





ND Living

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To: North Dakota House Finance and Taxation Committee

From: Josh Kramer, general manager, North Dakota Association of Rural Electric Cooperatives

RE: Support of House Bill 1524

Chairman Headland and members of the House Finance and Taxation Committee, on behalf of the North Dakota Association of Rural Electric Cooperatives (NDAREC) and our members, I extend our support for House Bill 1524.

Since the early 1990s, our state association has been providing development services through our rural development center that is supported by rural electric and broadband cooperatives in North Dakota. This commitment stems from cooperative principles like "cooperation among cooperatives" and "concern for community." Our rural development center provides technical assistance and connection to resources, including grants and low interest financing, for communities as well start-up and expanding cooperatives, small businesses and non-profit organizations.

Initiatives and projects are in the areas of rural emergency services, health care, childcare, grocery and local food access, meat processing, housing, infrastructure, quality of life amenities, and more!

We, and the cooperatives we represent, are dedicated to improving the quality of life for rural people and rural places. Though we've made many impacts across the state, there is always more demand for the technical assistance that we provided, and limited funding and financing capabilities — to serve all the needs. Our tracking list shows 76 projects in process or in response-to-inquiry or exploratory phases. These projects need guidance, hand-holding, organizational assistance, help obtaining grants and loans, and coordination with other regional and state efforts.

Regional councils play crucial role in advancing projects in our state, and are important partners, with the shared goal of advancing projects and improving the quality of life in rural places. We often work together some combination of giving and loans through cities, counties, businesses, and philanthropic organizations, to package and move projects forward.

With these experiences, we see first-hand the need for more hands-on assistance in communities and counties that can't afford economic development staff or that lack organized entities focused on community betterment.

North Dakota is growing, which is fantastic news. Yet, we need to bring along for the ride to prosperity more of the state's people and places. County population estimates through 2023 show only 10 counties growing in population since 2020. Looking for consistent growth, only four counties make the list: Cass, Burleigh, Morton and Billings. Even within these counties, there are still towns that aren't sharing in the growth and that need help.

Small towns matter. Among North Dakota's 355 cities, only 92 have a population greater than 500 and 263 are below this threshold. These communities are in places that produce our food and energy. The people who live in these rural and frontier places deserve access to basic goods and services. We will all benefit when there are more services available as we travel our state's highways and byways. Travel and tourism industries in North Dakota will flourish when we strengthen our small towns and push our state's "flyover" reputation to the side.

The proposed bill, to better equip the state's eight regional development councils to serve their respective areas, is a step in the right direction. This funding would help put more players on the field, more boots on the ground, to assist communities in addressing challenges and capitalizing opportunities.

NDAREC urges a "Do Pass" recommendation on HB1524.