

January 26, 2023

The Honorable Larry Luick
Chairman, Agriculture and Veterans Affairs Committee
North Dakota Senate
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 Luick and Members of the Senate Agriculture and Veterans Affairs Committee:

For the record, I'm 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 foundation of our interest in regional planning goes back to the association's strategic plan and is based on the anticipated production of high-quality soybean meal for animal feed that will be produced 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 to start with zoning.

As you may be aware, the model zoning ordinances related to animal agriculture and approved 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 applications, finding gravel or removing snow from a record 11 blizzards on 47,000 miles of roads. There was no ill intent... this just wasn't the most urgent need in their township.

We, however, do have a sense of urgency. There is legislative work underway to facilitate animal agriculture development in North Dakota and that has created a lot of attention for the subject.

I can just imagine the excitement of a farm family doing succession planning which concludes that, rather than try to buy more land, animal agriculture can expand their operation and bring more family members back to their farm only to learn that their township zoning hasn't been updated for 20 years. That can stop progress cold.

I did an informal poll at the Township Officers Association, and many officers realized the need for an update, but they just didn't know where to start. In doing a quick check of zoning posted on the DEQ website, I confirmed that the people we talked to weren't unique. I found some zoning ordinances that hadn't been reviewed since the '70s. Some of the ordinances we looked at thanked the Red River Regional Council for their help on 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 more than 1,000 organized townships to work once again with the councils who already work with the Commerce Department on many programs. When discussing this idea with Dawn Mandt of the Red River Regional Council, she outlined a simple process to help get these important ordinances updated in a routine manner. While meeting with Commerce, there was agreement that the process could work and this urgently needed update could rapidly begin with the funding we request in this bill.

Once the zoning is updated, GIS technology can be effectively used to help determine the optimum locations for animal agriculture as well as other rural economic development opportunities. Updating zoning is a great first step in the site analysis process.

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