

1) Fiscal Stewardship: A Strong Investment and Long-Term Property Tax Relief Strategy

- **SB 2097 is an investment, not an ongoing expense** – This endowment fund generates sustainable returns, ensuring long-term benefits without creating a continuous burden on the state budget.
- **It diversifies North Dakota's investment portfolio** – By supporting rural communities, we're strengthening the foundation of our state's economy, enhancing workforce retention, and increasing local resilience.
- **It keeps dollars working in North Dakota** – The fund's returns will be reinvested into North Dakota's smallest communities, ensuring that resources continue to circulate within the state rather than being lost to external interests.
- **It provides long-term property tax relief** – By creating a dedicated funding source for essential community projects, the endowment fund reduces the financial burden on local governments and taxpayers, who currently bear the full cost of infrastructure and services. Over time, this investment will help stabilize and lower property tax pressures in rural areas.

2) Meeting the Needs of Rural North Dakota's Smallest Communities

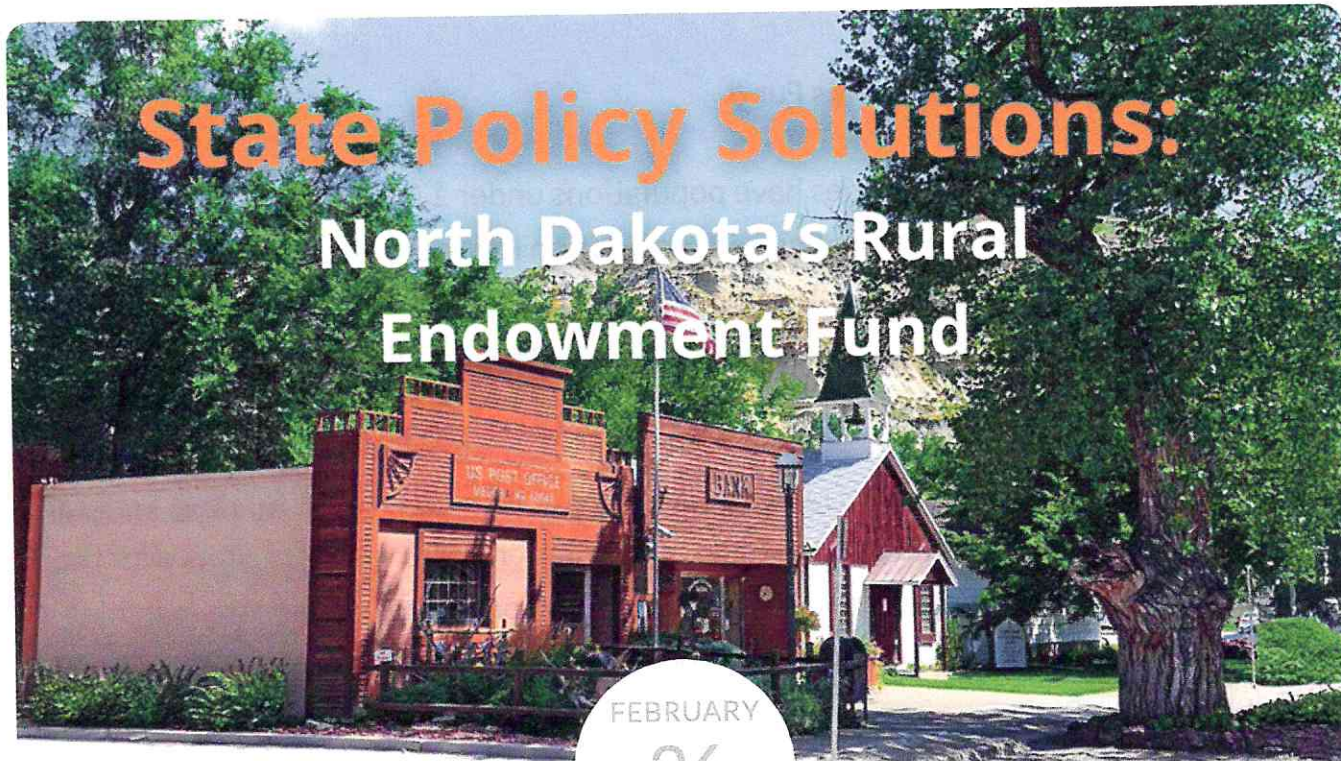
- **Rural communities under 1,000 people are often overlooked** – These communities struggle to access traditional funding streams for essential projects that maintain and enhance quality of life.
- **This endowment fund will support critical projects** – Potential investments include local childcare centers, main street revitalization, senior housing, food access, and emergency response infrastructure—projects that wouldn't otherwise happen without a reliable funding mechanism.
- **Without this, communities face continued decline** – When basic needs and opportunities go unfunded, small towns lose population, businesses struggle, and the state ultimately faces greater economic challenges.

3) Non-Duplication: SB 2097 is Uniquely Positioned

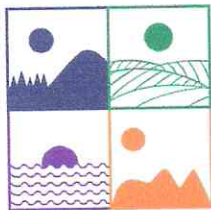
- **No other state has a fund like this** – SB 2097 is a first-of-its-kind initiative that directly addresses the sustainability of North Dakota's smallest communities.
- **It does not duplicate existing programs** – The endowment fund is designed to fill gaps, not replace or replicate current state, federal, or nonprofit initiatives.
- **No other legislation this session offers a similar solution** – While other proposals may address infrastructure or rural development in broad terms, none

provide a dedicated, long-term funding mechanism tailored specifically for communities under 1,000 residents.

