, June 28, 2016 4:02 PM
To: Dockter, Jason D.; Burckhard, Randall A.; Bellew, Larry D.; Dosch, Mark A.; Headland, Craig A.; Hogan, Kathy L.; Klemin, Lawrence R.; Koppelman, Ben; Kretschmar, William E.; Lefor, Mike; Mitskog, Alisa; Mooney, Gail; Muscha, Naomi T.; Nathe, Mike R.; Toman, Nathan P.; Weisz, Robin L.; Bekkedahl, Brad; Cook, Dwight C.; Dotzenrod, Jim A.; Mathern, Tim; Unruh, Jessica K.
Cc: Thompson, Emily L.; 'Doug Remboldt'; jneuharth@sycorr.com
Subject: ITCND Testimony on Telecommunications Exemption
Attachments: ITCND.Interim.Pol.Sub.Tax.TelecomExemption.6.28.16.pdf

Chairman Dockter and Members of the Political Subdivision Taxation Committee,

Attached please find testimony from the Information Technology Council of North Dakota (ITCND) in support of the reauthorization of the telecommunications infrastructure sales tax exemption, which is set to expire July 1, 2017.

I will be at the committee meeting tomorrow, but out of respect for your time given the number of incentives scheduled for the 2:55 p.m. slot, I am submitting written testimony instead of providing it verbally. However, should you be interested in additional information from ITCND, we'd be happy to provide it at any time.

Thanks.

Deana

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