

2025 HOUSE FINANCE AND TAXATION

HB 1524

2025 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Room JW327E, State Capitol

HB 1524
2/4/2025

Relating to the funding of regional planning councils; and to provide an appropriation.

9:30 a.m. Vice Chairman Hagert opened the hearing.

Members Present: Vice Chairman Hagert, Representatives Anderson, Dockter, Dressler, Foss, Grueneich, Ista, Motschenbacher, Nehring, Olson, Porter, Steiner, Toman
Members Absent: Chairman Headland

Discussion Topics:

- Past local / federal funding
- Current funding
- Source of funding
- Rural Community struggles

9:31 a.m. Representative Monson introduced the bill.

9:34 a.m. Briselda Herrera, Souris Basin Planning Council, Executive Director, testified in favor and submitted testimony #34333, and #34202, and #34203.

9:50 a.m. Brent Ekstrom, Lewis & Clark Development Group, Executive Director, testified in favor and submitted testimony #33881.

10:00 a.m. Teran Doerr, Roosevelt Custer Regional Council, Executive Director, testified in favor and submitted testimony #33855.

10:06 a.m. Melissa Beach, Economic Development Association of North Dakota, testified in favor and submitted testimony #34352.

10:09 a.m. Josh Kramer, ND Association of Rural Electric Cooperatives, General Manager, testified in favor and submitted testimony #33984.

10:12 a.m. Josh Buchmann, Roosevelt Council Regional Council and Bowman County, President and Commissioner, testified in favor and submitted testimony #33070.

10:15 a.m. Lance Gaebe, North Dakota Farmers Union, Policy Strategist, testified in favor and submitted testimony #34391.

10:17 a.m. Parrell Grossman, North Dakota Soybean Growers Association, Legislative Director, testified in favor and submitted testimony #34210.

10:19 a.m. Matt Gadner, Executive Director, ND League of Cities, testified in favor.

10:21 a.m. Lisa Rovold, Red River Community Housing Development Organization, testified in favor and submitted testimony #34279.

10:26 a.m. Dawn Mandt, Executive Director, Red River Regional Council, testified in favor and submitted testimony #34124.

Additional written testimony:

Gary Greff, Enchanted Castle, submitted testimony in favor #33226.

Robert Wurl, Lincoln State Bank, President & CEO, submitted testimony in favor #33251.

Kimberly Gaugler, City of Beach, City Auditor, submitted testimony in favor #33302.

Britt Jacobson, Golden Valley Vet Clinic, submitted testimony in favor #33403.

Kimberly Hagen, Grand Forks County, Chair, Grand Forks County Commission, submitted testimony in favor #33591.

Carter Fong, Dickinson Area Chamber of Commerce, Executive Director, submitted testimony in favor #33615.

Dave Flohr, North Dakota Housing, Executive Director, submitted testimony in favor #33692.

Jennifer Feist, Valley City-Barnes County Deve, submitted testimony in favor #33694.

Tony Grindberg, Xcel Energy, State Director, submitted testimony in favor #33740.

Ryan Jilek, Stark Development Corporation, Executive Vice-President, submitted testimony in favor #33753.

Dwaine Heinrich, City of Jamestown, Mayor, submitted testimony in favor #33763.

Traci Redlin, South Central Dakota Regional Council, Executive Director, submitted testimony in favor #33774 and #33775.

Zahi Atallah, Williston State College and TrainND Northwest, Vice President of Academic Affairs, submitted testimony in favor # 33777.

Cyrena Weeks, Tri-County Regional Development Council, Executive Director, submitted testimony in favor #33804.

James Murphy, Traill County Economic Development Commission, Executive Director, submitted testimony in favor #33811.

Amie Vasichek, City of Lakota, City Auditor, submitted testimony in favor #33815.

Sandra Shively, North Central Planning Council, Executive Director, submitted testimony in favor #33866.

Laurie Odden, Rugby Chamber of Commerce and Convention and Visitors Bureau, submitted testimony in favor #33880.

Carol Peterson, City of Milnor, submitted testimony in favor #33896.

Williams County Commission submitted testimony in favor #33917.

Amanda Hegland, New Rockford Area Betterment Corporation, Executive Director, submitted testimony in favor #33923.

Kristin Jeager submitted testimony in favor #33966.

Thomas Gemmill, Gemmill Custom Homes, submitted testimony in favor #33993.

Vawnita Best, City of Watford City, Community & Business Development Director, submitted testimony in favor #33994.

Julie Gemmill, Walsh County Job Development Authority, Chairwoman, submitted testimony in favor #34004.

Mike Dunn, Construction Engineers, submitted testimony in favor #34011.

Robert Thornberg, Harvest Fuel Inc., CEO, submitted testimony in favor #34045.

Ann Kvande, Western Region Economic Development, Executive Officer, submitted testimony in favor #34071.

Adrienne Olson, City of Casselton, Community & Economic Development Director, submitted testimony in favor #34108.

Ashley Berg submitted testimony in favor #34134.

Rachel Laqua, North Dakota Planning Association, President, submitted testimony in favor #34179.

Amber Metz, Lake Agassiz Regional Council, Executive Director, submitted testimony in favor #34204.

Bill Bauman, YMCA Alliance, CEO, submitted testimony in favor #34207.

Angelle French, Pembina County JDA, Director, submitted testimony in favor #34218.

Stephanie Blumhagen, FARRMS, Executive Director, submitted testimony in favor #34311.

Lesley Icenogle, North Dakota Corn Growers Association, submitted testimony in favor #34377.

Anna Nelson, Williston Economic Development, Executive Director, submitted testimony in favor #34395.

Erika Kenner submitted testimony in favor #34404.

Jennifer Dusek, City of Grafton, Community Development Director, submitted testimony in favor #34408.

10:32 a.m. Vice Chairman Hagert closed the hearing.

Janae Pinks, Committee Clerk

Testimony of Josh Buchmann
Roosevelt Custer Regional Council and Bowman County
In Favor of HB 1524
January 30, 2025

Chairman Headland and Committee Members:

My name is Josh Buchmann, and I am the President of Roosevelt Custer Regional Council (RCRC) and a Commissioner for Bowman County. I am submitting this testimony in strong support of HB 1524.

I've served on the RCRC board since 2018, and during this time, I've witnessed the profound impact an active regional council can have on rural communities. When I first joined the board, RCRC was struggling to stay active, and our region lacked the resources to support the needs of Southwest North Dakota. At that time, we didn't even have a physical office to serve Region 8.

In 2022, we made the decision to relocate RCRC to Bowman, ND, and began the process of rebuilding. We hired staff and secured contract management to help us become an active regional council again—one that could provide critical support for businesses and tourism in our area.

Today, RCRC is once again assisting our rural communities. Through our efforts, we've secured gap financing, implemented Community Development Block Grants (CDBG) to benefit rural communities, and launched a regional talent attraction campaign. We've been able to assist small communities in securing funding for vital projects, such as new clinics, fire halls, updated water mains, and more. This kind of support, especially for smaller communities, is critical to their success and sustainability.

With a current team of just two full-time staff members and three part-time contract staff, we are doing great work—but the demand for services continues to grow. To effectively address the challenges of rural development, housing, infrastructure, workforce growth, and essential services, we need sustained, dedicated funding. HB 1524 would provide this, enabling us to expand our efforts and better support the diverse needs of our region.

As President of RCRC, I've seen firsthand the dedication of our staff in securing grants and managing projects. These grants have been essential in rebuilding our organization and fostering economic growth in our region. However, securing grants can be a long and complicated process, and they often don't provide the stability or long-term funding needed to ensure ongoing support for rural businesses and tourism. HB 1524 addresses this challenge by providing stable funding, ensuring that regional councils can continue their critical work and help rural communities access state and federal resources.

HB 1524 also aligns with broader efforts to improve rural economic development, infrastructure, housing, workforce growth, and essential services. It provides technical expertise to help rural communities navigate complex funding applications, project development, and reporting. It also offers project managers who will be dedicated to advancing rural development initiatives, something that will level the playing field for smaller communities.

On behalf of Roosevelt Custer Regional Council, the communities of Region 8, and Bowman County, I urge you to support HB 1524. Regional councils are vital to the sustainability and prosperity of rural communities across our state, and this bill will ensure they have the resources needed to thrive.

Thank you for your consideration.

Sincerely,

Josh Buchmann

President, Roosevelt Custer Regional Council

Commissioner, Bowman County

Dear Chairman Headland and Committee Members,

I'm writing to let you know how much I support House Bill 1524. I've seen firsthand the difference Roosevelt Custer Regional Council has made in Hettinger County. As an artist, it's been a dream to see our area have the potential to grow as a tourism destination, and the Council has been a key part of making that happen. They helped us secure funding for a feasibility study, and they've been instrumental in the planning process, which is paving the way for future growth.

As the chair of the Hettinger County JDA, I've also witnessed the Council's impact up close. From helping with business visits to job postings and assisting with local programs, Roosevelt Custer is making sure we've got the support we need. We're all excited about the Council being revived and know it's going to help strengthen our region even more.

Regional councils like Roosevelt Custer offer expertise that we just don't have in small communities. They help us tap into grants, plan infrastructure projects, and create long-term strategies for growth. This is more than just about individual towns, it's about making sure the whole region stays strong, sustainable, and competitive.

Without stable funding, it's hard to know if these councils can keep doing the good work they're doing. House Bill 1524 is a critical investment in our future, and I strongly urge you to support it. It's a real opportunity for rural communities to continue growing and thriving.

Thank you for your time and consideration.

Sincerely,
Gary Greff
President, Hettinger County JDA
Hettinger County, ND



LINCOLN STATE BANK

**Testimony of Robert Wurl in support of HB 1524
To the House Finance and Taxation Committee
February 4, 2025**

Rep. Craig Headland and members of the House Finance and Taxation Committee.

My name is Robert Wurl. I am President of Lincoln State Bank, Hankinson and serve on the Hankinson Community Development Corporation, Southern Valley Economic Development Authority and Lake Agassiz Regional Development Corporation. I support HB 1524 as it provides sustained funding for regional councils, which provide resources to support rural communities such as ours.

As the local community bank, people in our community look to us to provide not only financial resources, but information, expertise, technical support and assistance with almost every activity within the community. We look to our Regional Council as a resource to help us provide information, support and to find solutions for community planning, housing needs, childcare need, business and industry attraction and expansion.

The Regional Council is a resource we rely on heavily in Hankinson. Given the size of our community, activity is driven by boards made up of volunteers, we do not have the resources to employ full-time staff.

Lake Agassiz Regional Council has assisted our local development corporation and City in many ways through the 40 years I have been engaged in banking and economic development. Using their technical expertise, they lead the City through the process of establishing and renewing our Renaissance Zone, facilitated long-range community planning and visioning, assisted with applications for various grant and other financing leading to new industry (Guardian Energy Hankinson) and expansion of existing businesses. They are well-versed in a variety of funding resources.

I urge you to support this critical funding bill for Regional Councils statewide.

Robert P. Wurl bwurl@lsbhank.com
President & CEO

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January 31, 2025

Chairperson Headland and Committee Members,

My name is Kimberly Gaugler, I have had the pleasure of serving as the Auditor of the City of Beach, North Dakota since 1994. I am submitting this testimony in support of House Bill 1524. Regional councils across the State are essential to the success of North Dakota's rural communities, by providing technical expertise, project management, and funding assistance that small towns often lack. HB 1524 ensures that regional councils have the stable resources needed to continue helping rural areas access critical funding and successfully implement development projects.

North Dakota's rural communities face unique challenges in securing funding for economic development, infrastructure, and essential services. Regional councils can help level the playing field by guiding communities through complex grant applications and project administration, ensuring that they can take full advantage of available state and federal funding sources. Without this support, many small towns would struggle to compete for funding opportunities that are vital to their long-term sustainability.

This bill aligns with Senate Bill 2225, which dedicates \$50 million to housing infrastructure with rural set-asides. Regional councils will play a crucial role in helping communities access these funds, navigate project development, and meet reporting requirements. Additionally, councils assist with workforce development initiatives, helping small towns build solid applications and develop partnerships that strengthen their local economies and build resilient communities.

Furthermore, regional councils contribute to the success of essential rural businesses, including grocery stores, which are supported under Senate Bill 2228. By providing financial and business planning assistance, regional councils help sustain these critical services, preventing further economic decline in rural areas.

By supporting HB 1524, the legislature is making a direct investment in the future of North Dakota's rural communities. Stable funding for regional councils means stronger local economies, improved infrastructure, and increased opportunities for small towns to grow and thrive. I personally, appreciate the decade's long relationship with Roosevelt Custer Regional Council, and the support they have provided over the years. I urge you to support this bill and ensure that regional councils can continue their vital work.

Thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kimberly Gaugler', written in a cursive style.

Kimberly Gaugler
Auditor, City of Beach



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www.goldenvalleyvet.com

Testimony of Britt Jacobson in support of HB 1524

To the House Finance and Taxation Committee

February 4, 2025

Chairman Headland, Vice Chairman Hagert, and Members of the Committee,

My name is Britt Jacobson and I am the Practice Manager at Golden Valley Veterinary Clinic in Park River, ND, where I manage a mixed-animal veterinary practice employing 18 people in our rural community, providing services throughout the northeastern corner of North Dakota. I am writing in support of HB 1524.

