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HB 1546

10/23



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**Testimony in Support of HB 1546**  
**Joint Policy Committee**  
**October 23, 2023**

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Chairman Thomas and members of the committee,

Thank you for the opportunity to testify in support of House Bill No. 1546. My name is Matt Perdue; I am the Government Relations Director for North Dakota Farmers Union. I am delivering this testimony today on behalf of a coalition of nine agricultural organizations.

North Dakota's farmers and ranchers use over 700,000 metric tons of fertilizer annually.<sup>1</sup> Our state's current nitrogen production capacity is only half that demand, leaving our state's farmers to rely heavily on fertilizer produced outside the state. Moreover, nitrogen demand is growing. From 1987 to 2017, nitrogen use in North Dakota increased by 143%.<sup>2</sup> Global demand for ammonia is also expected to increase by 40% by 2050 to meet higher food demand for a growing world population.<sup>3</sup>

Our organizations support HB 1546, because it will strengthen the resilience of North Dakota agriculture. Over the last several years, global supply chain disruptions have caused fertilizer prices to skyrocket. From late 2021 through early 2023, nitrogen fertilizer prices were more than double the five-year average. While the markets slowly calmed through much of 2023, they have recently spiked due to low water levels on the Mississippi River, challenges with rail delivery and global conflicts.<sup>4</sup>

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<sup>1</sup> Falcone, J.A. (2020). *Estimates of county-level nitrogen and phosphorous from fertilizer and manure for approximately five-year periods from 1950 to 2017 for the conterminous United States*. U.S. Geological Survey. Retrieved from <https://www.sciencebase.gov/catalog/item/5ebad56382ce25b51361806a>.

<sup>2</sup>*Id.*

<sup>3</sup> International Energy Agency. (2021). *International Energy Agency*. Retrieved from <https://iea.blob.core.windows.net/assets/6ee41bb9-8e81-4b64-8701-2acc064ff6e4/AmmoniaTechnologyRoadmap.pdf>.

<sup>4</sup> Dehlinger, K. M. (2023, Oct. 18). *DTN Retail Fertilizer Trends*. DTN/Progressive Farmer. Retrieved from <https://www.dtnpf.com/agriculture/web/ag/crops/article/2023/10/18/retail-anhydrous-fertilizer-price-16>.

