

Feb. 7, 2025

To: Senate Ag and Veterans Affairs Committee

From: Beverly Voller, President, Hazelton Development Corporation

RE: **Support of Senate Bill 2228**

Chairman Luick and members of the Senate Ag and Veterans Affairs Committee:

Good morning. My name is Beverly Voller and I am the Volunteer President of the Hazelton Development Corporation. Hazelton is in District 8 in south-central North Dakota, approximately 50 miles southeast of Bismarck and 16 miles from the county seat of Linton.

Today I am submitting testimony in support of Senate Bill 2228.

The Hazelton Development Corporation has worked tirelessly to provide local amenities for our elderly, farm families, and residents within our community and surrounding area, especially a grocery store. About 20 years ago, the community worked together to acquire funding to build a downtown business center which houses the current grocery store, along with several other private businesses. Through ongoing fundraising efforts and thousands of volunteer hours, we will soon be paying off the mortgage on this facility.

Hazelton's grocery store was initially privately owned and operated, but it couldn't remain profitable and had to close the doors. Community members worked together and donated money to purchase enough inventory to open the doors. A Board of Directors was formed, and a manager was hired to operate the grocery store. The store has been struggling over the years but has been able to stay open to meet the needs of our community with the help of the Development Corporation, local business and private donations, and fundraising.

The Development Corporation was a recipient of the Rural Food Sustainability Grant Phase 1 funding which was allocated last Legislative session. This funding allowed us to contract for a feasibility study to determine options available to maintain and grow our local community-owned grocery store.

That study showed that cooperation between grocery stores in the region would help reduce freight charges, allow the stores to share various distributor fees, split product cases for better inventory control, improve gross margins, and secure a long-term supply of wholesale product for each of our small stores.

Through funds received from the North Dakota Department of Commerce for Phase 2 of the Rural Food Sustainability Grant, we are collaborating with grocers in the region to

determine the logistics of purchasing wholesale product collectively and distributing to each of the stores from one central drop-off point. One potential result of this collaboration is the formation of a “Grocery Co-op” like the Rural Access Distribution (RAD) Co-op model located at Park River, in Walsh County, North Dakota.

That feasibility study completed by Neil Doty from Crossroads Community Advisors and the excellent assistance from the staff of the North Dakota Association of Rural Electric Cooperatives has given us hope in Hazelton that we will have a thriving grocery store that can meet our needs in the future.

I would like to give a quick thank you to Senator Myrdal for also sponsoring that Rural Food Access Grant legislation during the last session.

Many would ask why not just drive to Linton or Bismarck for groceries? The population of Hazelton is approximately 225 with over 25% over the age of 65. These elderly residents do not want to drive any distance, especially during the winter months, to buy groceries. It is difficult for them to drive to larger communities and physically shop in a larger square footage store. Our farm families prefer to shop locally if the prices are competitive, and the grocery variety is available to save time and effort to put food on their table.

Our grocery store is vital to our community and school’s growth, and we must continue to seek solutions to keep the doors open. A community owned grocery store Co-op model could be the solution for many other North Dakota communities searching for ways to provide this basic amenity.

I was born and raised in Emmons County. Hazelton and the surrounding area mean a great deal to me. But this issue is not unique to Hazelton--it affects every small community in North Dakota. When a grocery store closes in a community, other businesses soon follow, along with the local school, and the small town becomes yet another ghost town on the map.

I urge you to vote in favor of the Senate Bill 2228 to help ensure that our rural communities can not only survive, but thrive, long into the future.

Thank you for your time and service to our state.