As a rural business, we have significant workforce recruitment and retention challenges, primarily around housing and childcare. These issues are challenges for many rural communities and they are complicated issues to address without financial resources and the professional support to organize and coordinate the needed projects.

My husband, Nathan Kjelland, DVM, and I bought Golden Valley Veterinary Clinic as a thriving rural practice 10 years ago. The Red River Regional Council provided a new business loan investing in our new business. Eight years later, when we built a new state-of-the art veterinary clinic in the same community, the Red River Regional Council again supported us with a loan for new technology in the new facility. These funding resources have been critical for our success as a growing rural business providing essential veterinary care in our rural communities.

As our business continues to grow, we find it increasingly challenging to hire the highly trained professionals we need to serve our clients. Many young professionals are looking to relocate to rural areas. However, the lack of childcare and housing makes it difficult for us to attract and keep young professionals. Our communities are struggling to address these complex challenges. We need help from the Regional Councils to lead these efforts by coordinating, planning, and helping

fund significant community investments in rural places. Our rural communities have not been able to effectively address these challenges on our own.

The Red River Regional Council has already been a leader on many of these issues in our rural communities, providing vision and helping pull communities and resources together to address these very significant challenges. I serve on one of the Red River Regional Council advisory committees for Real. Good. NE ND, the state's first rural regional workforce attraction initiative. The regional marketing materials are helpful when interviewing candidates and talking about the many things our region has to offer potential employees. The future of this initiative is unknown due to funding instability. The initial grant was for development and start up, but did not include funding for the long-term implementation of the project.

Unfortunately, this is frequently the case with the work of the Regional Councils. Projects are often short-term due to lack of long-term financial support from our state and federal governments. The Regional Councils have pieced together enough funding to continue to do this vital work, but it continues to be a challenge to find sustainable funding for organizational capacity and leadership. Our rural communities have so much to offer, but without the vision and leadership of the Regional Councils, we will struggle to meet the workforce needs right now and in the future.

I appreciate the state-wide efforts to increase the available workforce with the concierge portal and other efforts. However, we need to have efforts that address the very specific needs of different regions in the state as well. This is where the Regional Councils excel.

Recently, the Red River Regional Council helped secure funding for a new housing development right here in Park River, ND. They also helped secure funding for a new childcare center in conjunction with our local school district. And this is the progress we are seeing in one rural North Dakota town. These Regional Councils have the potential to positively impact rural communities throughout our state.

In closing, I urge you to support this critical funding bill with a "Do Pass" to help our rural communities and rural businesses flourish today and in the future!

Thank you for your consideration of this important bill. Please contact me if you have any questions.

Britt Jacobson

brittjacobson@gmail.com

701-331-1670



Board of Commissioners

Kimberly Hagen
Grand Forks, ND

Mark Rustad
Grand Forks, ND

Cynthia Pic
Niagara, ND

Bob Rost
Grand Forks, ND

Terry Bjerke
Manvel, ND

Kimberly Hagen
Chair
Grand Forks County Board of Commissioners
PO Box 5726
Grand Forks, ND 58206-5726

February 3, 2025

RE: HB 1524 A BILL for an Act to create and enact a new section to chapter 54-40.1 of the North Dakota Century Code, relating to the funding of regional planning councils; and to provide an appropriation

Dear Chairman Headland and members of the House Finance and Taxation Committee,

I am writing to provide Grand Forks County's support for House Bill 1542, which seeks to create and enact a new section to Chapter 54-40.1 of the North Dakota Century Code to support funding for regional planning councils, including the Red River Regional Council (RRRC).

As Chair of the Grand Forks County Board of Commissioners, I would like to highlight that Grand Forks County is a financial supporter of the RRRC. The Council serves approximately 90,000 North Dakotans across 39 communities, including the Grand Forks region, and plays an integral role in supporting business and community development throughout our area.

RRRC's programs have had a direct and lasting impact on local communities. For example, RRRC has supported small business development through its facilitation of funding opportunities, including grants and low-interest loans, that help local entrepreneurs start and expand businesses. Additionally, the Council has assisted communities with infrastructure projects that have bolstered economic activity and improved residents' quality of life—such as the development of new roads, water systems, and recreational facilities.

RRRC also works closely with local governments to foster long-term economic sustainability. For instance, their strategic planning initiatives help communities identify economic opportunities, attract investment, and plan for future growth. Through these efforts, RRRC has helped create jobs, enhance public services, and support vital community improvements across the region.



Board of Commissioners

Kimberly Hagen
Grand Forks, ND

Mark Rustad
Grand Forks, ND

Cynthia Pic
Niagara, ND

Bob Rost
Grand Forks, ND

Terry Bjerke
Manvel, ND

By providing funding through House Bill 1542, Regional Councils in ND like RRRC will be able to continue offering these crucial programs, which directly support the continued development and success of small North Dakota communities. This investment in regional planning will have significant and positive economic impacts on rural North Dakota.

Thank you for your attention to this important matter. Should you require any further information or examples, I would be happy to provide additional details.

Respectfully,

Commissioner Kimberly Hagen



February 2, 2025

Representative Headland and members of the House Finance and Taxation Committee,

My name is Carter Fong, I am the Executive Area at the Dickinson Area Chamber of Commerce, and previously I've spent twelve years as a high school social studies instructor, including North Dakota history. From those angles, I write with a clear understanding of the past and present challenges that have faced our state's rural areas.

From 1920 to the year 2000, North Dakota was the only state in the country to experience a net population decline. And while we turned the tide in the early part of the 21st century, most of our growth has occurred in the state's four major metropolitan areas. I would hope that our shared goal is for proportional growth across communities of all sizes.

With that being said, the Roosevelt Custer Regional Council is quite simply the strongest voice and the best champion that we have for rural economic growth in the southwest corner of the state. And while Teran Doerr and her team maintain an office in Bowman, I've witnessed firsthand how willing and eager they are to share their expertise and resources with neighbors in Hettinger, Mott, Medora, Dickinson, Killdeer, and beyond. They've produced real and tangible results, as evidenced by some of the other written testimony that you have received.

I trust that this pattern is being repeated throughout the eight economic development regions of our state, and I urge your support of critical funding for the state's regional councils.

Sincerely,

A handwritten signature in blue ink, appearing to read "Carter Fong", with a stylized flourish at the end.

Carter Fong
Executive Director
Dickinson Area Chamber of Commerce
carter@dickinsonchamber.org
701.225.5115



Testimony of David Flohr
House Industry Business and Labor Committee
HB 1524
February 4, 2025

Chairman Headland and Members of the Committee,

I am Dave Flohr, Executive Director of the North Dakota Housing Finance Agency (NDHFA) and I am in favor of HB 1524.

Along with 26 other individuals I was a member of the North Dakota Housing Initiative Advisory Committee in 2024 - [North Dakota Housing Initiative](#). The other members consisted of Realtors, local financial institutions, community leaders from across the state, apartment owners, housing developers and builders, your fellow Representatives Schauer and Beltz and Senators Bekkedahl and Rummel. The Committee met 3 times over the summer of 2024 and conducted 5 listening sessions in Bismarck, Fargo, Williston, Harvey and at the Tribal Government to Government Conference. The Committee also conducted a statewide survey of the public - [ND Housing Initiative public survey highlights](#).

In October 2024 the Committee released its recommendations - [ND Housing Initiative recommendations](#). HB 1524 assists in meeting these recommendations and goals:

1. Make targeted investments to bridge affordability gaps in today's housing market.
2. Assist the path of moderate-income households to make a transition from renting to owning.
3. Provide for a full range of housing choices in our communities.
4. Helping to ensure communities have adequate housing for their workforce.

Support for rural areas to plan and develop housing projects was a recommendation of the Initiative. Rural communities often suffer from STP syndrome (Same Ten People do everything) and without specific knowledge of developing housing projects it is difficult to accomplish what the community needs. During Advisory Committee meetings, Regional Development Councils were identified as a resource that could be utilized by communities to aid in planning housing projects.

As a member of the ND Housing Initiative Advisory Committee and in my role at the North Dakota Housing Finance Agency I recommend a **Do Pass** on HB 1362.



February 2, 2025

Honorable Representative Craig Headland
State Representative
600 East Boulevard Avenue
Bismarck, ND 58505

RE: HB 1524 – Funding for North Dakota Regional Councils

Dear Representative Headland:

Please accept my testimony in support of HB 1524 that provides financial support for the Regional Councils across North Dakota. Barnes County is in Region VI that includes Stutsman, Wells, Foster, Griggs, Logan, LaMoure, McIntosh, and Dickey Counties.

Staying current with State and Federal program requirements is a huge undertaking where Regional Council assistance is needed. Community Development Block Grant (CDBG) and Community Development Loan Funds (CDLF) are critical funding sources that must be accessed through Regional Councils.

Benefits of Regional Councils include:

1. Technical support and access to CDBG funds for water, sanitary sewer and storm sewer mainlines.
2. Community Development Loan Funds (CDLF) for business development.
3. Revolving Loan Programs provide funding sources for business development.
4. Assistance with flood mitigation and flood buyouts.
5. Technical support to access funds through the federal Economic Development Administration (EDA) for industrial development such as industrial parks, technology parks and technology centers that serve as business incubators for new and growing companies.
6. Other assistance includes:
 - a. Serving as fiscal agent for other funding sources
 - b. Mitigation planning
 - c. Developing and updating County and township ordinances and land use planning and zoning
 - d. Community planning
 - e. Grant writing and technical assistance that supports housing development, childcare support, workforce development, tourism, and disaster recovery planning.

Communities simply do not have the capacity to perform the work required and to ensure State and Federal funding requirements are met. The Regional Councils are invaluable. Please support HB 1524 and funding to support North Dakota's Regional Councils. Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Jennifer Feist".

Jennifer Feist

Director of Development



P.O. Box 2747
Fargo, ND 58108

**HB 1524 Testimony in Support
House Finance & Tax Committee February 4, 2025**

Chairman and Members of the House Finance & Tax Committee:

My name is Tony Grindberg, and I am here to express my strong support for House Bill 1524, which seeks to provide long-overdue state support for North Dakota's regional council network. For 50 years, these councils have diligently served the state without state funding, addressing critical regional needs and fostering collaboration to achieve strategic outcomes for North Dakota.

The regional council system was established half a century ago to serve as a vital conduit for local, state, and federal collaboration. Through their efforts, these councils have brought countless benefits to our communities, including facilitating economic development, supporting infrastructure projects, and enhancing workforce development initiatives. Yet, despite their demonstrated value, they have operated without direct state funding, relying instead on inconsistent and often inadequate resources.

House Bill 1524 offers a transformative opportunity to ensure the sustainability and effectiveness of these regional councils by providing a mechanism for state support. By requiring councils to submit biannual work plans aligned with North Dakota's strategic goals, this legislation establishes a clear framework for accountability and measurable outcomes. This approach not only benefits the state but also provides stability for long-term impacts and consistent support across all regions.

HB 1524 will enable these councils to:

1. **Leverage Resources More Effectively:** With state support, councils can maximize federal and local funding opportunities, ensuring that every dollar is used efficiently to benefit North Dakota communities.
2. **Enhance Strategic Planning:** The biannual work plans required by this legislation will ensure that council activities align with the state's priorities, driving measurable progress toward shared goals.
3. **Provide Stability:** Long-term state support will allow councils to focus on proactive, strategic initiatives rather than operating in a reactive, resource-constrained manner.
4. **Foster Regional Collaboration:** By strengthening the councils, HB 1524 will enhance their ability to bring together local governments, businesses, and community organizations to address regional challenges collaboratively.

The passage of HB 1524 represents a critical investment in North Dakota's future. It ensures that the regional council network, a system that has already proven its value over five decades, can continue to serve as a cornerstone of the state's development strategy. Moreover, it demonstrates the legislature's commitment to fostering equitable growth and opportunity across all regions of our state.

I urge this committee to support HB 1524 and provide the necessary state funding to sustain and strengthen North Dakota's regional councils. Together, we can build a more resilient, prosperous, and united North Dakota.

Thank you for your consideration.

Phone: 701.225.5997
Fax: 701.227.8647



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103 1st Avenue West, Suite 101 • Dickinson, ND 58601

Monday, February 3, 2025

Chairman Headland and Committee Members,

My name is Ryan Jilek, and I serve as the Executive Vice-President for Stark Development Corporation and a board member of Roosevelt Custer Regional Council. I am submitting testimony in strong support of House Bill 1524, which has been identified as a top priority for Region 8 and is critical to regional economic development, infrastructure investment, and workforce growth.

Regional councils provide technical expertise and project management that help communities and businesses secure funding, navigate complex programs, and implement economic development initiatives. Without stable funding, the capacity to lead these efforts is severely limited, impacting the ability to attract investment and move projects forward.

With dedicated funding, Roosevelt Custer can:

- Support housing development by assisting with funding applications and project coordination.
- Strengthen business attraction efforts by helping companies identify sites, incentives, and financing opportunities.
- Expand workforce development initiatives to align talent with employer needs.
- Advance infrastructure and tourism projects that create long-term economic opportunities.

