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SUBJECT: Testimony in favor of Senate Bill #2228.

Dear Chairman and Members of the Senate Finance and Taxation Committee:

I come before you to ask for your support of Senate Bill 2228. I feel honored to speak with you about the benefits of this bill. Senate Bill 2228 means to provide an appropriation to the Department of Commerce for a rural grocery store sustainability grant program.

Over the last six years, North Dakota lost 35 percent of grocery stores in our small towns. Simultaneously, 85 dollar stores flooded the same towns. Other corporate giants have recently gone into the grocery business. Now, only 90 rural grocery stores remain open in the State of North Dakota. Senate Bill 2228 can provide grocers with the technological upgrades and strategic economic advancements to remain open. There are three important reasons to keep rural grocery stores open. Rural grocery stores 1) provide reliable access to food, 2) bolster local economies, and 3) support social stability.

1) Rural Grocers Provide Reliable Access to Food.

Corporate chains do not address the critical need for access to nutritious, local foods. Mom-and-pop grocery stores do business in local areas, thus making food and supplies easily accessible to the people in that locality. This issue remains particularly important for elderly residents who may not have the means to travel long distances or afford delivery services for groceries. Local grocery stores preserve the health, independence, and dignity of our senior citizens.

As locally owned businesses, rural grocery stores cater to the needs of the local community. During the pandemic or natural disasters, local businesses provided for the needs of small towns. Furthermore, when the only big corporate store in a town leaves, the town becomes a food desert. Rural grocery stores serve as our lifelines.

2) Rural Grocery Stores Bolster Local Economies.

When a rural community loses its grocery store, folks miss more than access to food. When residents must drive long distances to shop for groceries, they inevitably spend money on supplies they would otherwise purchase from local businesses. Property values decline as boarded-up businesses fill our Main Streets. Residential property values drop when families cannot sustain themselves. These losses erode our tax base and threaten the long-term survival of small towns.

Local grocers further bolster our economy by partnering with area ranchers and farmers to source fresh, high-quality items. Support of local ranchers and farmers form the heart of our agricultural communities.

3) Rural Grocery Stores Provide Social Stability.

Rural grocery stores weave the social fabric of our communities. Small grocers enjoy a close connection with their local community members, owing to face-to-face relationships with customers; such stores can offer individualized services. Rural grocery stores are places where neighbors greet each another and cultivate community. Mom-and-pop grocers support the local economy by allowing them to give back to the community that supports them. They often engage with charities, sponsor local events, and support their fellow business owners. This helps whole communities maintain a sense of social cohesion.

Time is of the essence. Some corporate giants such as the Dollar General use a tactic of predatory dart throwing. On average they open 1,000 - 1,100 stores a year and typically close the 300-400 least profitable stores annually. I don't want anyone in our community of New England or in our state to look back and say, "If only we had known..." This is why I keep speaking to various groups around my community about local grocery stores. I stand here today on behalf of all our struggling rural communities around the state. This isn't just a western North Dakota problem or an eastern North Dakota problem - it is a North Dakota problem that needs immediate action.

Senate Bill 2228 offers a solution to sustain these vital institutions and give small grocers a chance to thrive. I urge you to consider the far-reaching implications of this bill. Voting yes will not just preserve businesses; it will ensure access to nutritious food, improving the economic health of small towns and preserving social stability. This bill shows that we, as a state, value our people. Vote *yes* to SB 2228 to strengthen and safeguard the foundation of our lifelines.

Sincerely,

John D. W. Fielding