1/22/2023

TO: Ag Committee FROM: Scott German 105 Front St Oakes ND, 58474 RE: Support of HB 1371

Members of the Ag Committee,

Please accept this letter of support for HB 1371. My name is Scott German, an indebted 4th generation farmer from Dickey County. I currently farm with my father and my son. Together, we operate a row crop and livestock farm that includes a 4,000 head swine finishing site.

In 1998, my dad borrowed every cent he could to build a swine finishing site. His sacrifice and foresight allowed me to join and continue our family farm operations after earning a degree in Animal Science from NDSU. Diversifying with swine production has allowed our farm not only to grow but provided the opportunity for my son to come back and become *a 5th generation farmer*. This successful venture would not have occurred without the partnership of an out-of-state entity. I have experienced first-hand the great and sustainable opportunities that can be done with the partnerships allowed under HB 1371.

I am testifying in favor of HB 1371 as I know first-hand the importance of developing the livestock industry in North Dakota. Recently, I had the privilege of serving as chairman of the North Dakota Corn Council for three years. I also served as a founding board member of the North Dakota Livestock Alliance. In both organizations, our primary goals were to promote and enhance corn and livestock production and usage within the state. HB 1371 does just that by providing an excellent pathway for both corn and livestock production and utilization.

The agriculture sector in North Dakota has gone through significant changes over the last 20 years. Allowing North Dakota farmers to partner with out-of-state entities is essential for the successful future of livestock development within our great state. For those opposing this bill, I can say with certainty that out-of-state livestock entities are <u>not</u> interested in "buying up" our farmland. What they are interested in is *investing* and *partnering* with North Dakota family farmers to forge sustainable partnerships to produced finished animals. Large animal livestock entities willingly invest capital in animals and facilities while leaving the agriculture production to their in-state partners, ND family farms. I believe HB 1371 has the appropriate safeguards in place in the event this does not hold true.

With the construction of two new soybean processing plants and the existence of five ethanol plants, it only makes sense to capitalize on returning more value back to the ag sector. The meal and dried distillers' grain (DGG) produced within the state from these plants is a viable source of cattle feed. I would challenge any opponent to find a better way to add value back to North Dakota agriculture. When a bushel of grain is loaded onto a train and sent out of state, that bushel is gone. That exported bushel generates very little, if any in-state revenue. However, every bushel that is fed to livestock in-state, generates revenue, including but not limited to the

following: the processors, feed mills, livestock owners, veterinarians, truckers that haul livestock, livestock equipment businesses, and any in-state packers. And if this bill passes, an increase in in-state packers will occur.

Thank you for your diligent consideration of this testimony. I encourage you to vote **yes on HB 1371**. The future of my family farm and family farming operations within North Dakota will be impacted by your decision. Supporting HB 1371 will have a positive impact of family farming in North Dakota.

Respectfully Submitted,

Scott German Fourth Generation ND Farmer Rural Oakes, ND