

## House Bill 1020 Testimony

March 2, 2023

NDSU Extension and the North Dakota Agricultural Experiment Station

Greg Lardy, Director

Good afternoon Chairman Bekkedahl and members of the Senate Appropriations Committee.

My name is Greg Lardy, and I have the privilege of serving as the director of NDSU Extension and the North Dakota Agricultural Experiment Station. I am a native of Sentinel Butte, North Dakota where I grew up on a small grain farm and cattle ranch. I've had the privilege of serving the state of North Dakota and NDSU for 25 years.

As you know, NDSU Extension and the North Dakota Agricultural Experiment Station play direct and vital roles in the lives of North Dakotans. Together the agencies work hand in hand to develop research-based solutions to some of the greatest challenges affecting the state of North Dakota and deliver these solutions to the citizens of North Dakota through educational programming that reaches a diverse cadre of audiences. Thank you for your support of our base budget and the SBARE initiatives in 2021.

Scientists in the North Dakota Agricultural Experiment Station help identify new uses for agricultural commodities, enhance marketing opportunities, and bring local solutions to the state through our network of our seven Research Extension Centers that are located strategically throughout the state. At the same time, NDSU Extension partners with local county governments to create a network of offices across the state that deliver educational programs to North Dakota citizens.

In December, we released the results of a study that quantified the contributions of agriculture to the state's overall economy and the impact is significant. Agriculture contributes over \$30 billion annually to the state's economy. One in five jobs are directly tied to agriculture. The North Dakota Agricultural Experiment Station and NDSU Extension are vital partners in this economy and play important roles in helping out state's agricultural economy flourish.

SBARE's responsibilities in Century Code include setting the programmatic and budgetary priorities for the agency. As Chairwoman Lovas mentioned, SBARE has listened carefully to the needs of the state's citizens through a series of listening sessions and dialog regarding the programmatic priorities for the North Dakota Agricultural Experiment Station.

SBARE has identified and prioritized identified several critical needs which are outlined in our budget book. On pages 5-6 pages you will find the programmatic initiatives for NDSU Extension, on pages 11-12 you will find the programmatic initiatives for the Agricultural Experiment Station, and on pages 47-48 you will find the capital improvement project priorities. These lists were developed by SBARE following dialog with citizens and stakeholders and are presented to this body for consideration as part of the appropriations process.

We are grateful to the 67<sup>th</sup> Legislative Assembly for their support of capital improvement projects at the REC's during the regular and special session in 2021. I probably don't need to tell you that it has been an exceptionally difficult bidding climate over the past 18 months. Supply chain issues, labor shortages, and inflation in every sector of the construction industry has resulted in a very challenging situation. On Pages 49 to 54 in the budget book, you will find a list of capital improvement projects funded in 2021, and their status to date. You'll

note that there are several where we were unable to get any contractors to bid on the projects, several where the bids came in over our projected budget, and only a handful where we had a successful bid and are able to move forward. We are asking for your consideration of extending the timeframe to complete projects and additional resources to bring them to fruition.

On Pages 83-88 in the budget book you will find a financial schedule that details the base budget, Governor Burgum's executive budget recommendation, and the changes made by the House of Representatives. At this time, I will walk through the key items related to our agency budgets beginning on page 86.

Thank you for your support of our budget and I am happy to answer any questions you may have.

