

March 11, 2021

Subject: SB2018

Mr. Chairman and Members of the House Appropriations Committee,

My name is Cherie Harms. I am here in support of the North Dakota SBDC which receives funding in SB 2018. I would like to request an increase or the same budget allocation for the SBDC in this session as allocated in the last session. I would also suggest the ND SBDC be specifically included in the Department of Commerce budget with a named budget line.

The reason I am concerned about this allocation is because the company I am the president and CEO of, Leonardite Products, has benefited from the services provided by the North Dakota SBDC. Our Regional SBDC Director, Keith Olson, helped us at startup, through several challenges and with our recent substantial round of financing in late 2018. Leonardite Products started in 2008 with an investment in an idle mining and processing facility. There were two employees on site operating out of a skid shack with no running water.

Keith Olson looked at our business plan and suggested financing edits. He set up and attended banking appointments with us. It was obvious through this activity the bankers were very comfortable with Keith's recommendations. He was able to get feedback to help us move forward and then helped both the bank and Leonardite Products put together the financing package. Keith introduced us to the PACE program and walked us through that application procedure.

Our SBDC Regional Director was visible when we started the business, yet since then he like all the other SBDC Directors, operate under the radar. He has been with us

every step along the way. I know he assists other business, yet he is not the one cutting the ribbons and winning awards for business growth.

Keith understood that helping Leonardite Products was a benefit to the region and North Dakota for two reasons: 1. We are a is a primary sector business. In other words, 100% of the income we generate comes into North Dakota from outside the state. In 2021 we expect 50% of our income will be from outside of the US. 2. Leonardite Products also diversifies the industry mix of the Williston economy.

As legislators you are keenly aware of the changes North Dakota, and specifically Northwestern North Dakota, has experienced in the last 13 years. During the frantic activity, we relied on the SBDC for advice, guidance and sometimes just a friendly ear. I know SBDC Directors all over the state suggest business synergies based on the trends and community needs they are uniquely privy to. SBDC Directors are embedded in each region of the state; they are local advisors.

With the help of the ND SBDC, Leonardite Products provides good paying jobs for 16 people with opportunities for more employees. We contract services from dozens of area companies. We are on the way to doubling our business in 2021. We appreciate the opportunity to rely on the SBDC. I feel it is vitally important the SBDC continue to provide their services to Leonardite Products and others in the state of North Dakota. Please consider Commerce line item and consistent funding for the ND SBDC.

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