

This is in support of SB 2228 to provide funding for rural grocery stores.

I serve on a small non-profit serving northeast ND called the Northern Plains Resource Conservation and Development Council. We have conducted several projects in support of expanding local foods supply, and are currently working on a project to support rural food security, primarily in Towner and Benson Counties, but also including the communities of Munich, Edmore, and Sheyenne.

We are currently conducting a feasibility study to determine options for the communities in our area. Munich has a cooperative key-fob operated, honor system grocery store. Edmore has a very small grocery store. Cando has a profitable grocery store that is owned by a person who would like to retire. Leeds lost its primary grocery store, but the CenDak Cooperative has expanded grocery offerings in its convenience store. Maddock has a profitable grocery store currently undergoing an ownership transition. Minnewauken has lost its grocery store. Sheyenne is exploring whether a local gas station can provide some grocery offerings. There are convenience stores located on Spirit Lake Nation, including in Ft. Totten and at the Spirit Lake Casino.

These stores all share some common challenges, a major one being access to smaller quantities of goods that they sell at a price that allows them to make a profit. One of the things we are exploring is if there is an opportunity to create a new distribution model for some of these communities modelled after the successful RAD Cooperative in Walsh County. There may be other solutions that emerge as a result of the study as well.

These solutions will all take resources that cannot be provided by profits from the grocery store. Unfortunately, it often takes the loss, or threat of loss, of a grocery store to motivate a community to action. However, as both RAD and Munich have demonstrated, communities can come together and provide the support needed to keep their grocery store functioning.

So, I am in support of this bill to provide this support to communities. I do suggest one small wording change.

“The department shall prioritize grant funding awarded under this section for supporting existing rural grocery stores ~~before~~ over awarding grant funding for ~~feasibility~~ costs related to reopening a grocery store in a community without a grocery store.”

I support the priority of existing stores. But, in a case such as our project, we will have completed the feasibility study from outside resources. This may also be true in other

communities that get funding from a different agency, a foundation, or a not-for-profit organization. It may also be that by combining resources with a community that wishes to restore a grocery outlet, or enhance a convenience store, it is more likely to keep an existing grocery store profitable. It seems pretty clear that it will take communities working together in order for any one community to keep its grocery store. We should want to leave some of that discretion to the grant reviewers, while providing a priority.

Thank you.

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