House Bill 1524 is about strategic, long-term investment in regional capacity. The ability to leverage state and federal funds depends on having dedicated staff and expertise to guide the process. Without this support, economic development efforts are fragmented, and opportunities are missed.

I urge the committee to fully fund House Bill 1524 and commit to ongoing support for regional councils to ensure North Dakota remains competitive in attracting and retaining businesses, developing housing solutions, and strengthening its workforce.

Thank you for your consideration.

A handwritten signature in blue ink, reading 'Ryan Jilek', with a stylized flourish at the end.

Ryan Jilek
Executive Vice-President, Stark Development Corporation
Board Member, Roosevelt Custer Regional Council

**Dwaine Heinrich, Mayor
City of Jamestown**

February 3, 2025

Rep. Craig Headland and Members of the House Finance and Tax Committee

House Bill 1524

Dear Chair Headland and Members of the Committee:

I am writing today to offer my support for House Bill 1524. Jamestown is the largest city in the area of the South Central Regional Council. Here in Jamestown we recognize that we are not an island and that whatever is good for the economic and other development of the area covered by the South Central Regional Council is also good for Jamestown, Stutsman County, and the entire State of North Dakota.

I have had the opportunity to work with Traci Redlin and the team at the South Central Regional Council. In my opinion they have made great strides over the last few years and find them always open and willing to work together as a team.

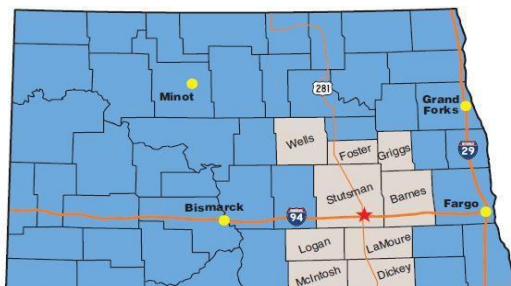
I find the plan in House Bill 1524 to be a good one. It is also encouraging to see that the Bill Sponsors recognize the complexity of the planning that they are asking for with the direction that the Department of Commerce shall provide funding to them to assist in implementing the Biennial Work Plan.

Thank you for your time. I urge a Do Pass recommendation from your committee.

Respectfully,



Dwaine Heinrich, Mayor
City of Jamestown



South Central Dakota Regional Council

429 2nd St SW, Suite 208 | PO Box 903 | Jamestown, ND 58402-0903 | Phone: 701-952-8050

Testimony of Traci Redlin South Central Dakota Regional Council Support of HB 1524 January 30, 2025

Thank you for the opportunity to submit this testimony on House Bill 1524. My name is Traci Redlin, and I serve as the executive director of South Central Dakota Regional Council, a rural economic development office that has responsibly used revenues to improve the quality of life in our nine counties that make up Region 6 since the 1970's. I am writing to express my concerns about the critical need to build capacity in rural communities to access and effectively utilize funding for their development.

This testimony is submitted in strong support to HB 1524 to seek the state's investment in rural development. I feel this legislation is a critical step in ensuring that North Dakota's regional planning councils receive the necessary funding to support economic development, infrastructure planning, workforce development, and rural capacity-building across our state.

I do not have the staff capacity to go out and apply on behalf of all cities, townships and counties in my region. There would be a HUGE impact if we had the capacity to use our expertise in obtaining these funds for all the communities in our regions that do not have the staff, nor the ability to hire the staff, to pursue these grants and investments for their project. Currently, their only option is to hire expensive consultants who usually are not familiar with the state so there is a huge learning curve even before they start writing grants, etc. If we increase our capacity we would be able to research and apply on behalf of these communities and their projects. Long term it would be beneficial to train their staff along the way so they are able to seek opportunities, apply and receive funding for themselves.

We are asking for a minimum funding allocation of \$500,000 per region per biennium, with a maximum of \$1.5 million, which will be a strategic investment in our communities for years to come. Many rural areas struggle with limited resources for planning and development, and this funding will empower regional councils to provide essential services that would otherwise be out of reach. Additionally, the bill ensures an equitable allocation of funds that accounts for both statewide distribution and the unique needs of each region.

By appropriating \$8 million for regional planning councils for the 2025-2027 biennium, HB 1524 shows that North Dakota is committed to continued economic resilience and growth across North Dakota. Money invested will help our communities in many ways to adapt to challenges, attract new businesses as well as retaining current businesses and build a strong foundation for future generations.

We respectfully urge the committee to support HB 1524, ensuring that regional planning councils are adequately funded to continue playing a pivotal role in the economic development and growth of our rural communities.

Thank you for your time and consideration. I would be happy to answer any questions you may have, provide further details about our programs and impact, or share additional supplemental information if requested.

Respectfully submitted,
Traci Redlin, Executive Director
South Central Dakota Regional Council



SOUTH CENTRAL DAKOTA REGIONAL COUNCIL
BOARD OF DIRECTORS
2025

Attendance:

	Name	Representing	Attendance
1	Vicky Lovell	Barnes County Commission	
2	Jerry Walsh	Dickey County Commission	
3	Pat Copenhaver	Foster County Commission	
4	Mark Urness	Griggs County Commission	
5	Keith Heidinger	LaMoure County Commission	
6	Blanche Schumacher	Logan County Commission	
7	Perry Turner	McIntosh County Commission	
8	Levi Taylor	Stutsman County commission	
9	Dennis Dockter	Wells County Commission	
10	Curtiss Klein	Foster County SCD	
11	Bernie Wanzek	Stutsman SCD	
13	Gwen Crawford	Valley City/Cities over 5000	
14	David Schloegel	Jamestown/Cities over 5000	
15	Bruce Storhoff	Barnes County Small Cities	
16	Matt Thorpe	Dickey County Cities	
17	Iris Brandt	Foster County Cities	
18	Paul Paintner	Griggs County Cities	
19	Vince Watkins	LaMoure County Cities	
20	Eric Hoberg	Logan County Cities	
21	Heather Dehne	Stutsman County Small Cities	
22	Kevin Roller	Wells County Cities	
23	Danica Chaput	Job Service	
24	Michelle Berry	Business and Industry	
25	Corry Shevlin	Economic Development	
26	Larry Robinson	Education	
27	Spenser Marchand	Wells County Economic Development	
28	Jessica Welder	McIntosh County City	
29	Ranetta Star	USDA Rural Development	
30	Isaac Yturralde	USDA Rural Development	
31	Laurie Dietz	Carrington JDA	



**Testimony in Support of HB 1524
North Dakota Legislative Assembly
Finance and Taxation Committee**

Date: February 3, 2025

Esteemed Chairman Headland and Committee Members,

My name is Zahi K. Atallah, I serve as the vice president of academic affairs at Williston State College (WSC) and as the acting director of TrainND Northwest. Please accept this letter as a testimony of our vehement support of House Bill 1524. This bill creates a lauded and much needed boost to the funding of regional planning councils through taxpayer support and appropriation.

House Bill 1524 is a crucial to addressing the need for structured and sustainable funding for regional councils across North Dakota. These councils play a vital role in fostering economic development, enhancing community planning, and ensuring the overall well-being of our varied regions. Moreover, our state's ability to compete nationally in innovation and attracting and maintaining businesses is greatly enhanced by the activities of these councils.

The Tri-County Regional Development Council (TCRDC) that serves northwest North Dakota has been instrumental in supporting the economic development efforts and the greater vision for the region. Furthermore, it is an integral partner of WSC in regional workforce development efforts. Honestly, without the TCRDC, the strategic trajectory of our region would be greatly diminished. For example, the TCRDC submitted a \$1.8 million EDA grant that allowed TrainND-NW to increase the capacity in the truck driving (CDL) and crane operation programs, in addition to acquiring new equipment that mirrors what local businesses use. The success of these programs is a testament to the visionary work of the TCRDC. Furthermore, the outcome for the students and their families has been transformational, with starting yearly salaries exceeding \$80,000. Between May 2022 and September 2024 TrainND-NW graduated 697 CDL drivers, 828 crane operators, and 432 heavy equipment operators. The impact on the local economy and business sustainability and competitiveness cannot be understated.

In conclusion, House Bill 1524 is a forward-thinking and necessary piece of legislation that will significantly benefit the state of North Dakota and the northwestern region's communities and businesses. By providing structured funding and support to regional planning councils, we can ensure the continued growth and development of our communities. I urge the committee to support this bill and recommend its passage.

Thank you for your time and consideration. But above all, thank you for your leadership in redefining our state's future.

Sincerely,

Zahi K. Atallah, Ph.D.

Vice President of Academic Affairs

Acting Director of TrainND Northwest



**Testimony of Cyrena Weeks in support of HB 1524
To the House Finance and Tax Committee
February 4, 2025**

Rep. Headland and members of the House Finance and Tax Committee.
My name is Cyrena Weeks. I am the Executive Director for Tri-County Regional Development Council (Region 1). I am in support for a DO PASS for HB 1524.

A core function of a regional development council is to provide local businesses and organizations with the technical expertise to navigate funding programs at the federal level, such as those administered by the Economic Development Administration, the U.S. Department of Agriculture – Rural Development, and the U.S. Department of Housing and Urban Development, as well as on the state level, including financial programs available through the Bank of North Dakota and the Housing Incentive Fund. They also serve a key role in securing grant funding that is pivotal for increasing local services, reducing slum and blight, and providing critical local infrastructure. A thriving local economy hinges on the success of businesses both big and small, and the assistance that a regional development council can provide to help with finding the right program, gathering application materials, and following through with program commitments is invaluable.

We operate on a very tight budget with just two full-time and one part-time staff in Region One. Our funding sources come mainly from our EDA Planning Grant and local county contributions. EDA has reached out to me to express that our area could be eligible for up to \$2 million in gap financing grants for small businesses. We know the value this funding will have to move small businesses forward in our region. TCRDC will not be able to apply for that funding without a grant writer to assist with this application. Our office also contracts with the Small Business Development Center to assist with seeing clients. Many of those potential new businesses could be eligible for grants, but our office doesn't have the staff necessary to pursue finding grants and then being able to assist with the application process. The funding from HB 1524 would be vital to filling this important role.

In closing, I urge you to support this critical funding bill for Regional Councils statewide.

Sincerely,

A handwritten signature in black ink that reads 'Cyrena Weeks'.

Cyrena Weeks
Tri-County Regional Development Council
Office: 701-570-7686
cyrenaw@ci.williston.nd.us



Testimony of Jim Murphy, Executive Director, Traill County EDC in support of HB 1524

To the House Finance & Taxation Committee

February 4, 2025

Rep. Headland and members of the House Taxation and Finance Committee,

My name is Jim Murphy, and I am the Executive Director of Traill County EDC. We serve the citizens and businesses of Traill County to help identify and facilitate economic prosperity in the area. This includes, but is not limited to, job creation, business retention, housing, community development and childcare. I am providing this testimony in support of House Bill 1524.

We are passionate about the opportunities for our Traill County rural communities to continue to thrive and we are good at what we do. However, given our limited resources, we cannot be experts in all these matters and that is why we need good partners like our regional councils. Regional councils provide an efficient way for us, and the rest of the communities they serve, to use them for expertise when needed.

This will be very important with the change in leadership both at the state and federal level and to help us with the nuances of the changing landscape. Amber Metz and Lake Agassiz Development are our regional council contacts, and she has helped us with several new businesses in our community. I know I can ask her or her team for support.

I am encouraging a yes vote on HB 1524 to keep that mission going as well as enhance that mission in coming years.

If you have any questions, please contact me.


Jim Murphy – Director@traillcountyedc.com – 701-636-4746



Testimony of Amie Vasichек in support of HB 1524**To the House Finance and Taxation Committee****February 4th, 2025**

Chairman Headland, Vice Chairman Hagert, and Committee.

My name is Amie Vasichек, and I have had the honor of serving as the City Auditor of Lakota for close to 16 years. Additionally, I am a proud board member of the Red River Regional Council Community Housing Development Organization (CHDO), which I have served for the past two years and Chair of the Nelson County JDA. Today, I am here to provide my support for HB1524 and the funding of regional planning councils.

Regional councils enable smaller communities and rural areas to access people with a specialized skill set that helps push projects forward. In many of these areas working together is the only way to take a project from a conversation to an actionable plan. The councils are a critical key for progress in our area.

Most recently, the Red River Regional Council and Red River CHDO have assisted Lakota and Nelson County with Spark Homes 2024. We successfully had two new homes built in our small town! This expanded our housing stock, opened two additional well-kept single-family homes and one rental apartment. All this couldn't have been accomplished without the Red River Regional Council and their team. Imagine the possibilities with sustained, dedicated funding to adequately increase staff capacity at all the Regional Councils!

Small towns require ongoing support to develop and assist projects relating to ***infrastructure, childcare, housing, workforce, tourism and so much more.***

Additional, NDCC 54-40.1 was created by the state in 1973 to establish consistent statewide policy for planning, economic development program, operations, coordination and related cooperative activities of state/local governments to resolve issues and problems transcending individual jurisdictions...but did NOT include funding to do so. The lack of a dedicated state funding mechanism leaves the Regional Councils reliant on short-term, piecemeal solutions. Please invest in regional staff capacity to enhance rural development and strengthen our regional economies.

