Contact:
Matt Perdue, Lobbyist
mperdue@ndfu.org I 701.641.3303

Testimony of
Matt Perdue
North Dakota Farmers Union
Before the
Senate Appropriations Committee
February 3, 2021

Mr. Chairman and members of the committee,

Thank you for the opportunity to provide testimony on Senate Bill No. 2230. My name is Matt Perdue, and I am testifying on behalf of North Dakota Farmers Union's (NDFU) members.

NDFU supports SB 2230, which would provide a $50 million increase for the Bank of North Dakota's Value-Added Guarantee Loan program. We believe the Value-Added Guarantee Loan program is a critical resource for promoting the development of a wide variety of value-added businesses in North Dakota. Those projects, in turn, improve farmers' and ranchers' income, create new jobs, and strengthen the state's economy.

The Ethanol Recovery Program, which was offered in the midst of the coronavirus pandemic, provides a powerful illustration of the loan guarantee program's value. Higher funding authority will further the program's ability to serve a number of value-added projects. For example, NDFU is currently investigating the feasibility of constructing a mid-size beef processing and rendering facility in the state. The loan guarantee program is a difference maker for a project of that scope and scale.

In another example, industrial hemp offers great promise for North Dakota producers. However, one of the barriers to hemp production is the lack of processing facilities, especially for hemp fiber. As other states work to promote the growth of their hemp industries, the Value-Added Guarantee Loan program gives North Dakota a competitive advantage.

There are many other examples of the types of projects the loan guarantee program can support. In each instance, farmers and ranchers would benefit from new opportunities and higher margins. The program also delivers far-reaching benefits to our rural communities and overall economy.

We urge a "Do Pass" on SB 2230. Thank you for your consideration.