BISMARCK MANDAN CHAMBER | EDC

September 1, 2026

Senate Bill 2406 Testimony: Oppose

Hon. Jerry Klein, Chairman
Joint Policy Interim Committee

Chairman Klein and Committee Members,

My name is Brenda Nagel, and I serve as the President & CEO of the Bismarck Mandan Chamber EDC. Our organization serves nearly 1,200 businesses in the Bismarck Mandan community and we are a combined Chamber of Commerce and Economic Development organization.

I agree with ensuring that our elected and appointed officials and those acting on behalf of political subdivisions are transparent, honest, and ethical in their work. My testimony today does not deny the importance of these elements. It is intended to share our view on economic development work and how some of the language in SB 2406 could unintentionally, adversely affect our organization.

In the case of Bismarck and Mandan, The Chamber EDC is contracted by and receives funding from political subdivisions to deliver economic and workforce development services. As the bill is written, my office would be affected. The definition of "Agency" on Page 1, Section 1, 44-04-01, Item 1, line 10 states that "Agency" means the state or a political subdivision or a person or contractor acting on behalf of". The Chamber EDC would be included in this legislation. By definition, most, if not all, economic development organizations in the state will be included in this legislation.

I respectfully request that the definition be amended. While we don't sign large numbers of nondisclosure agreements, (3 since 2024) removing this tool from our toolbox could limit our ability to at least have the conversation as we compete with other states for business.

Also included in this section, the definition of "industrial project," cuts a wide swath. As written, it would apply to **any** business, including small businesses and commercial projects. Prohibiting any clause or language in any contract that identifies a project as confidential will have widespread impacts.

The site selection process is typically confidential regardless of industry, for many reasons, including but not limited to trade secrets, intellectual property, security implications, competitor knowledge, protections during due diligence period, and more. In my experience, nondisclosure agreements have been few and far between, but requests for confidentiality during initial contract periods are standard, so it is very important that organizations such as the Bismarck Mandan Chamber EDC and like organizations across the state are allowed to utilize that language and provide those protections.

For these reasons, I respectfully urge the committee to recommend **DO NOT PASS on SB 2406**. Thank you for your consideration of our concerns.

Sincerely,

Brenda Nagel
President & CEO