

February, 2025

Testimony in Support of SB2342

For the record, my name is Greg Lardy and I serve as the Joe and Norma Peltier Vice President for Agriculture at North Dakota State University where I have the privilege to direct the activities of NDSU Extension and the North Dakota Agricultural Experiment Station.

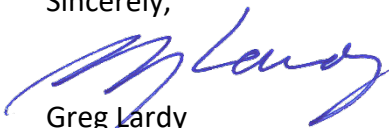
Livestock development is crucial to enhancing the long-term economic impact of agriculture on the state's economy. For decades, North Dakota has lagged behind neighboring states in relation to the economic contribution of the livestock sector. As North Dakota continues to look to the future, enhancing livestock development through incentivizing food processing will be critical to our overall success.

This proposed legislation is a crucial step toward fostering economic growth and sustainability in North Dakota's agricultural sector. By providing grant funding for the construction of value-added milk processing facilities, the state will not only support local dairy farmers but also create long-term job opportunities and strengthen regional economies. The ability to access up to ten million dollars or five percent of the construction costs for milk processing facilities is an important step in securing a stable and reliable market for milk for the state's dairy farmers. Infrastructure such as access to natural gas, electricity, water, and rail lines is critical to the success of such projects. Additional processing capacity will enhance the state's milk production capabilities and improve the economic outlook of the dairy industry, and will create a more robust agricultural industry in North Dakota.

Furthermore, this legislation encourages innovation and investment within the state's dairy industry by making these grants a reimbursement for critical infrastructure costs. This incentivizes private investment while simultaneously lowering the financial barriers that often hinder the construction of large-scale facilities. The provision that grants will be awarded once the value-added milk processing facility reaches full production capacity ensures accountability and guarantees that the infrastructure investment leads to tangible results. By enhancing North Dakota's capacity to process and add value to its milk, this legislation provides a solid foundation for long-term growth, helping local dairy producers thrive and boosting the state's economy as a whole.

If you have any questions regarding my testimony, please feel free to contact me.

Sincerely,



Greg Lardy
Joe and Norma Peltier Vice President for Agriculture

JOE AND NORMA PELTIER VICE PRESIDENT FOR NDSU AGRICULTURE

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