

Testimony HB1371

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Testimony in Opposition for HB 1371

Chairman Johnson and members of the House Agriculture Committee. DRC would like to submit the following comments regarding HB1371.

Chairman Johnson,

My name is Scott Skokos and I am the Executive Director of Dakota Resource Council, a family farm and conservation organization. Dakota Resource Council was founded in 1978 by farmers and ranchers that wanted to protect their way of life and interests in the face of widespread energy development. Dakota Resource Council is opposed to HB 1371 because the bill, if passed, would open North Dakota to industrialized corporate agriculture.

HB 1371 Will Hurt Family Farms

First, despite what the Governor and others will tell you, this legislation will not help family farms. In fact, the passage of this bill will threaten the environment and rural communities because it will allow out of state corporations to purchase agricultural land to build factory farms in North Dakota. It has been proven time and again that corporate agricultural interests do not take care of the land and communities as well as family owned farms. Look no further than a state like Iowa, which has massive corporate hog farms and you will see the result of corporate agriculture. For example Des Moines, Iowa's most populous city recently had to spend millions of dollars to clean up its drinking water after it was contaminated by manure spreading and runoff from corporate agriculture operations¹. In addition, a recent study showed that the amount of sewage produced in Iowa is equivalent to the sewage that would be produced by 168 million people. Where does all that poop come from, you may ask? Corporately owned animal feeding operations.

HB 1371 is unnecessary

Second, If you've only been listening to the supporters of this bill, you'd swear that one of the major obstacles to animal agriculture that are keeping small farmers from making huge profits off of livestock production is the fact that they can't join forces with their neighbor across the street to get the Capital needed to develop an animal agriculture operation, and that state and local government are actively trampling on the plucky little livestock developers across the state. Our Governor has made statements saying that states like South Dakota, Minnesota, or Iowa

¹<https://www.circleofblue.org/2020/world/des-moines-river-essentially-unusable-for-drinking-water-due-to-algae-toxins/>

are “kicking our butts” in livestock production. This may be true when looking at the numbers, but that thinking ignores the environmental and social externalities states like South Dakota, Minnesota, and Iowa have experienced as a result of widespread animal agriculture. Issues surrounding smell, air quality, and water quality caused by confined animal feeding operations are highly damaging. Counties in Iowa with massive animal agriculture operations have some of the worst air quality and highest rates of asthma in the United States².

HB 1371 will devastate rural communities

Third, beyond the environmental impacts CAFOs and other forms of corporate animal agriculture can be socially and economically devastating to rural communities. According to a Food and Water Watch Report, “Counties that sold the most hogs and those with the largest farms suffered declines across several economic indicators — including real median household income and total wage jobs — over roughly the same time period³. These counties also experienced significant population decline — twice the rate of Iowa’s more rural counties.” It might take people to run the animal farms, and there will be truckers, feed, and some support industries, but it’s all going to be from one company when they strongarm every competitor out of business. Continuing the process of vertical integration will kill what’s left of our small communities.

Incorporation Structures Already Exist

Fourth, this law change is unnecessary for North Dakotans because of the incorporation structures already available in North Dakota. Presently, North Dakota law allows two unrelated North Dakota resident farmers to partner with each other through general partnerships, limited partnerships, LLPs, LLLPs, and cooperatives. In fact, the current law even allows unrelated family corporations to farm or ranch together through any partnership structure. If farmers in North Dakota want to pool their resources, they can, and they already do through these structures.

It’s time to reject Gov. Burgum’s agenda

Fifth, it’s time to reject Governor Burgum’s misguided agricultural agenda for North Dakota. The Governor seems to think we need to get our animal agriculture numbers up, but he’s ignoring all of the other areas where North Dakota excels in agriculture. According to the USDA, North Dakota ranks number one in the production of 12 commodity crops. This is despite having what the Governor calls an archaic law. Rather than taking a major risk by letting corporate animal agriculture come to North Dakota, we should rather look for ways to continue to improve our current agricultural economy in a manner that benefits actual North Dakotans over out of state corporate interests.

If passed HB 1371 will be referred to the voters

Lastly, we want to make crystal clear that if this bill is passed it would not be the end of this argument. In 2015 a similar measure was passed in the North Dakota Legislature that exempted hog and dairy operations from the anti-corporate law. In response North Dakotans banded

² <https://ehp.niehs.nih.gov/doi/full/10.1289/ehp.7240>

³ <https://onlineacademiccommunity.uvic.ca/asri/tag/water/>

together and referred the bill to the voters, where it was solidly rejected by 76% of North Dakota voters. If this bill is passed, it is almost certain that Dakota Resource Council and others will band together to refer it to the voters, and our guess is the voters will reject corporate farming once more.

We recommend a DO NOT PASS vote on this bill.