Testimony in Support of Senate Bill 2406

Scott Skokos, Executive Director
Dakota Resource Council

Chairman and Members of the Committee:

My name is Scott Skokos, Executive Director of Dakota Resource Council. On behalf of DRC, I urge a **DO PASS on Senate Bill 2406**, prohibiting nondisclosure agreements concerning data centers and other industrial development.

About Dakota Resource Council

Dakota Resource Council is a statewide, grassroots organization that has worked with North Dakota communities for nearly 50 years. Much of our work involves helping farmers, ranchers, landowners, and other residents organize and participate in decisions involving large-scale industrial development.

Whether communities are dealing with oil and gas development, pipelines, refineries, concentrated animal feeding operations, renewable energy projects, or now data centers, our approach is fundamentally the same: **the people who live with the impacts of development deserve a meaningful voice in the decisions that affect their land, families, and communities. That is what DRC strives to make a reality.**

We are not opposed to development. We believe development should occur transparently, responsibly, and with meaningful public participation. That experience is why we believe Senate Bill 2406 is so important.

Communities Have a Right to Know

Over the past year, DRC has worked with communities across North Dakota facing proposed large-scale industrial development, particularly data centers. One concern has come up repeatedly: residents are learning about enormous projects affecting their communities only after significant discussions have already occurred behind closed doors.

That is unacceptable.

When a project could affect electricity rates, water supplies, roads, taxes, neighboring property, schools, noise levels, or the character of a community, the people who live there deserve to know what is being proposed and have a meaningful opportunity to participate before decisions are effectively made.

Economic Development Should Not Require Secrecy

We recognize that businesses have legitimate proprietary information. But there is an important distinction between protecting genuine trade secrets and requiring public officials or public agencies to sign agreements that prevent them from discussing proposed industrial development with the very people they represent.

Government works best when citizens can see how decisions are being made.

This principle should not be limited to data centers. Refineries, manufacturing facilities, energy projects, and other major industrial developments can have equally significant consequences for surrounding communities. We therefore strongly support applying this prohibition broadly to industrial development.

Make This Protection Permanent

We also encourage the Legislature to go one step further.

Senate Bill 2406 provides this protection through the end of the biennium. We strongly support putting it in place immediately, but **North Dakotans' right to transparency should not expire at the end of the biennium.**

Use this period to demonstrate that North Dakota can pursue economic development without sacrificing open government, and then make the prohibition permanent during the next legislative session.

Transparency is not anti-development. Public participation is not anti-business. In fact, secrecy can undermine public trust in projects that might otherwise receive community support.

North Dakota citizens should never have to wonder what their government has agreed not to tell them.

Dakota Resource Council respectfully urges a DO PASS on Senate Bill 2406 and encourages the Legislature to make this important transparency protection permanent.