

February 7, 2025

To: North Dakota Senate Agriculture and Veteran Affairs Committee

From: Ellen Huber, NDAREC Rural Development Director

RE: Support of Senate Bill 2390

Chairman Luick and members of the Senate Agriculture and Veteran Affairs Committee, on behalf of the North Dakota Association of Rural Electric Cooperatives (NDAREC) and our members, I share our support for Senate Bill 2390 to create a rural catalyst committee and grant program, which we view as an important investment in rural development, small towns and small businesses.

For 30-plus years, our state association has supported rural development. The purpose of the NDAREC Rural Development Center is to power grassroots efforts with development experience and resources to assure quality of life in North Dakota's communities. 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.

This impactful work is made possible through support from North Dakota's electric and broadband cooperatives, the Broadband Association of North Dakota (BAND), and a USDA Rural Cooperative Development Grant. Elected board members and staff from these co-ops guide our work. Electric and broadband cooperatives, NDAREC and BAND are also members of the Rural Development Finance Corporation (RDFC), which helps finance the implementation of many community, co-op, small business and non-profit initiatives with low-interest loans and grants.

A philanthropic organization also contracts with NDAREC to facilitate applications that assist rural community, nonprofit or cooperative-based projects serving low to moderate income persons. These projects must show strong community, evidence of fundraising, and a gap preventing implementation.

With this toolkit of support for rural development, we've had much success. Yet the 76 projects on our active tracking list demonstrate the needs outweigh the means. There's plenty of work to be done.

The proposed catalyst fund would be a strategic investment in small towns that provide essential services to people producing our food and energy. Regional councils would be an effective partner in assuring statewide deployment of funds and a challenge or matching format assures some "skin the in the game." NDAREC asks for a "Do Pass" recommendation on SB2390.

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