

January 26, 2023

The Honorable Paul J. Thomas
Chairman, Agriculture Committee
North Dakota House
North Dakota State Capitol
600 East Boulevard Ave.
Bismarck, ND 58505

Re: HB1437, a bill for an act to create and enact a new section to chapter 54-60 of the North Dakota Century Code, relating to the creation of regional livestock planning grants; and to provide for an appropriation.

Chairman Thomas and Members of the House Agriculture Committee:

For the record, I am Nancy Johnson, executive director serving the North Dakota Soybean Growers Association. I thank you for this opportunity to provide virtual testimony on HB1437.

The Soybean Growers Association is the advocacy arm of the soybean industry, representing the more than 8,900 operations in the state. According to the December 2022 Agriculture Economic Contribution Study, the industry has \$4.5 billion in gross business volume, \$4.2 billion from soybean production, \$0.3 billion from commodity handling, transportation, and processing.

Our long-held dream of increasing the processing contribution has come true and the first of potentially several crush plants will go online this fall. We'll go from exporting more than 90 percent of our crop as whole beans to crushing about 25 percent of the crop in state. That's how we got to this program of planning grants.

The association board determined that the number 1 goal of our current strategic plan is that **Interested entities begin executing an agreed upon plan to expand animal agriculture in North Dakota**. Our interest is based on the anticipated production of high-quality soybean meal as animal feed at the soybean crush plants.

So, a year ago, we invited other interested ag and industry groups to convene on the subject. We quickly found that we needed to know what we didn't know and had research conducted to determine how we could make some immediate impact. From that came a plan for start with zoning.

As you may be aware, the model zoning ordinances related to animal agriculture and put in statute by the 66th Legislative Session haven't been adopted by most townships and counties. Many of our current and past board members are on township boards. In checking with them, they knew zoning should be updated but had been consumed by flooded roads, FEMA, finding gravel or removing snow from a record 11 blizzards on 47,000 miles of roads. There was no ill intent.

A quick check of zoning posted on the DEQ website confirmed that the people we talked to weren't unique. Some of the ordinances we looked at thanked the Red River Regional Council for their help in the most recent update. The plan was coming together.

It became clear that, without adding another bureaucracy, we could create an easy button for the townships to work once again with the councils who already work with Commerce on many programs. When I was chatting with Dawn Mandt of the Red River Regional Council, who spoke to this group two weeks ago, she outlined a simple process to help get these import ordinances updated in a routine manner. While meeting with Commerce, there was agreement that the process could work.

Once the zoning is updated, GIS technology can be effectively used to help determine the optimum locations for animal agriculture and other rural economic development opportunities. A great first step.

Thank you for this opportunity to provide testimony on HB1437. I hope my comments are of value in your decision-making. I stand ready to answer any questions that you may have.

Respectfully Submitted,

Nancy Johnson
Executive Director
North Dakota Soybean Growers Association