

2025 HOUSE AGRICULTURE

HB 1040

2025 HOUSE STANDING COMMITTEE MINUTES

Agriculture Committee Room JW327C, State Capitol

HB 1040
1/9/2025

A BILL for an Act to amend and reenact section 61-34-04 of North Dakota Century Code, relating to eligibility for the drought disaster livestock water assistance program.

9:45 a.m. Chairman Beltz called the meeting to order.

Members Present: Chairman Beltz, Vice Chairman Hauck, Representatives Anderson, Dobervich, Handerson, Holle, Hoverson, Kiefert, Nehring, Olson, Rios, Schreiber-Beck, Tveit, Vollmer

Discussion Topics:

- Cost-share assistance
- Water supply shortages
- Drought mitigation
- Federal funding

9:46 a.m. Patrick Fridgen, Director of the Planning and Education Division, ND Department of Water Resources (SWR), testified in favor and submitted testimony #28198.

10:00 a.m. Julie Ellingson, Executive Vice President, ND Stockmen's Association, testified in favor.

Representative Tveit moved Do Pass.

Representative Vollmer seconded.

Representatives	Vote
Representative Mike Beltz	Y
Representative Dori Hauck	Y
Representative Karen A. Anderson	Y
Representative Gretchen Dobervich	Y
Representative Donna Henderson	Y
Representative Dawson Holle	Y
Representative Jeff Hoverson	Y
Representative Dwight Kiefert	Y
Representative Dennis Nehring	Y
Representative SuAnn Olson	Y
Representative Nico Rios	Y
Representative Cynthia Schreiber-Beck	Y
Representative Bill Tveit	Y
Representative Daniel R. Vollmer	Y

Motion passed 14-0-0.

Representative Keifert moved to place on Consent Calendar.

Representative Dobervich seconded.

Voice vote. Motion failed.

Representative Tveit will carry the bill.

10:10 a.m. Chairman Beltz closed the hearing.

Diane Lillis, Committee Clerk

REPORT OF STANDING COMMITTEE
HB 1040 ([25.8005.01000](#))

Agriculture Committee (Rep. Beltz, Chairman) recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING), and be placed on the Eleventh order on the calendar.

TESTIMONY OF

Patrick Fridgen, Division Director, Planning and Education

Chairman Beltz, and members of the House Agriculture Committee – I am Patrick Fridgen, Director of the Planning and Education Division for the Department of Water Resources (DWR). I am here today to testify in support of House Bill (HB) 1040 related to application procedures for the state's emergency Drought Disaster Livestock Water Supply Assistance Program (Program).

The Program provides cost-share assistance to livestock producers who are experiencing water supply shortages caused by severe drought. Eligible projects under the Program are those that are intended to provide long-term resiliency to drought, such as wells, connections to rural and regional water supply systems, stock tanks, and reliable power supplies, as examples. Because it is a drought response program, it is activated through a drought disaster declaration issued by the Governor, with start and stop dates set by the State Water Commission (Commission). Funding for the program is also approved by the Commission – utilizing existing funding authority provided in DWR's biennial budgets.

Under current eligibility requirements included in North Dakota Century Code (N.D.C.C.) § 61-34-04, Program applicants must first apply and be denied for cost-share assistance from the United States Department of Agriculture, Farm Service Agency (FSA). The FSA program that could potentially support drought resilience water supply projects for livestock producers is known as the Emergency Conservation Program (ECP). The purpose of HB 1040 is to remove the federal application denial as a state eligibility requirement.

As stated previously, the Program is activated in response to severe drought conditions, so the timeliness of the state's response to applications, and the ability of producers to develop emergency water supplies as quickly as possible, is extremely important. Though FSA works to provide letters of denial promptly, it is an added, and unnecessary step for producers to apply for a program that is rarely ever active in their respective counties.

For example, during the most recent activation of the Program that began in April 2021, all 53 of North Dakota's counties were ultimately eligible for Program assistance. (As a side note, eligible counties were those experiencing D3 "Extreme Drought" conditions as established by the U.S. Drought Monitor,

and counties adjacent to those with D3 drought conditions.) Through FSA, only Ward and Emmons Counties were implementing ECP, and they weren't activated until June and August 2021 – months later than DWR's program. So even though 51 of North Dakota's 53 counties were never even eligible for FSA ECP funding, producers were still required by statute to seek, and receive denial, before they could be approved for drought Program funding from DWR. This scenario has played out similarly during previous activations of the Program.

To offer some perspective regarding impacts to producers, during the 2021 Program activation, 1,577 drought mitigation water supply projects were approved for DWR Program funding, involving 1,115 producers. That means that each of those producers had to first be denied for assistance from FSA so they could submit that information to DWR as part of their cost-share application. Though the idea of accessing federal funds first before state funds is understandable and was likely the original intent behind the current requirements, if FSA is habitually unable to provide support, it becomes an added burden for producers and the county FSA offices that are issuing denial letters.

In consideration of improving the efficiency of DWR's Drought Disaster Livestock Water Supply Assistance Program, and to reduce government red tape for producers who are trying to develop drought resilient water supplies during emergency situations, we respectfully request your support and approval of HB 1040.

Mr. Chairman, and members of the committee, this concludes my testimony in support of HB 1040, and I will stand for any questions you might have.