Thank you for your time and consideration. I would be happy to answer any questions you may have.

Sincerely,



Amie Vasichек
701-247-3635



Roosevelt Custer
REGIONAL COUNCIL

13 E Divide Ave
PO Box 1143
Bowman, ND 58623
701.483.1241
teran@swnd.org

**Testimony of Teran Doerr
Roosevelt Custer Regional Council
In Favor House Bill 1524
February 4, 2025**

Chairman Headland and Members of the House Finance and Taxation Committee,

Thank you for the opportunity to provide testimony in support of House Bill 1524. This bill is an investment in North Dakota's communities, ensuring they have the expertise to access funding, implement projects, and grow. The funding in this bill is not for regional councils, it is for the communities we serve. Many small towns do not have experts to help them apply for grants, manage projects, or plan for the future. When that happens, funding goes unclaimed, and opportunities are lost. Regional councils help communities cut through the complexity, making sure these dollars reach the people and places that need them most.

Before July 2022, our regional council struggled, and our communities lost out on millions of dollars in grants and projects. Since then, we have helped secure Community Development Block Grants (CDBG) for critical projects in Mott, Regent, Medora, and Bowman. We have assisted businesses and communities in accessing USDA and EDA grants for economic development and future tourism investments. We helped secure a Department of Energy grant for a rural fire department in Amidon. When Sanford closed its rural nursing home in Mott, we assisted in securing funding to reopen the clinic and basic care facility, and when the project fell short, we helped find an additional \$200,000 to complete it. We have also supported childcare, workforce, and housing initiatives across our region. The return on investment is clear: for every dollar invested in regional councils, we bring in multiple dollars through grants, private investment, and economic development. Without dedicated funding for grant writing, project management, and technical assistance, many communities will not have the capacity to take advantage of these opportunities.

The state is making major investments in workforce, housing, childcare, and economic development. But funding alone does not make projects happen, someone has to put the pieces together. That is what regional councils do. When the Rural Workforce Impact Program (RWIP) first launched, we brought stakeholders together, helped them apply, and ensured funding aligned with regional needs. However, when later rounds allowed open applications without coordination, communities struggled to apply, and money was left on the table. The need was there, but without guidance, many small communities did not apply.

Housing is another example. We are currently overseeing a state grant for removing dilapidated properties. This single project has required over 100 hours of work, including legal navigation, contractor coordination, and compliance. Small towns do not have the capacity to take on this level of complexity alone. Developing a full-scale housing project, securing land, finding funding, and managing construction, requires expertise that many communities simply do not have.

The same is true for childcare. The state is making historic investments in childcare, but funding alone will not fix the issue. Communities need help planning, applying, and ensuring their programs are successful long-term. Without this support, some areas may struggle to turn funding into real, lasting solutions.

A great example of how this process can work well is the Livestock Planning Grant. The North Dakota Ag Department funded regional councils to coordinate outreach, facilitate applications, and hire contractors. As a result, the program was successfully implemented across the state. The difference? This program provided funding to regional councils to support their work. When that funding is absent, regional councils are still expected to assist, but without the resources to do so effectively.

Right now, multiple bills in this legislative session are focused on rural investment. Funding for workforce programs, housing, childcare, and economic development is on the table. But none of these investments will succeed if communities do not have the expertise and support to access them.

Regional councils have a long history of turning small investments into big results by helping communities develop strategic plans for long-term growth, secure and layer funding from multiple sources, and implement and manage projects to ensure funding is used effectively.

This is not just a funding bill, it is a commitment to making sure rural investments actually happen. Without continued investment, many small communities will continue to struggle while larger cities get ahead. HB 1524 ensures that every region has the tools to make the most of state and federal dollars. I urge you to support this bill so that North Dakota's small towns can keep growing and thriving.

Thank you for your time and consideration.

Sincerely,

Teran Doerr



425 College Dr., S.
PO Box 651
Devils Lake, ND 58301
PH: 701-662-8131
www.northcentralplanningcouncil.com

Tuesday, February 4, 2025
House Taxation and Finance Committee

RE: Support for HB 1524

Chairman Headland and committee members,

On behalf of the North Central Planning Council (NCPC), the ND Region 3 planning and development council, I want to express support for House Bill 1524.

NCPC represents six counties: Benson, Cavalier, Eddy, Ramsey, Rolette, and Towner. Region 3 includes two reservations, Spirit Lake Nation and Turtle Mountain Band of Chippewa. There are 42 cities in Region 3, with Devils Lake being the largest, housing a population of 7,192. Among these cities, 35 have populations under 500, and 23 of those have fewer than 100 residents.

In Region 3, only two counties, Cavalier and Ramsey, have full-time economic development staff. Benson County has a Job Development Authority and contracts with NCPC for part-time administration, while Towner County EDC has one part-time staff member. Some communities, like New Rockford and Rolla, have part-time economic development staff. Others, such as Leeds, Maddock, and Minnewaukan, have development boards but no staff.

NCPC works hard to support its region, developers, county commissions, and city councils. Since 2020, we have leveraged several opportunities with regional benefits, including the Department of Commerce Regional Workforce Impact Program, ND Department of Agriculture Regional Livestock Development and Planning Grant, EDA CARES funding, and EDA Revolving Loan Funds. With additional staffing we could increase our assistance to small towns in need of specialized support in infrastructure, workforce, economic and community development, and housing.

We are asking for your support of **HB 1524** to help us create change for the heart of North Dakota, our small towns.

Sandy Shively
Executive Director
sandyncpc@gondtc.com
701-662-8131

I am writing to you in support of HB 1524. Living in a small rural community I know that we miss out on many grant opportunities as we have limited staff and time. As much as grants are needed for us to succeed, many times the work involved is too much for smaller organizations and programs.

Why House Bill 1524 Matters for Rural Communities and Regions

HB 1524 is part of a broader effort to support rural economic development, infrastructure, and essential services. This bill ensures regional councils have the resources to:

- ✓ **Expand Rural Development** – Provides technical expertise for securing and managing funding opportunities through the Economic Development Administration, USDA-RD, HUD - CDBG, Housing Incentive Fund, Bank of North Dakota, ND Parks and Recreation, FEMA, and many more.
- ✓ **Support Housing & Infrastructure** – Aligns with **Senate Bill 2225**, which dedicates \$50M to housing infrastructure, with rural set asides, helping smaller communities navigate complex funding applications, project development, and reporting. Current Housing Incentive Fund legislative proposals range from \$50 to 200 million and the regional councils will assist small towns in accessing these funds.
- ✓ **Enhance Workforce Growth** – Supports programs like the Regional Workforce Impact Fund, assisting communities in putting together projects, developing applications, and reporting as well as leading regional collaborative efforts between industry, small towns, larger communities, career and technology centers, and more. We were fortunate to be a recipient of RWIP funds for our Talent Attraction with the My Town Docuseries.
- ✓ **Improve Essential Services** – Complements **Senate Bill 2228**, which funds rural grocery stores, by ensuring these businesses receive financial and business planning assistance.

The Impact of HB 1524

- ✓ **Secures stable funding** for regional councils, ensuring continued support for rural communities.
- ✓ **Strengthens technical assistance** in developing quality projects, securing grants, project management, and funding administration.
- ✓ **Levels the playing field** for smaller communities competing for state and federal resources.
- ✓ **Provides dedicated project managers** focused on rural development initiatives.

Your support is vital in ensuring this bill moves forward. Thank you for hearing my voice on HB 1524.

Kind Regards,

Laurie Odden

Rugby Chamber of Commerce and Convention and Visitors Bureau



TESTIMONY IN SUPPORT OF HOUSE BILL 1524

Chairman Headland and Members of the Committee...

Thank you for the opportunity to speak today in support of House Bill 1524.

I am Brent Ekstrom, Executive Director of the Lewis & Clark Regional Development Council (RDC). We are based in Mandan and serve Burleigh, Emmons, Grant, Kidder, McLean, Mercer, Morton, Oliver, Sheridan, and Sioux counties.

I'd like to take a few minutes to specifically address how HB 1524 will help address one of North Dakota's most pressing needs: affordable housing.

This is a challenge I am deeply involved in as affordable housing is a primary focus of my work.

I wear many hats in tackling this challenge as an RDC director, but also as the executive director of CommunityWorks North Dakota and Lewis & Clark Property Management, as well as a member of the Federal Home Loan Bank of Des Moines' Affordable Housing Advisory Council. In 2022, I served as a member of the ND Rural Housing Task Force which studied why, despite demand, very little new home construction was happening in rural areas. Last summer, at the invitation of Governor Burgum, I also served on the Statewide Housing Initiative Advisory Committee.

So, affordable housing is an issue that is close to my heart. And that is why I support House Bill 1524.

RDCs Currently Lack Capacity

While Lewis & Clark RDC has been very successful at securing funding for our own projects – leveraging grants, loans, and investments to the benefit of all involved – we, along with all other RDCs, lack the capacity to assist communities in applying for grants to help them expand housing opportunities.

Too often, communities reach out to RDCs asking if we are aware of any affordable housing grants or funding opportunities. While we certainly tell them what's available, we cannot currently help them navigate the very complex application process.

Three Bad Options

This gap in capacity leaves too many communities – almost all of them rural – with three not-so-ideal options when it comes to seeking affordable housing funding:

- **Shift a Staff Member:** First, city governments can pull someone from their already limited staff to work on the grant application process.
- **Hire Expensive Out-of-State Consultants:** Second, they can attempt to find the money to hire an expensive, often out-of-state, consultant who is not familiar with them or North Dakota.
- **Give Up:** Or, thirdly, they simply don't apply at all.

Too often, communities select option three – and I can't blame them. Grant applications are highly technical, cumbersome, and time-consuming. The learning curve is steep, and without dedicated resources, it's a daunting process.

HB 1524 is Community-Focused

House Bill 1524 presents a real opportunity to address this capacity gap. The bill will help RDCs serve as true partners to our communities by increasing our ability to:

- 1) Research funding opportunities,
- 2) Assist in filling out applications, and
- 3) Most importantly, helping communities demonstrate a clear Return on Investment for their project.

As I see it, this bill is not just an investment in RDCs – it's an investment in the future of our communities.

House Bill 1524 provides RDCs with additional resources to help local governments apply for grants, collaborate effectively, and support communities in tackling their affordable housing needs.

We need many arrows in the quiver to successfully address North Dakota's affordable housing challenge.

Based on my experience and perspective, House Bill 1524 finally gives RDCs an arrow that has long been needed to help communities hit the target in expanding affordable housing opportunities throughout North Dakota.

Thank you for your time, consideration, and support of North Dakota's regional development councils.



408 Main Street - PO Box 70 – Milnor, North Dakota 58060-0070

City Auditor: 701-427-5272 Fax: 701-427-5292

Testimony of Carol Peterson

Economic Development Coordinator, City of Milnor

701-678-5415 milnorND@hotmail.com

February 3, 2025

I am testifying today as the Economic Development Coordinator and a citizen of Milnor, ND to support funding for House Bill 1524, specifically the sustained funding for regional councils in North Dakota for the next two years. Communities in Sargent County appreciate the expertise and resources we receive from our council, Lake Agassiz Regional Council. Rural communities especially need the help of these regional councils in finding resources, access funding, and help us with economic development. Milnor, along with Sargent County has used their services many times and we appreciate the guidance and support we have received. Please fund the regional councils to level the playing field for small communities and give us a chance to survive and thrive - let's take our rural communities from surviving to thriving by giving us the tools we need.

Statewide Impact of Regional Councils (2019-2023)

Metric	Total
Funding applications assisted	1,020
Total funding secured with Regional Council assistance	\$367,751,823
Additional funds leveraged	\$560,832,576
Total investment in North Dakota	\$928,584,398
Jobs created or retained	4,899
Community & economic development plans created	55
Public forums, meetings, and planning sessions	408
Total attendees engaged	5,900

Thank you for your time.



House Bill 1524 Testimony: In Favor – DO PASS
February 4, 2025 | 9:30 am | House Finance and Taxation

Chairman Headland and members of the Committee,

Williams County is an active collaborator with the Tri-County Regional Development Council, which serves as a council of local government entities for economic development planning and disseminating financial resources across Divide, McKenzie, and Williams Counties.

HB 1524 would provide all regional development councils, including Tri-County, with much needed supplemental funding to increase their impact on local communities with expanding rural development in a sustainable and fiscally responsible way. In western North Dakota, we are continuing to experience growth as the energy sector continues to innovate. **We rely on organizations such as the Tri-County Regional Development Council to assist with planning and funding for essential rural services, housing, and infrastructure, especially as we continue to see growth and development in the energy sector.**

A core function of a regional development council is to provide local businesses and organizations with the technical expertise to navigate funding programs at the federal level, such as those administered by the Economic Development Administration, the U.S. Department of Agriculture – Rural Development, and the U.S. Department of Housing and Urban Development, as well as on the state level, including financial programs available through the Bank of North Dakota and the Housing Incentive Fund. They also serve a key role in securing grant funding that is pivotal for increasing local services, reducing slum and blight, and providing critical local infrastructure. A thriving local economy hinges on the success of businesses both big and small, and the assistance that a regional development council can provide to help with finding the right program, gathering application materials, and following through with program commitments is invaluable.

