THE CHAMBER
FARGO MOORHEAD WEST FARGO

September 1, 2026

Letter of Opposition | SB 2406

Chair Klein, Chair Ruby and Members of the Special Ad Hoc Policy Committee,

For the record, my name is Cale Dunwoody, and I have the pleasure of serving as the Vice President of Public Policy at the Fargo Moorhead West Fargo Chamber of Commerce. On behalf of our more than 1,600 members, I am writing to respectfully express our opposition to Senate Bill 2406, which would prohibit nondisclosure agreements (NDAs) relating to data centers and industrial projects.

NDAs are an important tool in economic development and business, and SB 2406 would simply remove this tool from North Dakota's toolbox. As the global economy continues to evolve and competition for investment increases, North Dakota must pursue policies that strengthen our business climate and enhance our competitive position.

Businesses commonly evaluate multiple locations, regionally and nationally, when considering expansion, relocation and investment opportunities. During early discussions, businesses often work directly with economic development organizations, site selectors, political subdivisions and the State to determine whether a project is feasible. These discussions may include sharing confidential or proprietary information, and NDAs help ensure that information is handled appropriately, providing businesses with the certainty needed to effectively evaluate investment opportunities.

SB 2406 takes a one-size-fits-all approach by establishing broad definitions that would have significant ramifications for current and future economic development activity across a broad range of industries. For example, the legislation's definition of "industrial project" would extend far beyond large-scale industrial projects and could apply to projects of nearly any size, scope or sector. Additionally, the definition of "agency" could significantly restrict economic development professionals and other partners acting on behalf of political subdivisions when working with prospective businesses and investors.

If enacted, SB 2406 would reduce local control, weaken North Dakota's business climate and place our state at a competitive disadvantage. In an increasingly competitive economic development environment, North Dakota should be focused on preserving and enhancing the tools that help communities compete for jobs, investment and future economic growth, not eliminating them.

On behalf of the FMWF Chamber of Commerce, I respectfully urge a **Do Not Pass** recommendation on SB 2406. Please reach out to me directly at cdunwoody@fmwfchamber.com with any further questions. Thank you for your time and consideration.

Sincerely,

Cale Dunwoody
Vice President of Public Policy
Fargo Moorhead West Fargo Chamber of Commerce