



SENATE BILL NO. 2020
HOUSE APPROPRIATIONS GOVERNMENT OPERATIONS DIVISION
DAVID MONSON, CHAIR
TESTIMONY IN SUPPORT OF SENATE BILL 2020

Chairman Monson and members of the House Appropriations Government Operations Division. My name is Parrell Grossman, and it is my privilege to be the Legislative Director for the North Dakota Soybean Growers Association. I appear in support of Engrossed Senate Bill 2020, with amendments.

The Association advocates for 8,900 operations that raise soybeans in North Dakota. In 2024, those soybean farmers planted 6.6 million acres of soybeans, producing over 245 million bushels of soybeans.

The Committee is very aware of the agricultural economic impact in North Dakota. NDSU's 2024 North Dakota Agriculture Industry Economic Contribution Analysis reported that the economic contribution to North Dakota is \$41.3 billion, including \$26 billion from direct output and \$15.3 billion from secondary output.

Research investments drive ag innovation. Every \$1 invested in ag research yields \$37 in economic returns. Therefore, it is critical for this legislature to continue to strategically invest in agriculture in North Dakota. The Association asks you to do so with this legislation with NDSU and SBARE's funding requests, including additional funding beyond that approved in the Engrossed Senate Bill.

The Association respectfully asks the Committee to restore full funding for the NDSU Extension and the ND Agricultural Experiment Station to the 2023-25 base budget. Soybean farmers rely heavily on these services and partner with NDSU. Research, grower education and promotion are the three pillars of the North Dakota Soybean Council. Based on soybean grower input, the NDSC works with NDSU research, leveraging your funding with checkoff dollars, to implement the third-party research critical to grower success and with extension to help disseminate actionable information to growers.

There is an emerging need and role for educating farmers and ranchers about the latest developments in carbon management policies, market trends, and technological advancements. Informed decision-making will result in increasing profitability and sustainability. NDSU Extension has a trusted role and presence in all 53 counties which allows it to provide local education ensuring producers are informed about these opportunities. In the industry perspective, there are significant opportunities in the ethanol, biomass-based diesel and sustainable aviation fuel industries, and farmers and ranchers must understand and capitalize on them. The NDSU Extension and Experiment Station have always demonstrated their commitment to leading these efforts in North Dakota. Finally, there is a critical need for positions and operating support to address emerging needs and to drive these initiatives forward.

We endorse the NDSU Extension Program Initiative #1 the “Biofuels and Carbon Initiative,” because this funding request will provide specialists and resources to assist our farmers in navigating the complexities of carbon contracts and market preferences. We agree this initiative will keep producers updated on carbon management policies, market trends, and technological advancements, enabling them to make informed decisions and maximize their participation in carbon management programs. This program will educate our soybeans farmers and increase their sustainability and profitability.

Soybean farmer, Ryan Pederson, farms approximately 2,000 acres of soybeans and has substantial experience and expertise with the crop. Ryan has an impressive resume and credentials with state and national agricultural associations. Among the other organizations he outlined, he currently represents the North Dakota on the Clean Fuels Alliance America board, the industry trade association representing Biodiesel, Renewable Diesel and Sustainable Aviation fuel.

Ryan has experience participating in many university and private farm research projects. He detailed his experience with a pilot program with Virginia Tech and North Dakota Farmers Union. He praised that program and noted that experience demonstrated the complexities of these programs. Ryan, however, did not mention that he earned a master’s degree in agriculture economics from Purdue University. When Ryan talks about the complexities of these farming programs or practices, we should take notice.

In the biomass-based diesel segment, there is demand for ever lower carbon index scores. Learning more about successful carbon lowering practices will help support our efforts to lower the soybean carbon index score, making the crop more

valuable for our state's farmers. Additionally, industry is moving quickly with numerous carbon management offerings in response to changing carbon reduction policies. Tracking all the offerings can become a full-time job and not everyone has Ryan's qualifications or is staffed to do an analysis of which of many offerings would make the most economic impact on their operations.

The Association also endorses and fully supports the NDSU Extension Program Initiative #2 the "Extension and Soil Conservation Committee Operating Support." Additional operating support is very necessary for their programs whether for emerging needs involving carbon and biofuels, livestock development, disaster response or any other current or arising issues that farmers rely on across the state for their agricultural operations. This increasing role and programs necessarily require additional operating support.

North Dakota's farmers are incredibly hardworking individuals carrying on multi-generational family farms. In addition to the constant risks of weather, disease, and low prices, they now face challenges in ever-changing market conditions or regulatory environments. The issues of low carbon intensity and carbon management in crop planting are a new and serious challenge.

Now, farmers are concerned that uncertainty around U.S. tariffs has had a negative impact on ag markets, pushing commodity prices lower. The Association also supports NDSU Experiment Station initiative #1, the Center for Agricultural Policy and Trade Studies. CAPTS helps our growers better understand the effects of such policies on North Dakota agriculture.

NDSU and its services are just the help farmers and ranchers need. NDSU has a strong history and proven track record of taking the investments the legislature makes and leveraging its expertise, experience and resources into education, training, and improved farming practices that will exponentially benefit our agriculture and our farm families many years into the future.

For all these reasons, Chairman Monson and members of the House Government Operations Division, the Association supports Engrossed Senate Bill 2020 and respectfully urges you to restore full funding for NDSU Extension Service and the Agricultural Experiment Station, along with the requested enhancements, and give Engrossed Senate Bill 2020 a "Do Pass" recommendation with amendments.

Thank you for your consideration and I will try and answer any questions.