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Senate Appropriations Committee

House Bill 1431 Committee Hearing March 31, 2021

Testimony of David Lang, North Dakota Water Users Association

Chairman Holmberg and members of the Senate Appropriations Committee. I am David Lang and I serve as the President of the North Dakota Water Users Association. The North Dakota Water Users Association supports passage of House Bill 1431.

The Water Users Association was organized in 1959 to protect, develop, and manage North Dakota's water resources. It is currently comprised of over 300 local, statewide and regional organizations in North Dakota who have an active interest in water. We work closely with the North Dakota Water Coalition to build consensus within the water community regarding funding needs and priorities. Collaboration is essential in meeting the water resource management needs of North Dakota.

The State of North Dakota has been a generous partner in advancing critical local and regional water projects. Through House Bill 1431, we have an exciting opportunity to expand that legacy. Using earnings of the Legacy Fund to establish creative finance options for important water infrastructure projects will allow us to invest in important water projects in communities across the state.

In addition to the bonding authority in this bill, HB 1431 authorizes an infrastructure revolving loan fund which important water projects can access. In concept, we support this loan fund. We are grateful for the amendments offered by the Senate Finance and Taxation Committee to provide for a low, consistent, interest rate for these loans. The stepped-up interest rate from 2% to 5% over time, as envisioned in the House-passed version of the bill, would have made the program very difficult for water projects to access. We would ask the committee to retain the amendment to the infrastructure loan program offered by the Finance and Taxation Committee.

We appreciate the state's long-standing commitment to fund water projects and urge your continued support of North Dakota's water infrastructure financing through passage of House Bill 1431.

Thank you and I would be happy to answer any questions the committee might have.