Today, the Tri-County Regional Development Council is primarily funded by local government contributions and federal grants. **HB 1524 would serve as a stable funding source, ensuring that staff can continue to consistently perform their core functions of securing grants, providing funding administration, and performing project management duties, but also expand their capacity in response to growing community needs.**

Please consider a **DO PASS** for HB 1524. Thank you for your time.

Sincerely,

Cory Hanson
Chairman, Williams County Board of County Commissioners

WILLIAMS COUNTY BOARD OF COUNTY COMMISSIONERS

First District – Beau Anderson | Second District – Steve Kemp | Third District – Cory Hanson
Fourth District – Chris Walstad | Fifth District – Barry Ramberg

PO Box 2047 | 206 E. Broadway | Williston, ND 58802-2047 | Phone 701.577.4500 | Fax 701.577.4570 | www.williamsnd.com



New Rockford Area Betterment Corporation

117 1st St. S

New Rockford, ND 58356

(701) 947-2205

www.cityofnewrockford.com

Testimony of Amanda Hegland in support of HB 1524

To the House Finance & Taxation Committee

February 4, 2025

Representative Headland and members of the House Finance & Taxation Committee,

My name is Amanda Hegland, and I am the Executive Director of the New Rockford Area Betterment Corporation in New Rockford. Please accept my testimony in support of HB 1524. The New Rockford Area Betterment Corporation is located within Region III, a part of the North Central Planning Council.

At present, the NCPC, like all regional councils, faces significant challenges due to a lack of resources to fully assist the communities they serve. They have the expertise and the potential to secure funding that could transform the lives of many in our region, but they are limited by their current staffing capacity.

Our communities have limited resources and need help navigating and securing funding for vital projects. Imagine the impact they could have if they were able to dedicate more resources to this effort, using their expertise to help our communities obtain the grants and investments we so desperately need. If they could increase their capacity by adding more staff, they would be able to not only research available grants but also apply on behalf of the communities in our region. This would provide us with the support we need to secure the resources essential to our growth and success.

The NCPC, and Sandy Shively specifically, was instrumental in securing funding for our region for the first round of the RWIP grant, which helped New Rockford establish a community daycare center—something our community desperately needed. Unfortunately, the NCPC didn't have the capacity to continue helping us apply for the next rounds of funding.

As the Executive Director of the NRABC, I have relied on the NCPC for their expertise and guidance on state and regional issues for the last seven years. With additional staffing, their work would greatly benefit our organization. By investing in our regional councils, you are investing in the future of our communities, empowering them to thrive through increased access to critical funding and resources. The impact of this funding would be far-reaching, and the return on investment would be felt for years to come as we continue to build stronger, more resilient communities across Region III.

NRABC is an equal opportunity employer and provider.



New Rockford Area Betterment Corporation

117 1st St. S

New Rockford, ND 58356

(701) 947-2205

www.cityofnewrockford.com

In closing, I urge you to support this critical funding bill for regional councils statewide. Thank you for your time and consideration.

Sincerely,

Amanda Hegland

Amanda Hegland
Executive Director
New Rockford Area Betterment Corporation
Cell: 605-769-9379

NRABC is an equal opportunity employer and provider.

Kristin Jaeger

ADDRESS

PO Box 85
Parshall ND 58770

PHONE

701-898-0221

EMAIL

kajaeger@outlook.com

TESTIMONY OF KRISTIN JAEGER IN SUPPORT OF HB 1524

To the House Finance and Taxation Committee

February 4, 2024

Representatives Monson, Brandenburg, Kempenich, O'Brien, Ostlie, Pyle and Senators Kessel, Meyer, Myrdal, Barta, Lemm:

My name is Kristin Jaeger. I serve as Chair for the Mountrail County Job Development Authority (JDA) and am active in other organizations within my community. There is a lot to be enjoyed when living in a rural area, however, there are also challenges that come along with it.

One of those challenges is access to economic development resources. Because of this, the JDA Board contracts with Souris Basin Planning Council (SBPC) serving Region 2 in order to fulfill our mission to grow Mountrail County's quality of life, enhance economic opportunity, and promote growth and development by providing guidance and resources to entrepreneurs and communities.

Not only does SBPC provide their knowledge, and capabilities in order to administer our loan and grant programs, they provided their expertise to help us develop our strategic plan. Our board has always aimed to be of service to county constituents, however our volunteer members did not have capacity to make the desired impact.

The same skillset that makes SBPC a valuable Regional Council helps make the JDA a valuable resource to the county. Their passion for helping communities and entrepreneurs is evident in the strategies they offer in order to help the JDA create opportunities within the county. It's impossible to know how we would have gathered the needed resources and information on our own. Working with SBPC allows the JDA Board to be efficient and effective.

I have seen first-hand the benefits that a regional council can provide to under-resourced rural areas and the great impact they can have. With additional capacity, I can only imagine how many more communities and organizations regional councils could benefit, which in turn would benefit the entire state of North Dakota. I am happy to share my support for HB 1524 and I urge you to support this critical funding bill for Regional Councils statewide.

Sincerely,

A handwritten signature in black ink, reading "Kristin Jaeger". The signature is fluid and cursive, with the first name "Kristin" and the last name "Jaeger" clearly distinguishable.

Kristin Jaeger



North Dakota Association of Rural Electric Cooperatives
3201 Nygren Drive NW • P.O. Box 727 • Mandan, ND 58554-0727



ND
Living

Phone: 701.663.6501 or 800.234.0518

Fax: 701.663.3745 www.ndarec.com

February 3, 2025

To: North Dakota House Finance and Taxation Committee

From: Josh Kramer, general manager, North Dakota Association of Rural Electric Cooperatives

RE: **Support of House Bill 1524**

Chairman Headland and members of the House Finance and Taxation Committee, on behalf of the North Dakota Association of Rural Electric Cooperatives (NDAREC) and our members, I extend our support for House Bill 1524.

Since the early 1990s, our state association has been providing development services through our rural development center that is supported by rural electric and broadband cooperatives in North Dakota. This commitment stems from cooperative principles like “cooperation among cooperatives” and “concern for community.” Our rural development center provides technical assistance and connection to resources, including grants and low interest financing, for communities as well start-up and expanding cooperatives, small businesses and non-profit organizations.

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!

We, and the cooperatives we represent, are dedicated to improving the quality of life for rural people and rural places. Though we’ve made many impacts across the state, there is always more demand for the technical assistance that we provided, and limited funding and financing capabilities — to serve all the needs. Our tracking list shows 76 projects in process or in response-to-inquiry or exploratory phases. These projects need guidance, hand-holding, organizational assistance, help obtaining grants and loans, and coordination with other regional and state efforts.

Regional councils play crucial role in advancing projects in our state, and are important partners, with the shared goal of advancing projects and improving the quality of life in rural places. We often work together some combination of giving and loans through cities, counties, businesses, and philanthropic organizations, to package and move projects forward.

With these experiences, we see first-hand the need for more hands-on assistance in communities and counties that can’t afford economic development staff or that lack organized entities focused on community betterment.

This institution is an equal opportunity provider and employer

Your Touchstone Energy® Cooperative



North Dakota is growing, which is fantastic news. Yet, we need to bring along for the ride to prosperity more of the state's people and places. County population estimates through 2023 show only 10 counties growing in population since 2020. Looking for consistent growth, only four counties make the list: Cass, Burleigh, Morton and Billings. Even within these counties, there are still towns that aren't sharing in the growth and that need help.

Small towns matter. Among North Dakota's 355 cities, only 92 have a population greater than 500 and 263 are below this threshold. These communities are in places that produce our food and energy. The people who live in these rural and frontier places deserve access to basic goods and services. We will all benefit when there are more services available as we travel our state's highways and byways. Travel and tourism industries in North Dakota will flourish when we strengthen our small towns and push our state's "flyover" reputation to the side.

The proposed bill, to better equip the state's eight regional development councils to serve their respective areas, is a step in the right direction. This funding would help put more players on the field, more boots on the ground, to assist communities in addressing challenges and capitalizing opportunities.

NDAREC urges a "Do Pass" recommendation on HB1524.

Gemmill Custom Homes

Testimony of Thomas Gemmill in support of HB 1524

Greetings,

My name is Tommy Gemmill and I am the President of Gemmill Custom Cabinets & Homes and we are located in Fordville, North Dakota. I come forth with testimony this afternoon to discuss house bill 1524 and this bills' importance to our local communities.

I originally found out about the Spark Build Initiative through Lisa Rotvold who is Executive Director of the Red River Community Housing Development Organization (CHDO). During the first consultation I had with Lisa I could clearly see how driven she was to get more housing brought to our local communities. Her and I had a nice discussion and we both felt that this program would be a great fit for our small towns. Lisa and I moved forward with a common vision and we started putting the program to work.

When we put this plan to action it sure didn't take long for all of us to see how important new housing was. We originally built two new homes in Lakota, ND and both of those homes were sold prior to completion. This opened up more housing opportunities for other people as well by making more homes available in the town of Lakota. Since then, we have started two new homes in Larimore, ND and one of those homes was sold before the framing was completed. There has been significant interest and people stopping by our building sites to discuss the projects with us. We are hearing positive feedback from lots of different people in both of these towns and the interest for this housing has really taken off since this program started.

For me as a building contractor the Spark Build is important because the speculative risk has been removed so we don't have to wonder if our homes will sell. If our homes don't sell quickly it ties up too much cashflow causing us as builders to want to stick to custom sold homes. We are also able to streamline high quality goods that makes these new homes very valuable. With Lisa's motivation to promote and sell I believe the interest for these new homes will only increase and I also believe the programs success level has just begun.

The Red River Regional Council and Red River CHDO are bringing significant value to our local communities because when new, good quality homes are brought in then new good quality people seem to find those new homes. This brings more good people to our small towns and gives employers the ability to create new jobs because these home buyers have places that they can purchase instead of buying the older homes that are not setup with modern amenities.

Our company employs anywhere from 6-8 full time employees and when the subcontractors are included, we are creating work for around thirty individuals on each and every new home that is

being built. This brings more people to town, which in turn creates another new need for housing. The security of the Spark Build program entices us as business owners to employ more talented individuals because the risk factor has been reduced.

In summary the Spark Build program has been very successful and I want to bring forth testimony to make sure our legislators understand how important it is to keep this program moving forward. When we work together in small town North Dakota great things can and do happen. We have several towns that are currently interested in the Spark Build program and as mentioned earlier I feel that the success of this has just started.

I understand that the Red River Regional Council has been instrumental in getting the Red River CHDO up and running. Without support from the regional council, the new home construction activity we have done through the Spark Build initiative would not have happened. Red River Regional Council and Red River CHDO are great partners for local communities looking to grow and thrive.

Thank You,

Tommy Gemmill

Gemmill Custom Homes

Fordville, ND



Testimony of Vawnita Best in support of HB 1524

To the House Housing Tax & Finance Committee

February 4th, 2025

Chairman Hedland, Vice-Chair Hagert, and members of the Housing Tax & Finance Committee:

My name is Vawnita Best, Community and Business Development Director, City of Watford City. I represent Mayor Riley as the City of Watford City representative to the Tri-County Regional Council (Region 1) planning council board.

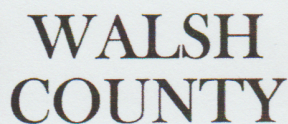
I also administer the Roughrider Fund in Watford City, a 1.5 cent city sales tax passed by the people and dedicated to community and business development in Watford City. SBDC operates out of our office two days a week. It is a combined City/County/SBDC office where we serve entrepreneurs and businesses with startup and expansion services and support. The funds proposed in HB 1524 (\$ 500,000 / per yr. / per regional council) would fill a service gap that startups and expanders currently ask us to provide for them that we aren't able to. They ask us to research and identify business grants, non-traditional capital, and a variety of other technical development resources to support them. As much as we would like to provide them with this requested support, and as much as it would benefit them, we simply do not have the ability to provide them with the resources they are seeking. Support in these areas from Tri-County would be very helpful to our entrepreneurial and business community.

In closing, I urge you to support this critical funding bill for Regional Councils statewide, and to provide a **DO PASS** recommendation on **HB 1524**.

Sincerely,

A handwritten signature in blue ink, consisting of several loops and a long horizontal stroke, is positioned below the word "Sincerely,".

Vawnita Best, Community & Business Development Director, City of Watford City
vbest@nd.gov | (701) 580-1862



516 Cooper Avenue, Suite 101 | Grafton, ND 58237 | 701-352-3550

Testimony of Julie Gemmill in Support of HB 1524
To the House Finance and Taxation Committee
February 3, 2025

Rep. Headland and members of the House Finance and Taxation Committee:

My name is Julie Gemmill and I live on a farm and ranch near Fordville, in Walsh County. I have served on the Walsh County Job Development Authority Board for approximately 10 years serving as Chairwoman for the past 8 years. I am the President of Walsh County Farmers Union and have held that position for the past four years. I have also served on the ND Farmers Union Board Policy and Action Committee for the past year. In the past, I served as board chair of First Care Health Center board of directors during a vital expansion project for the hospital. I support HB 1524 because it ensures sustained funding for regional councils – which are a vital partner in rural economic development, including Walsh County.

