



# North Dakota Irrigation Association

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Dedicated to strengthening and expanding irrigation to build and diversify our economy

## **Senate Appropriations – Education and Environment Division Hearing for HB 1020**

**March 11, 2025**

### **Testimony of Steve Hansen, Chairman, ND Irrigation Association**

Chairman Sorvaag and Members of the Committee, my name is Steve Hansen, and I serve as the Chairman of the North Dakota Irrigation Association (NDIA) in addition to being a farmer and irrigator from Ludden, ND. Thank you for the opportunity to offer testimony in support of House Bill 1020 and state funding for irrigation projects.

As you know, North Dakota producers often face devastating drought. Irrigation can be a valuable resource for producers because it has the potential to produce high value crops even in dry or drought periods. Irrigation also allows our farmers to maximize their soil's potential, increasing the productivity and profitability of the land.

In 2024, the NDIA, in partnership with the ND Department of Water Resources, Garrison Diversion Conservancy District, and North Dakota State University, undertook a study to identify areas for potential irrigation development. Attached to this testimony is a handout summarizing this study. The study showed that while less than one percent of cropland in North Dakota was irrigated in 2022, there are two million acres ripe for development, meaning that they have amenable soil types and land use in addition to access to water. In fact, 37 counties have more than 10,000 acres of cropland potential for future irrigation development.

To realize this development will likely require state support. Today, the state supports irrigation development in two ways. First, irrigation districts can apply for cost share through the State Water Commission for planning and construction of shared works, such as intakes, main transmission lines, and power lines, that benefit multiple irrigators in a district. While there are a limited number of districts in the state, and many of these are not very active, there is renewed interest in setting up and revitalizing districts. We would ask that adequate funding be included in the General Water bucket to support this effort. A recent request before the State Water Commission for one project was \$150,000. There could be a few requests in the next biennium, so \$300,00-\$500,000 would support a handful of projects.

The Irrigation Association also supports the request of the Garrison Diversion Conservancy District (GD CD) for \$5 million for irrigation development. The GD CD works closely with irrigators and potential irrigators in its district to further develop irrigation along the McClusky Canal.

The state, in a shared program with the State Water Commission and the Bank of North Dakota, also provides interest rate buydown for individual irrigators establishing new irrigation systems. The State Water Commission recently increased their contribution to this program and the Bank is looking to do the same in the near future. Together, this increased funding would increase the maximum buydown for an irrigator to 4% or \$90,000. Historically, this program has been undersubscribed. With this increase, we're hopeful there will be greater interest in using it. The State Water Commission has dedicated approximately \$300,000 to the Ag Pace program for the current biennium. We would ask that the same amount (\$300,000) be contemplated for inclusion in the General Water bucket for the next biennium.

HB 1020, in its current form, allocates \$25.5 million in the General Water bucket. Of that, approximately \$8 million is allocated for projects other than conveyance and the parks and rec grants. It is out of this \$8 million that funding for irrigation would come. We ask to maintain that amount in the General Water bucket for irrigation projects in the 2025-2027 biennium.

Thank you for the opportunity to provide this testimony, Mr. Chairman. I'd be happy to stand for any questions you may have.