SB 2097 is a forward-thinking, fiscally responsible investment that ensures the future of North Dakota's smallest communities, strengthens our state's economic foundation, and provides a model for rural sustainability that doesn't exist anywhere else in the country.



A Blueprint for Rural Prosperity: North



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Rural America is at a crossroads. Despite comprising over 52% of the nation's landmass, frontier communities remain on the margins of investment, infrastructure, and

representation. North Dakota's SB 2097, which establishes a Rural Community Endowment Fund, is a roadmap for ensuring rural resilience in the face of systemic neglect.

This bill is an economic intervention tailored to the reality of rural life. It's a funding model that sidesteps the red tape and urban biases of traditional grant programs, ensuring that communities under 1,000 residents—the ones too often overlooked—can access capital on their own terms. At its core, SB 2097 is a rejection of the idea that rural decline is inevitable.

Why Rural Communities Need This Fund

In North Dakota alone, 85% of cities have populations under 1,000. This mirrors a national crisis: rural communities are struggling with population loss, deteriorating infrastructure, and economic stagnation. Private investment isn't coming to the rescue—globalized economies have shifted manufacturing, community-scale agriculture, and small businesses out of remote America.

These challenges are compounded by structural barriers in government funding. Federal and state programs disproportionately favor urban centers, prioritizing regions with the administrative capacity to navigate complex application processes and secure matching funds. The result? Frontier communities—super-rural areas with the greatest need—are often left with nothing.

The \$50 million Rural Community Endowment Fund aims to change that narrative. It provides a permanent, self-sustaining financial resource, investing in the long-term success of North Dakota's small towns. Crucially, the fund's principal will remain untouched, with grants issued from earned interest, ensuring stability and longevity.

How SB 2097 Works

1. A Permanent, Self-Sustaining Model

Unlike traditional state funding pools that deplete over time, SB 2097 establishes a lasting financial foundation. Modeled after successful endowments like North Dakota's Legacy Fund, the principal remains intact, generating interest that funds housing development, infrastructure upgrades, workforce initiatives, and community projects.

2. Flexibility to Address Local Needs

Most rural grant programs are burdened by rigid criteria that fail to reflect community priorities. SB 2097 is different—it gives rural leaders the ability to identify and tackle their most pressing challenges. Whether it's fixing crumbling wastewater systems, developing affordable housing, or creating local business incentives, the fund provides real financial autonomy to communities.

3. Rural Governance at the Center

The fund will be overseen by a rural-led committee, ensuring that decision-making power stays in the hands of the communities it serves. A state-based nonprofit grant-maker will administer the fund, reducing bureaucratic overhead while maintaining accountability.

A National Model for Frontier Investment

For frontier communities—those with extreme rurality and limited access to state resources—SB 2097 represents a funding approach that could reshape rural investment nationwide. Other states, like Montana and Wyoming, have developed targeted rural business grants, but few initiatives address the full scope of community sustainability.

SB 2097 fills that gap, offering a holistic investment strategy that prioritizes infrastructure, livability, and long-term resilience. It's not about temporary relief—it's about building capacity for generations.

Why This Matters Now

The cost of inaction is steep.

- Deferred infrastructure maintenance leads to exponentially higher costs.
- Population decline erodes tax bases, crippling local governments.
- Without targeted investment, small towns risk economic collapse.

SB 2097 provides the financial foundation that frontier and rural communities desperately need to compete for federal and state grants, sustain local economies, and secure their futures.

Beyond North Dakota: A Call to Action

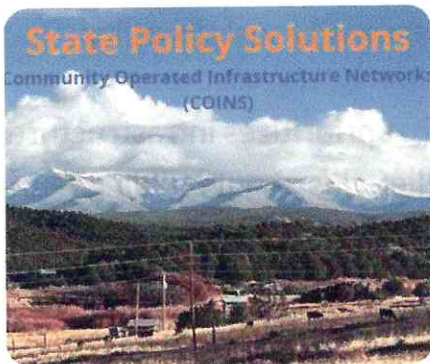
As the National Center for Frontier Communities, we believe SB 2097 is a model that could be replicated across frontier states. The fund proves that rural investment doesn't have to be complicated, bureaucratic, or dependent on urban priorities.

If we want thriving rural communities, states must take bold, proactive steps—not just to preserve what remains but to create a future where rural places are vibrant, self-sustaining, and central to our nation's prosperity.

North Dakota has provided the blueprint. Now, it's time for other states to follow.

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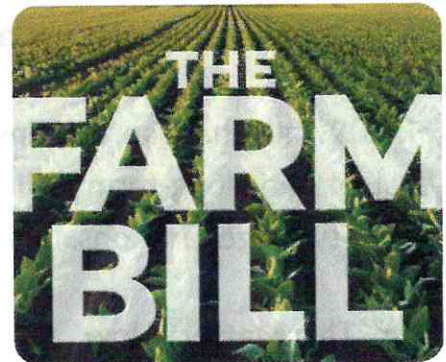
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