Living in a rural small town brings many challenges. We rely heavily on the expertise offered through our regional council to help provide guidance in programs that will benefit businesses and rural communities. This includes expertise in programs and funding resources related to ADA projects, childcare, grocery stores/food availability, and programs to help businesses start and expand.

Examples of projects that the Walsh County JDA has led or supported in partnership with the Red River Regional Council include:

- **Fordville Senior Center:** Securing and managing a federal CDBG grant of \$122,360 for the Fordville Senior Center. The project included accessibility improvements, exterior rehabilitation, and electrical updates.
- **Walsh County Childcare Center:** Securing funding to renovate an existing building on Grafton's main street into a turn-key childcare center. A private provider will rent the space to operate her/his private childcare business from to increase available childcare slots. Total project is \$1.4 million, with more than \$680,000 in grants secured. We are hopeful the provider will begin operating from the building next week.
- **Rural Access Distribution (RAD) Coop:** Providing expertise in developing a partnership between three grocery stores in Walsh County to ensure products are delivered to schools and communities in a timely manner and at a fair price. The RAD coop continues to work on a pilot food locker system that will allow patrons of Fordville and Park River to order the grocery items online through the distribution center located in Park River at Jim's Super Valu.
- **Workforce Attraction & Retention:** In a highly competitive hiring market, our employers have repeatedly shared that they need to be able share what we have to offer – beyond their

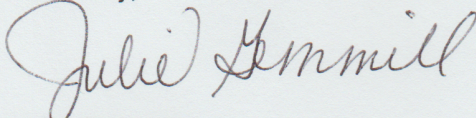
company. Potential hires want to know what it's like to work, live, and play here. This led to the creation of the state's first rural workforce attraction and retention initiative, Real. Good. Northeast ND. The regional council secured the funding and staff and in collaboration with our employers, developed this initiative that continues to grow. (www.realgoodnd.com).

- **FlexPACE:** This program has been vital to the growth and expansion of businesses in our county. The regional council has been an integral part of ensuring local lenders utilize the program. Projects the JDA provided the Community Match for in 2024 include everything from an electrician business start-up to a multi-million dollar equipment purchase at an existing value-added agriculture company.
- **Community Vibrancy:** Assisting communities and community groups across our county to access funding programs to help with projects that enhance our small towns. Examples include Kid's Alley, an indoor play space in Grafton; a pocket park on Fordville's main street; and a professional wall mural on Park River's main street.

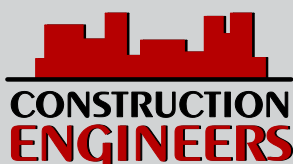
Additionally, the JDA leverages regional council staff to serve as its full-time executive director and part-time fiscal manager. This partnership has allowed the volunteer JDA board of directors to lead and support projects it would otherwise be unable to without this economic development staff expertise. The Impact of HB 1524 would greatly help to level the playing field for smaller communities competing for state and federal resources.

In closing, I urge you to support this critical funding bill for Regional Councils statewide.

Sincerely,



Julie Gemmill
jgemmill@polarcomm.com
701-331-0884



Construction Engineers, Inc.
200 North 69th Street | Grand Forks, ND 58203
PO Box 13378 (58208-3378)
Phone 701.792.3200
www.ConstructionEngineers.com

Mike Dunn

Business Development Manager

Construction Engineers, Inc

200 N 69th St

Grand Forks, ND 58203

February 3, 2025

RE: HB 1524 A BILL for an Act to create and enact a new section to chapter 54-40.1 of the North Dakota Century Code, relating to the funding of regional planning councils; and to provide an appropriation

Chairman Headland and members of the committee,

I am writing in support of HB 1524. Based on my personal experience, increased support to regional councils is very worthwhile and the direct impacts are noticeable.

From 2010 to 2021 or so I personally served on the Red River Regional Council's Advisory Board and Board of Directors. It was amazing to me to witness the direct impact that the organization made to the counties it served. Dozens of small businesses utilized the consulting, guidance, and loan programs administered through the RRRC. The RRRC and the other Region Councils across the State are true catalysts for economic development.

In just one example of direct impact and success of regional councils, this winter, you do not have to look very hard to see thousands of people making their way to Frost Fire Ski area in rural Walhalla. The year-round activity of that initiative is truly impressive. Thank you Pembina Gorge Foundation!

Additionally, in the early 2000's our company utilized a loan program through the RRRC as part of the financing package when we built our corporate office west of Grand Forks.

I urge you to issue a "Do Pass" on HB 1524

Sincerely,

Mike Dunn



**Testimony of Robert Thornberg in support of HB 1524
To the House Finance and Taxation Committee
February 4, 2025**

Rep. Craig Headland and members of the House Finance and Taxation Committee:

I'm Robert Thornberg from Walhalla, ND stating my strong and enthusiastic support for HB 1524 relating to funding and organizational efforts of North Dakota's Regional Councils.

Our group is the Red River Regional Council in Grafton. Our support for the wider statewide efforts is based on our experiences with the Grafton group. Those experiences have been simply outstanding! They were important in our early years, just getting started, and again later as difficult market conditions called for new solutions.

There has been direct support, and equally important has been the indirect support that comes as encouragement when times are tough. Times have been tough, now and again, so the encouragement is not just welcomed – it's needed. We are so grateful and as such, strongly support efforts that help provide similar services across the state.

We are in Walhalla because there was an ethanol plant with distillers feeds essential to our SweetPro Feeds® product line. While that ethanol plant is no longer here – we still are. Among the most recent adjustments needed to adapt to the ethanol plant absence has been installing capacity to process flax seed. Prior to that was an opportunity to convert portions of the ethanol plant to production of a new yeast culture we call ProBiottein®. That project continues to evolve and we believe now stands ready to make a significant statement improving gut health in livestock.

Our Red River Regional Council and Choice Bank have been active in the flax, yeast culture, and other efforts to help us adapt.

Again, we enthusiastically support the objectives of HB 1524 and applaud the efforts of Representative Monson, Senator Myrdahl and others working to strengthen Regional Council efforts statewide.

Robert R. Thornberg – CEO

Harvest Fuel Inc. (dba SweetPro Feeds)

bob@sweetpro.com

Cell: 701 265 2727

Harvest Fuel Inc

12848 County Road 9 * PO Box 69 * Walhalla, ND 58282
701.549.3450



February 3, 2025

Chairperson Headland and Committee Members:

Western Region Economic Development (WRED), representing Divide, McKenzie, Mountrail, and Williams Counties of North Dakota, **supports HB1524** to create and enact a new section to chapter 54-40 of the North Dakota Century Code, relating to the funding of regional planning councils; and to provide an appropriation. Tri-County Regional Development Council (TCRDC) Region 1 being the primary regional council for WRED.

Regional councils play an essential role in economic and community development across North Dakota. For decades they have provided technical expertise, project management, and funding assistance that otherwise wouldn't be available to our communities due to lack of resources in our small towns.

Regional councils assist in securing funding for economic development, infrastructure, and essential services. They assist with complex grant applications and project administration, utilizing state and federal funding sources. Many small towns would struggle to compete for these funding opportunities without the regional councils' assistance.

TCRDC has assisted businesses in securing gap financing and applying for Community Development Block Grants (CDBG) to benefit our rural communities. They have been an integral part of securing funding for housing, infrastructure, and workforce growth over the years. By adding this funding to the North Dakota Century Code, it secures our regional councils as a resource to our communities.

WRED urges you to **support HB1524** as our regional councils are vital to the economic landscape of North Dakota. This bill will ensure that they have the resources to continue to thrive.

Sincerely,

A handwritten signature in black ink that reads "Ann Kvande". The signature is fluid and cursive, with the first name "Ann" and last name "Kvande" clearly distinguishable.

Ann Kvande
Executive Officer



**Testimony of Adrienne Olson in support of HB 1524
To the House Finance and Taxation Committee
February 4, 2025**

Rep. Headland and members of the House Finance and Taxation Committee.

My name is Adrienne Olson, Community and Economic Development Director in Casselton, ND. I am submitting this testimony in strong support of HB 1524.

Casselton is a steadily growing community which has experienced significant business growth over the last 10 years. We have recently opened two new developments that hold space for hundreds of families and potentially dozens more businesses.

Casselton has the benefit of a full-time economic development position and an established Jobs Development Authority. Professional, experienced support from Lake Agassiz Regional Development Council is a guiding hand for our city staff and volunteer citizens making decisions with lasting impacts. LARDC connects Casselton to funding opportunities and planning resources.

Casselton has 40 units of subsidized housing under the ownership of Cass County Housing Authority. The Authority has initiated the process to allow it to put the housing up for sale, potentially displacing the current residents. The Lake Agassiz team has been at the table with our community to guide us to a best-case outcome and bring potential partners into the conversation.

Casselton is preparing for a complete underground infrastructure overhaul in its downtown Central Business District in 2026. The Lake Agassiz team has already begun to look for funding assistance for the project that could lower the special assessment burden on our residents.

Casselton consistently relies on its relationship and the support it receives from our regional economic development council.

In closing, I urge you to support this critical funding bill for Regional Councils statewide. This funding is, in my estimation, one of the most direct and effective ways to support rural North Dakota communities.

Adrienne Olson
EconDev@Casselton.org
701-809-9444



Chase Building
516 Cooper Avenue, Suite 101
Grafton, ND 58237
T: 701.352.3550
www.redriverrc.com

Testimony of Dawn Mandt in support of HB 1524

To the House Finance and Taxation Committee

Tuesday, February 4, 2025

Chairman Headland, Vice Chairman Hagert, and Committee Members,

Hi, my name is Dawn Mandt, and I'm the Executive Director of the Red River Regional Council in Grafton. Our team serves four counties in the northeast corner of North Dakota. I have been a rural developer in North Dakota since I was a junior at Jamestown College in 1992 – this is my 33rd year.



In our region, about 92,000 people call this area home, **with around 35,000 of them living in small towns and on farms.** That's about the same number of people as the city of West Fargo—just spread out across 40 communities in four counties. And these communities aren't going anywhere because many families have deep roots here, especially in farming, one of North Dakota's biggest industries. **People in our area travel a lot within an hour's drive for work and daily life,** so we've built strong connections and partnerships across the region. And these people are our friends and neighbors. Forty percent of North Dakotans live in small towns with under 5,000 people.

Grand Forks is our closest big city and has been growing momentum ever since the 1997 flood. The surrounding areas support this success. In fact, more than half of the sales tax collected in Grand Forks comes from visitors and commuting patterns show an interdependence between small towns and larger cities such as in Region 4.

Over the past 15 years, North Dakota has gone through a major transformation. It's been exciting to watch and we'd like to become a stronger part of it! Back in 1987, some researchers wrote about an idea called the **Buffalo Commons**, suggesting large parts of the Great Plains should return to the wild. People in North Dakota were shocked. **Instead of giving up, we took action.** The state launched the Growing North Dakota initiative that included a statewide vision and led to programs like the PACE program that still support our businesses and communities today.

Most of the growth in North Dakota the past 15 years has been focused on a few areas—mainly the oil-rich counties and bigger cities. Right now, 75% of the state's workforce is in just ten counties, and most of the population growth in the last decade happened in just three: Cass, Burleigh, and Williams. The state has invested billions of dollars into these areas, and even programs meant to support statewide growth have mostly benefited those larger regions. Forty percent (40% or approx. 318,000 people) of North Dakotans live in small towns with under 5,000 people.

Some state agencies, like the Housing Finance Agency, have made efforts to support small towns as we've shared how program design disabled small towns from accessing investment.

For example, HFA created a set aside for rural housing. To put this into perspective, a small 8-unit housing project in Cavalier is just as meaningful as building 800 units in Fargo. However, there's still a huge gap—our region alone needs 4,800 new housing units, and we estimated two years ago that we needed 1,500 new workers. And in 2024, we had nearly 1,000 H2A agricultural workers come from other parts of the world and joined our communities.

At the Red River Regional Council, **we work hard to support small towns and regional partnerships with very limited resources.** Our local leaders are volunteers juggling multiple responsibilities to keep their communities running. **We develop long-term plans with their help, but without proper funding, we often struggle to move forward.**

We recently created a Destination Development Plan, with input from over 600 people, to attract visitors and new residents. We also launched a workforce initiative called Real. Good. to help fill job openings. We've been scrapping funds together to employ a Housing Developer for the past two years. **We piece funding together from any possible source – often funding long-term ideals with short-term grants which is not sustainable.**

We have created regional collaborations, we've engaged and worked to empower our people, and we have been creating regional momentum. **We'd welcome the state's partnership in many of these efforts.**

We have an opportunity to create real, lasting change for our small towns. That's why I'm asking you to support **HB 1524**—so we can invest in our communities, work together, and build a stronger future for all of North Dakota.

