

## HB 1380 Testimony

Senate Finance and Tax Committee

Representative Mike Lefor

Good Morning, Chair Unruh-Bell and members of the Senate Finance and Tax Committee, my name is Mike Lefor and I represent District 37 – Dickinson in the House. Today, I bring HB 1380 also known as the Legacy Streams bill to you for consideration.

When I began to work on this legislation, I incorporated the thoughts of numerous individuals in state government, leaders across the state as well as the executive budget on a plan to utilize a portion of the Legacy fund earnings to benefit the citizens of the state of North Dakota. It is designed for flexibility, which is why they are called funding “streams” as they are always subject to change or updates.

There is nothing in this legislation which could not be changed other than the sinking and interest fund to meet the obligations put forward by the legislature.

As everyone knows, few things in life remain static, the world is always changing, I firmly believe we need to embrace change. That is one of the best attributes of the bill, the streams can be changed, the percentages can be made higher, lower or eliminated. They can have cap’s or a sunset attached to them.

The public is looking to the legislature for leadership on how we are going to deal with the earnings of the legacy fund going forward. The streams may take pressure off the general fund when it comes to appropriating dollars. Additionally, we would be able to leverage more federal dollars. This bill does not appropriate any dollars or take effect until 2023. Each one of these streams are issues which will have to be dealt with sooner or later, they are not going away.

It is imperative we invest in our economy as our state needs to diversify through a smart investment plan, ideas such as clean sustainable energy, economic diversification, research and development and innovation in technology. It would also drive more investment capital into the state.

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This bill supports the ability to bond for projects sooner, lowering maintenance costs. The state of North Dakota has over \$9 billion in infrastructure needs over the next twenty years, the sooner we make these investments, the better.

Chair Unruh-Bell and members of the committee, the concept is designed for flexibility and change. If passed by this assembly, it will serve as a foundation to share with the people of our great state as to how the earnings are being utilized for future ideas and concepts to better serve the citizens of North Dakota.

I thank you for your time and consideration of HB 1380, the Legacy Streams bill. I would be happy to answer any questions you have. In regard to the amended form of the bill, I would defer questions to Chairman Delzer of the House appropriations committee, who is here to testify as to the reasons for the changes.