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Testimony of Matt Perdue North Dakota Farmers Union In Support of HB 1235 Senate Agriculture and Veterans Affairs Committee March 6, 2025

Chairman Luick and members of the committee,

Thank you for the opportunity to testify on House Bill No. 1235. My name is Matt Perdue, and I am testifying on behalf of North Dakota Farmers Union's (NDFU) members. NDFU supports HB 1235.

HB 1235 clarifies that cities are eligible for Agriculture Infrastructure Grant funding. To encourage value-added development in rural areas, the legislation requires that cities must have a population of 1,500 or less to be eligible.

The Agriculture Infrastructure Grant program was established during the 2023 legislative session. The fund provides grants of up to \$1.25 million to political subdivisions for road and bridge improvements necessary to accommodate value-added agriculture businesses. Agriculture Infrastructure Grants are also available to support last mile utility infrastructure necessary to support those projects.

Earlier this session, this committee gave a favorable recommendation to SB 2327, which replenishes the Agriculture Diversification and Development (ADD) fund. The Ag Infrastructure Grant program is a sub-program of the ADD fund. Continued funding for ADD will ensure the Ag Infrastructure Grant program can continue to provide an important tool for supporting development of value-added agriculture enterprises in the state.

We support the addition of cities as eligible entities for the Agriculture Infrastructure Grant. We respectfully request a "Do Pass" recommendation on HB 1235. Thank you for your consideration. I will stand for any questions.