Dawn Mandt
dawn@redriverrc.com
701-520-0487



Board of Directors:

- Amy Suda, Walsh County Commission, President
- Barry Wilfahrt, The Chamber of Grand Forks and East Grand Forks, Vice President
- Dawn Mandt, Secretary
- Mary Houdek, Job Service North Dakota
- Kimberly Hagen, Grand Forks County Commission
- Scot Becker, Pembina County Commission
- Cody Johnson, Nelson County Commission
- Lacey Hinkle, Mayor, City of Cavalier

Ashley Berg

2791 67th St NE
Rugby, ND 58368
(701) 412-1033
ashbphoto@gmail.com

February 2, 2025

Re: Testimony in support of HB #1524

To the House Finance and Taxation Committee,

My name is Ashley Berg. I am first a business owner in Rugby, ND. I also currently serve as Chair for the Souris Basin Planning Council, President of the Rugby Convention and Visitors Bureau and am active in several other organizations in my community. I am a strong advocate for rural communities specifically in bringing new people or businesses to us. However, there are typically many obstacles.

Often rural communities have infrastructure, building and large remodel needs – always with funding being the greatest need. Grant opportunities often come and go as they may not land in the right hands, or one may not be fully aware of the extent of the grant. People are enthusiastic to bring new experiences and programs to rural communities, which we all understand is a key to success in keeping the new generations in the area and coming back.

I strongly support this bill as I know the Regional Councils go above and beyond for its communities it supports. They believe in heightening the quality of life for all that live in our great state of North Dakota.

Having served on the Souris Basin Planning Council (SBPC) for five years and a volunteer board member I have had the opportunity to see and understand the impact and importance of a regional council. From day one, I was impressed by the amount of loans they have been able to service and continue to advocate for more. I often feel as I am not contributing enough, but frankly as a volunteer my time and ability are not enough, which only reiterates the need for the funding proposed.

Thank you for your time and I strongly encourage you to support this vital funding of House Bill #1524.

Sincerely,



Ashley Berg



NORTH DAKOTA PLANNING ASSOCIATION

Serving North Dakota since 1973

NDPA Board

Rachel Laqua – President
Andrea Edwardson - Vice President
John Van Dyke - Past President
Daniel Nairn - Treasurer
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Maegin Elshaug – At Large
David Sweeney – At Large

February 4, 2025
 Committee Hearing: HB 1524
 Finance and Taxation

Representative Headland and Committee Members:

The North Dakota Planning Association respectfully requests a recommendation of DO PASS on HB1524.

Mission

The mission statement describes NDPA's intentions and demonstrates how the organization is striving to fulfill its vision:

Vision

The vision statement summarizes the role and influence the NDPA will have in North Dakota as it strives to achieve its goals.

Value

The value statement reflects the values of the NDPA. The profession relies on the ethical principles espoused in the AICP Code of Ethics.

We educate individuals, legislators, and planning professionals on the importance of planning and contemporary planning best practices, partner with those with a passion toward community-based efforts in planning and related fields, and advocate for the future success of communities through good policy and plan-making.

To be the primary partnership for planning-related information and activities within the State of North Dakota which connects and supports a growing planning profession that is well respected in the state and fosters an understanding amid the general public on the planning issues within the state.

Working together according to the AICP Code of Ethics and Professional Conduct to effect good planning practice for all people of North Dakota.

North Dakota Planning Association advocates for good planning rooted in contemporary best practices. We recognize that one barrier to good, well-rounded planning in the state is funding for planning efforts. As such, regional planning councils and the associated Department of Commerce Funding for planning is a huge step in the right direction,

allowing for regionally consolidated planning efforts backed by funds. Planning is often underfunded in our communities across the state, particularly our smaller communities, not because there is no interest, but because current needs trump long-range planning every time. Conversely, though, planning is essential to receiving funding for projects. By creating regional planning councils HB1524 would allow rural communities to move the needle in favor of positive development, whether that's through economic development initiatives, funding essential services such as groceries, or improving essential and aging infrastructure (roads, sewer, water).

Because the needs of our communities across the state are so diverse, a wide-spread fund such as this would be of much more assistance than more targeted funds, allowing for communities who know their needs best to advocate for and utilize those dollars in the most advantageous way to them.

Again, we respectfully request a recommendation of DO PASS on HB1524.

Thank you,

North Dakota Planning Association Board
 Rachel Laqua, President

SOURIS BASIN PLANNING COUNCIL | ND REGION 2

Organized under Chapter 54-40.1 of the North Dakota Century Code, Souris Basin Planning Council (SBPC) got its start in 1972 with a single mission: to advance economic progress in North Dakota Region 2. North Dakota Region 2 is comprised of Bottineau, Burke, McHenry, Mountrail, Pierce, Renville, and Ward counties. A majority of SBPC's membership is composed of existing elected city officials and county commissioners. Selection of these members are made by their respective governing bodies.



SOURIS BASIN PLANNING COUNCIL MEMBERSHIP

Ashley Berg (Chairperson), Pierce County Representative
 Nathaniel Buynak (Vice-Chairperson), Bottineau County Commissioner
 Lisa Olson (Treasurer), City of Minot Council Member
 Shannon Holter, City of Bowbells Mayor
 Mary Liz Davis, City of Velva Commissioner
 Jesse Baker, City of New Town Council Member
 Dianne Hensen, City of Glenburn Representative
 Arlen Gartner, City of Kenmare Mayor
 Whitney Gonitzke, Bottineau EDC, Director
 Jarret Van Berkom, Burke County Commissioner
 Bryan Bruner, McHenry County Commissioner
 Jason Rice, Mountrail County Commissioner
 Rick Haman, Renville County Commissioner
 Jim Rostad, Ward County Commissioner
 Ken Radtke, City of Westhope Council Member
 Frank LaRocque, City of Rugby Mayor
 Sam Warren, Minot Air Force Base Community Planner
 Tom Rafferty, Verendrye Electric Cooperative
 Sheila Many Ribs, Three Affiliated Tribes, Director of Planning & Grants
 Susan Ogurek, Job Service ND, CSO Manager
 Brekka Kramer, Minot Area Chamber EDC, President/CEO
 Zachary Broadwell, Rugby JDA, Executive Director



Testimony of Briselda Hernandez Herrera in support of HB 1524
 To the House Finance and Taxation Committee
 Tuesday, February 4, 2025

Chairman Headland and Members of the Committee,

My name is Briselda Hernandez Herrera, and I am the Executive Director of Souris Basin Planning Council (SBPC). SBPC serves a seven-county region comprised of Bottineau, Burke, McHenry, Mountrail, Pierce, Renville, and Ward counties. I have had the privilege of working with communities, leaders, and businesses for over 10 years. I have seen firsthand the power of people and communities working together to improve quality of life and create opportunities for economic growth. On the other hand, many of the communities that I have worked with have struggled to advance community projects due to limited funding and the reality that most community leaders are stretched with numerous volunteer roles. Fewer than half of North Dakota's counties have local economic development organizations, and only 19 small towns have part- or full-time development staff. When there are so many needs to be addressed—whether it is housing, food deserts, and childcare—it can be hard for communities to lead this work alone.

I come before you today in support of HB 1524. HB 1524 will provide the much-needed people power to get things done in a resourceful and strategic manner. It will help build staff-capacity for regional councils who are positioned to advance economic and community development.

Why Regional Councils?

Formed by state law (NDCC 54-40.1), North Dakota's eight regional councils are a boots-on-the-ground resource that provide the support to advance community projects. Regional councils are deeply embedded in the community offering technical assistance, expertise, and a structure for collaboration. As a public servant, I understand the importance of ensuring that we are good stewards of public dollars. I believe regional councils have a proven track record of maximizing every dollar and being transparent.

- **Transparency and Accountability:** Regional councils operate under strict governance which includes annual reporting and audits. Their boards are made up of elected city officials and county commissioners (majority) and regional stakeholders who help ensure funds are being used properly.
- **Planning:** Every five years, regional councils develop a Comprehensive Economic Development Strategy (CEDS), a community-driven plan for smart and strategic economic and community development. The CEDS aligns priorities and efforts to increase impact. It helps ensure that resources are used efficiently and effectively.
- **Partnerships and Statewide Networks:** Regional councils are well-connected and rely on strategic partnerships to tackle needs. They have a network of long-term, trusted relationships with local and state leadership as made evident in the testimonies submitted. Their planning



activities and work engage a diverse range of stakeholders within the private, public, and nonprofit sectors. Programs and services provided by regional councils are designed to complement not duplicate efforts.

- **Statewide Impact:** Regional councils offer a variety of programs and services including project development and implementation. Their impact can be seen and felt statewide. The table below summarizes their impact in the last five years. Projects include housing, infrastructure, business development, community betterment, and disaster mitigation and recovery.

2019-2023 Impact	
Metric	Total
Funding applications assisted	1,410
Total funding secured with Regional Council assistance	\$364,751,823
Additional funds leveraged	\$531,557,176
Total investment in North Dakota	\$896,308,998
Jobs created or retained	5,122
Community & economic development plans created	55
Public forums, meetings, and planning sessions	411

Why Funding Now?

There is a shared consensus that a regional approach to economic and community development is needed to maximize impact, and regional councils are well positioned to lead this work. Unfortunately, regional councils are faced with the same challenges experienced by our communities— limited staff-capacity. While regional councils have been successful in generating tremendous impact without state funding, additional support is needed for regions to be better able to take advantage of programming and funding opportunities and implement long-term solutions. The \$8 million allocation is based on a deep-dive assessment of capacity needs that will help address regional priorities such as grant writing and administration, business development, workforce development, and housing. Imagine what more can be accomplished at full capacity! This is why I am asking you to support **HB 1524**. Thank you for your time and consideration.

Briselda Hernandez Herrera
briselda@sourisbasin.org
701.712.7308



**Testimony of Amber Metz in support of HB 1524
To the House Finance and Tax Committee
Tuesday, February 4, 2025**

Chairman Headland and Members of the Committee,

I am Amber Metz, Executive Director of Lake Agassiz Regional Council. We serve six counties in the southeast including Cass, Ransom, Richland, Sargent, Steele and Traill counties.

I have been part of the team at LARC for nearly two decades and am proud of many accomplishments. Being able to travel throughout our region and point out businesses assisted with loan funds, water towers replaced with grant funds we administered and new companies putting down roots that we assisted in packaging incentives for, are all deeply rewarding.

LARC fields questions regarding zoning ordinances regularly but we could help more townships with updating those ordinances. Many ordinances are old and do not address the kinds of development townships are facing nowadays (e.g. animal feeding operations, solar energy, data centers, preserving farmland from urban growth).

We expanded the reach of a tool utilized by some of our state's larger communities for years to include our entire region a couple years ago. We wish to continue the subscription to LOIS, a platform used by economic developers and site selectors to find viable locations for businesses seeking to relocate or expand their operations. This tool helps communities attract businesses by marketing properties for sale. This can range from the long-vacant store front on Main Street up to large tracts of land suitable for an agricultural processor. Cost is a major factor in that continuation.

Staff at the regional councils have experience in navigating the complex processes and regulations associated with federal grants. The notable ones being Davis-Bacon prevailing wages, NEPA, and HUD's Section 3. We are nimble and responsive to opportunities that arise that utilize this federal expertise. For example, regional councils jumped on the opportunity to be a part of the North Central Regional Food Business Center, an initiative sponsored by the USDA that aims to grow the local food economy.

As proud as I am of our organization, **future opportunities** have led me to submit testimony today. What's next that without targeted professional attention will pass us by? There are communities we don't hear from, outdated zoning ordinances in townships that may not know who to call without it costing them a year's fee income, an exciting new opportunity that needs an experienced local voice to put all of the puzzle pieces together. We want to assist all of our areas in being ready to capitalize on the next great opportunity and need stable support to do so.

I urge you to support this critical funding bill for Regional Councils statewide.

Amber Metz
amber@lakeagassiz.com
701-235-119



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Fargo, ND 58103

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TDD: (800) 366-6889



**FOR YOUTH DEVELOPMENT®
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY**

February 4, 2025

Re: HB 1524

Chairman Headland and Members of the House Finance & Taxation Committee,

Thank you for the opportunity to submit testimony in support of HB 1524.

The YMCA is North Dakota's largest child care provider, serving over 3,200 children in Bismarck, Grand Forks, and Fargo. Child care is not just a family issue—it is a workforce issue. With 78% of families with children under 18 having both parents in the workforce, reliable and affordable child care is critical to economic stability.

The state has made key investments in child care, including Regional Workforce Impact Program grants (RWIP) which have helped expand services in child care deserts and infrastructure funding through DHHS that has benefited many providers, the Ys included. But providers are still struggling—especially in infant and toddler care, where high staffing ratios drive up costs that family tuition alone can't cover. Facilities also face workforce shortages, limited capacity, and rising operational expenses.

HB 1524 offers additional opportunities to support child care. By empowering regional councils to allocate funding based on local needs, this bill considers child care in the list of important issues to consider in a biennial work plan. Child care providers might see targeted support necessary to:

- Recruit and retain staff through wage support and training incentives.
- Build, expand and improve facilities to meet growing demand.
- Offset provider costs, keeping child care more affordable for families.