2025 SENATE AGRICULTURE AND VETERANS AFFAIRS

HB 1040

2025 SENATE STANDING COMMITTEE MINUTES

Agriculture and Veterans Affairs Committee

Fort Union Room, State Capitol

HB 1040
2/20/2025

A bill relating to eligibility for the drought disaster livestock water assistance program.

9:05 a.m. Vice-Chair Myrdal opened the hearing.

Members present: Chairman Luick, Vice-Chair Myrdal, Senator Marcellais, Senator Weston, Senator Weber, Senator Lemm

Discussion Topics:

- Cost-share assistance
- Drought Disaster Declaration
- Funding
- Eligibility requirements
- Emergency Conservation Program (ECP)
- Farm Service Agency (FSA)
- Producer impact
- Department of Water Resources (DWR)
- Resolution urgency

9:06 a.m. Patrick Fridgen, Division Director of the Planning and Education Division for the Department of Water Resources (DWR), testified in favor and submitted testimony #38135.

9:11 a.m. Julie Ellingson, ND Stockmen's Association, testified in favor.

9:12 a.m. Vice-Chair Myrdal closed the hearing.

9:12 a.m. Senator Weber moved a Do Pass.

9:12 a.m. Senator Lemm seconded the motion.

Senators	Vote
Senator Larry Luick	A
Senator Janne Myrdal	Y
Senator Randy D. Lemm	Y
Senator Richard Marcellais	Y
Senator Mark F. Weber	Y
Senator Kent Weston	Y

Motion passed 5-0-1.

Senator Weber will carry the bill.

9:13 a.m. Vice-Chair Myrdal closed the meeting.

Audrey Oswald, Committee Clerk

REPORT OF STANDING COMMITTEE
HB 1040 ([25.8005.01000](#))

Agriculture and Veterans Affairs Committee (Sen. Luick, Chairman) recommends **DO PASS** (5 YEAS, 0 NAYS, 1 ABSENT OR EXCUSED AND NOT VOTING). HB 1040 was placed on the Fourteenth order on the calendar. This bill does not affect workforce development.

TESTIMONY OF

Patrick Fridgen, Division Director, Planning and Education

Chairman Luick, and members of the Senate Agriculture and Veterans Affairs Committee – I am Patrick Fridgen, Director of the Planning and Education Division for the Department of Water Resources (DWR). I am here today to testify in support of House Bill (HB) 1040 related to application procedures for the state’s emergency Drought Disaster Livestock Water Supply Assistance Program (Program).

The Program provides cost-share assistance to livestock producers who are experiencing water supply shortages caused by severe drought. Eligible projects under the Program are those that are intended to provide long-term resiliency to drought, such as wells, connections to rural and regional water supply systems, stock tanks, and reliable power supplies, as examples. Because it is a drought response program, it is activated through a drought disaster declaration issued by the Governor, with start and stop dates set by the State Water Commission (Commission). Funding for the program is also approved by the Commission – utilizing existing funding authority provided in DWR’s biennial budgets.

Under current eligibility requirements included in North Dakota Century Code (N.D.C.C.) § 61-34-04, Program applicants must first apply and be denied for cost-share assistance from the United States Department of Agriculture, Farm Service Agency (FSA). The FSA program that could potentially support drought resilience water supply projects for livestock producers is known as the Emergency Conservation Program (ECP). The purpose of HB 1040 is to remove the federal application denial as a state eligibility requirement.

As stated previously, the Program is activated in response to severe drought conditions, so the timeliness of the state’s response to applications, and the ability of producers to develop emergency water supplies as quickly as possible, is extremely important. Though FSA works to provide letters of denial promptly, it is an added, and unnecessary step for producers to apply for a program that is rarely ever active in their respective counties.

For example, during the most recent activation of the Program that began in April 2021, all 53 of North Dakota’s counties were ultimately eligible for Program assistance. (As a side note, eligible counties were those experiencing D3 “Extreme Drought” conditions as established by the U.S. Drought Monitor,

and counties adjacent to those with D3 drought conditions.) Through FSA, only Ward and Emmons Counties were implementing ECP, and they weren't activated until June and August 2021 – months later than DWR's program. So even though 51 of North Dakota's 53 counties were never even eligible for FSA ECP funding, producers were still required by statute to seek, and receive denial, before they could be approved for drought Program funding from DWR. This scenario has played out similarly during previous activations of the Program.

To offer some perspective regarding impacts to producers, during the 2021 Program activation, 1,577 drought mitigation water supply projects were approved for DWR Program funding, involving 1,115 producers. That means that each of those producers had to first be denied for assistance from FSA so they could submit that information to DWR as part of their cost-share application. Though the idea of accessing federal funds first before state funds is understandable and was likely the original intent behind the current requirements, if FSA is habitually unable to provide support, it becomes an added burden for producers and the county FSA offices that are issuing denial letters.

In consideration of improving the efficiency of DWR's Drought Disaster Livestock Water Supply Assistance Program, and to reduce government red tape for producers who are trying to develop drought resilient water supplies during emergency situations, we respectfully request your support and approval of HB 1040.

Mr. Chairman, and members of the committee, this concludes my testimony in support of HB 1040, and I will stand for any questions you might have.