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**Testimony of Doug Goehring
Agriculture Commissioner
Senate Agriculture and Veteran Affairs Committee
Fort Union Room
February 8, 2023**

Chairman Luick, and members of the Senate Agriculture and Veteran Affairs Committee, I am Agriculture Commissioner Doug Goehring and I'm here today in support of House Bill 1276.

The agriculture diversification and development committee was created as part of the agriculture diversification and development fund (ADD) to provide grants to projects meeting the requirements of ADD. To date, we have provided funding to 10 projects totaling \$2,174,000 in grants. From that funding over \$100 million dollars in agriculture-based project developments have occurred. Additional funding as specified in this bill is vital to continue to provide support to agriculture development.

At this time, I would like to offer an amendment to make the agriculture infrastructure grant program its own section in law, instead of portion of ADD committee. Infrastructure grants program would be up to \$10 million of the total of the ADD fund. Political subdivisions would be limited to grants of \$1.25 million per project or 80% of total cost. Grants to the actual individuals would be limited to \$350 thousand or 80% of total cost. The grants to support infrastructure needs to political subdivisions and

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1276

Page 2, line 22: Insert **SECTION 2. AMENDMENT.** A new section to chapter 4.1-01 of the North Dakota Century Code is created and enacted as follows:

Agriculture infrastructure grant program.

The agriculture commissioner shall develop policies to administer the grants, including a grant application process and eligibility criteria. Grants to political subdivisions are limited to one million two hundred fifty thousand dollars per project and may not exceed eighty percent of the infrastructure project cost. Grants to individuals or organizations are limited to three hundred fifty thousand dollars per project and may not exceed eighty percent of the capital improvement project costs. Eligible uses of grant funding include road and bridge improvements, water and sewer line improvements, and electrical and gas supply improvements. Grant funding may not be used for routine maintenance or operating costs. For purposes of grant eligibility, value-added agriculture businesses includes the same businesses as provided under section 4.1-01.1-07. The agriculture commissioner shall distribute the funding.

Page 3 line 9: after word available, insert agriculture infrastructure.

Renumber accordingly