This bottom-up approach ensures funding is used efficiently and effectively, tailored to each region's unique challenges.

Child care is essential infrastructure for a strong workforce. HB 1524 is a smart investment in families, businesses, and North Dakota's economy. We urge your support.

Thank you for your time and consideration.

Alliance of North Dakota YMCAs

Bill Bauman
Missouri Valley Family YMCA
Bismarck

Bob McWilliams
Altru Family YMCA
Grand Forks

Nick Grey
Minot Family YMCA / Triangle Y Camp
Minot

Steve Smith
YMCA of the Northern Sky
Fargo



HOUSE BILL NO. 1524
HOUSE FINANCE AND TAXATION COMMITTEE
CRAIG HEDLAND, CHAIR
TESTIMONY IN SUPPORT OF HOUSE BILL 1524

Chairman Hedland and members of the House Finance and Taxation Committee. I am Parrell Grossman, and it is my privilege to be the Legislative Director for the North Dakota Soybean Growers Association. I appear on behalf of the Association in support of House Bill 1524.

The Association advocates for more than 8,900 operations that raise soybeans in North Dakota. In 2024, North Dakota farmers planted 6.6 million acres of soybeans, producing over 245 million bushels of soybeans in North Dakota.

The Association is a strong supporter of the eight regional planning councils and the unique work and role they perform for rural North Dakota. This proposed funding is absolutely critical to the mission and operation of each of these councils, and the work they do is vital to rural North Dakota across the state. These councils leverage a small amount of funds to assist communities, townships, and counties with many projects. These smaller jurisdictions or political subdivisions simply don't have the staff, expertise, or financial resources to fulfill the ever-increasing and more challenging needs of rural North Dakota.

In addition to the funding secured, the additional funds that are leveraged, and the jobs created or retained, The Association particularly recognizes their important roles in supporting agriculture.

These councils can provide services to write grants or search for other funding sources. They are an excellent resource for locating and facilitating resources to assist with or address statutory or regulatory matters. One example would include working with local zoning to allow rural economic development such as animal agriculture to develop in townships and counties. With appropriate resources, these regional planning councils can provide the tools and expertise to navigate the requirements of programs to support local road improvements and other infrastructure needs.

Mr. Chairman and members of the Committee, for these reasons, and the others already stated, the Association respectfully asks the House Finance and Taxation Committee to give House Bill 1524 a “Do Pass” recommendation.

Thank you for your consideration and I would be pleased to try and answer any questions.



307 Main Street
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(701) 331-2121
angelle@redriverrc.com

Testimony of Angelle French
Pembina County Job Development Authority
In Favor House Bill 1524
February 4, 2025

Chairman Headland and Members of the House Finance and Taxation Committee,

Thank you for the opportunity to provide testimony in support of House Bill 1524. I am the director of the Pembina County Job Development Authority (PCJDA). We work to create economic prosperity and growth in Pembina County. The main issues we have seen are (and not necessarily in this order): housing, childcare, workforce shortages and retention, and community development for people attraction, along with others.

These issues are widespread and systematic and can be difficult for an office of one, such as the PCJDA to take on by ourselves. We depend on our partners across the region to help tackle such issues. The regional councils help facilitate connections and partnerships across their regions and statewide as needed. These councils are critical for our smaller counties, such as Pembina, as we have limited resources, both financially and in workforce power.

The Red River Regional Council, which serves our region, has helped in many projects for Pembina County. These include a recently completed regional housing study, support and data collection and analysis for the rural food access feasibility project, grant writing support, regional people attraction through the regional Real.Good. brand, securing a \$1.7 million grant through HIF (in conjunction with the Red River Community Housing Development Organization (CHDO)) to develop an 8-plex apartment building in Cavalier where housing is in great demand, along with many other projects. The PCJDA has also contracted with the Red River Regional Council since it's inception for staffing, management, and administrative support.

Additionally, NDCC 54-40.1 was created by the state in 1973 because of "the fact that the mobility of the population, changes in economic forces, and governmental mandates within and without the state present problems that cannot always be met by individual counties or cities and that local government planning and development efforts can be strengthened when aided by studies, planning, and implementation of both a statewide and regional character." (N.D.C.C. §54 -40(1)). However, a major issue with this legislation was that the funding for these regional councils was not addressed. The regional councils have been piecemealing together their budgets, which take additional work and time. I wonder what we could have already accomplished if they had dedicated state funding.

Thank you for your time and your consideration of HB 1524. Please support this bill, especially for us smaller rural communities that rely on the support we receive from our regional councils.

Sincerely,

A handwritten signature in black ink, appearing to read "Angelle French", written in a cursive style.

Angelle French

Testimony of Lisa Rotvold IN SUPPORT of

HB 1524

House Finance and Taxation Committee – hearing

February 4, 2025

Good morning, Chairman, and committee members. My name is Lisa Rotvold. I live in Hillsboro and serve as the Executive Director of the Red River Community Housing Development Organization (CHDO). I also serve on the advisory board of the North Dakota Housing Finance Agency.

Red River CHDO is a non-profit 501(c)(3) organization with a mission to grow opportunity for low- and moderate-income people and underserved rural communities, by building attainable housing and supporting community development. Red River CHDO was formed in 1996, by Red River Regional Council, to help re-develop two historic buildings, on the Life Skills Transition Center campus in Grafton, into senior rental housing. Those two projects continue to provide 60 units of quality affordable housing today. Over time the CHDO became inactive. In response to pressing housing needs across the region, Dawn Mandt and the Red River Regional Council board of directors decided to help revive the non-profit at the end of 2022.

In 2023, Red River CHDO officially reorganized and seated a new board of directors from around the region. Since 2023 Red River CHDO has researched, spoken to community leaders, listened to community needs, toured communities, commissioned a region-wide housing study and action plan, and developed our Spark Build initiative. Spark Build is our strategy to build new single family for sale homes in rural communities, to jumpstart new construction and demonstrate that there is a market for new housing.

Spark Build 2024 included breaking ground on four new single family homes in Lakota and Larimore. The two in Lakota are complete and sold. The two homes in Larimore are both framed, one is under contract, the other is still available. Both homes will be complete in May 2025. We are also helping Park River prepare to break ground on two Spark Build homes this spring. We have six more communities lined up to participate with Spark Build once the new HIF appropriation is known.

We helped Cavalier secure Housing Incentive Fund dollars to build an 8-unit apartment project, expected to break ground this spring. In December we got an award of \$1.1 million to do single family rehabilitation in all Region 4, with a special focus on seniors and veteran

households. We also partnered with Walsh County JDA to fundraise for a new childcare center in Grafton. We expect to take ownership of that building later this year.

For a very small non-profit organization serving primarily rural areas, we feel like we are off to a good start, but none of this work would have happened without the sponsorship of the Red River Regional Council. They funded our first full year of operations in 2023 with a no interest operating loan. At the end of 2024, we were able to repay that loan in full!

Looking ahead, we have big plans to improve the availability of housing in rural markets and support their economic stability. Both our non-profit and the regional council share a regional perspective. Red River Regional Council is uniquely positioned to help rural communities achieve more than they could alone. Consistent and reliable operating funding will let them implement the plans that have been laid for workforce development, destination development, and economic development to lift the region.

I stand before you today to share the progress we have made in addressing the housing shortage in Region 4, and tell you that none of the work Red River CHDO has done would have been possible without the partnership and support of Red River Regional Council.

Red River Community Housing Development Organization (CHDO)

Lisa Rotovld, Executive Director

Marcy Douglas, President

Mike Helt, Vice President

Shelley Popiel, Secretary Treasurer

Amie Vasichuk, Board Member

Paul Houdek, Board Member

Rebecca Kjellend, Board Member



Red River Community Housing
Development Organization (CHDO)

Single-family new construction with the Housing Incentive Fund



The Red River Community Housing Development Organization (CHDO,) is a partner organization of the Red River Regional Council, based in Grafton. Red River CHDO's mission is to grow opportunities for low-income and moderate-income people, and underserved rural communities, by developing decent and attainable housing and supporting community development, to help them thrive.

This case study outlines the organization's efforts to increase single family housing production in rural communities in north east North Dakota. Lakota was our first community.

Primary Objectives

- Create opportunities for growth in rural communities
- Jumpstart new construction of single-family homes in rural communities,
- Lift values to reduce and/or eliminate appraisal gap in small towns

"Spark Build" Initiative

After identifying barriers RRCHDO identified strategies to overcome them resulting in the Spark Build Initiative

- Red River CHDO acts as developer to be the risk taker in places where others aren't willing or able to do so.
- Acquires lots, finds builder, contracts with builder, secures all construction financing, pays builder monthly for work completed, collects lien waivers, markets homes, sells homes, repays construction financing

Process

- Sent RFP to 12 contractors in region, no responses received
- Shifted strategy to recruit a builder
- Collaborated with builder on home design and budget to reach project goals
- Outreach to communities - inquiries from 9 communities, 6 proposals, and 29 lots
- Selected communities, lots, and funding partners
- Secured conditional commitment of HIF forgivable construction loan
- Secured construction loan from local lender(s)
- Signed contract with builder
- Transferred ownership of lots to RR CHDO (updated abstract, title search, cleared lien, purchase liability and builders risk insurance, applied for building permit)
- Broke ground in May
- Sales contracts on both homes signed by end of June.
- Both homes complete and sold by end of year.
- Two additional homes currently under construction in Larimore.



Challenges

- Finding a builder – busy, not interested, skeptical, not general contractors
- Attracting bank financing for construction – risk averse
- Accessing HIF dollars – not able to use for single family for sale housing until after law change in 2023 legislature
- Timing – getting on a builder's schedule - typically book jobs out a year (or more) in advance, require signed contract and down payment
- Single family construction payment structure – pay ahead vs. after work complete
- Appraised value vs. cost to build

Partners

- Red River Community Housing Development Organization (CHDO)
- City of Lakota
- State Bank of Lakota & First United Bank
- North Dakota Housing Finance Agency
- Gemmill Custom Cabinets and Homes
- Red River Regional Council

Outcomes

- Expanded housing stock and created movement in local housing market.
- Two new single-family homes started, finished, and sold in 2024
- Lakota retained two “empty nester” households in need of single level living

- Opened up two well-kept single-family homes in Lakota for sale at + or - \$200,000. One new first time home buyer
- Opened up one rental apartment – already re-leased

Lessons Learned

- Developer, risk taker, is missing link
- Construction financing - another missing link
- Challenges encountered at every level in rural area – builders, financing, lots, marketing, home values/appraisals, risk management.
- Stick to a single house plan for multiple homes - saved time, saved money, fewer decision points
- Bundling multiple homes under one contract - good for builder, good for CHDO, saved time and money
- Build a relatively basic home – appraisal gap not as bad as expected – “extras” and upgrades may increase value gap
- Every partner needs to manage their risk - developers, builders, lenders, and cities
- Housing Incentive Fund (HIF) was the key to risk management and pulling this all together



2024 Fall
Both homes
complete &
sold



PO Box 2024
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farrms.org

**Testimony of Stephanie Blumhagen, Executive Director, FARRMS
In Favor of HB 1524
February 4, 2025**

Chairman Headland and Members of the House Finance and Taxation Committee,

I am the Executive Director of the **Foundation for Agricultural and Rural Resources Management and Sustainability (FARRMS)**. We provide programming to grow our state's local food systems and develop small farm enterprises. FARRMS reaches over 200 ND local food producers each year with educational and supportive services that help them develop their businesses and improve their farming practices.

This is possible because of the support we receive from Souris Basin Planning Council, one of our state's eight regional planning councils. We have grown our staff thanks to their Americorps Community Builder program. Souris Basin Planning Council provides invaluable administrative and bookkeeping services to FARRMS. They are also a key partner on several local food initiatives to increase opportunities for small businesses and improve food access in our rural communities.

As a partner in the North Central Regional Food Business Center, I have the privilege to work closely with our state's regional councils in providing technical assistance and finding loans and grants to support local food businesses. I have seen the dedication and tireless efforts of our regional councils' staff. Their efforts are providing effective, critical support in growing small businesses. That is true also for workforce development, childcare, housing, infrastructure planning, tourism and placemaking initiatives, disaster recovery planning, community leadership development, economic development, and more. This work is critical to creating thriving communities.

Our regional planning councils provide crucial support to our state's most rural communities. They are tasked with lending, planning, and grant writing to keep local services functioning and our Main Streets alive. They are doing this work with minimal staffing. HB 1524 would provide the resources necessary for regional councils to increase their staffing. This investment will amplify their positive impact and pay off tenfold in the benefits to our rural communities.

HB 1524 is an investment in North Dakota's eight regional councils that will strengthen our communities. HB 1524 is a wise investment in the future of ND.

In closing, I urge you to support this critical funding bill for Regional Councils statewide. FARRMS urges a "Do Pass" recommendation on HB 1524.

Sincerely,

Stephanie Blumhagen, Executive Director
701-877-1795
sblumhagen@farrms.org

HB 1524 2025-2027 BIENNIUM

REGIONAL COUNCILS *Sparking development, strengthening community.*

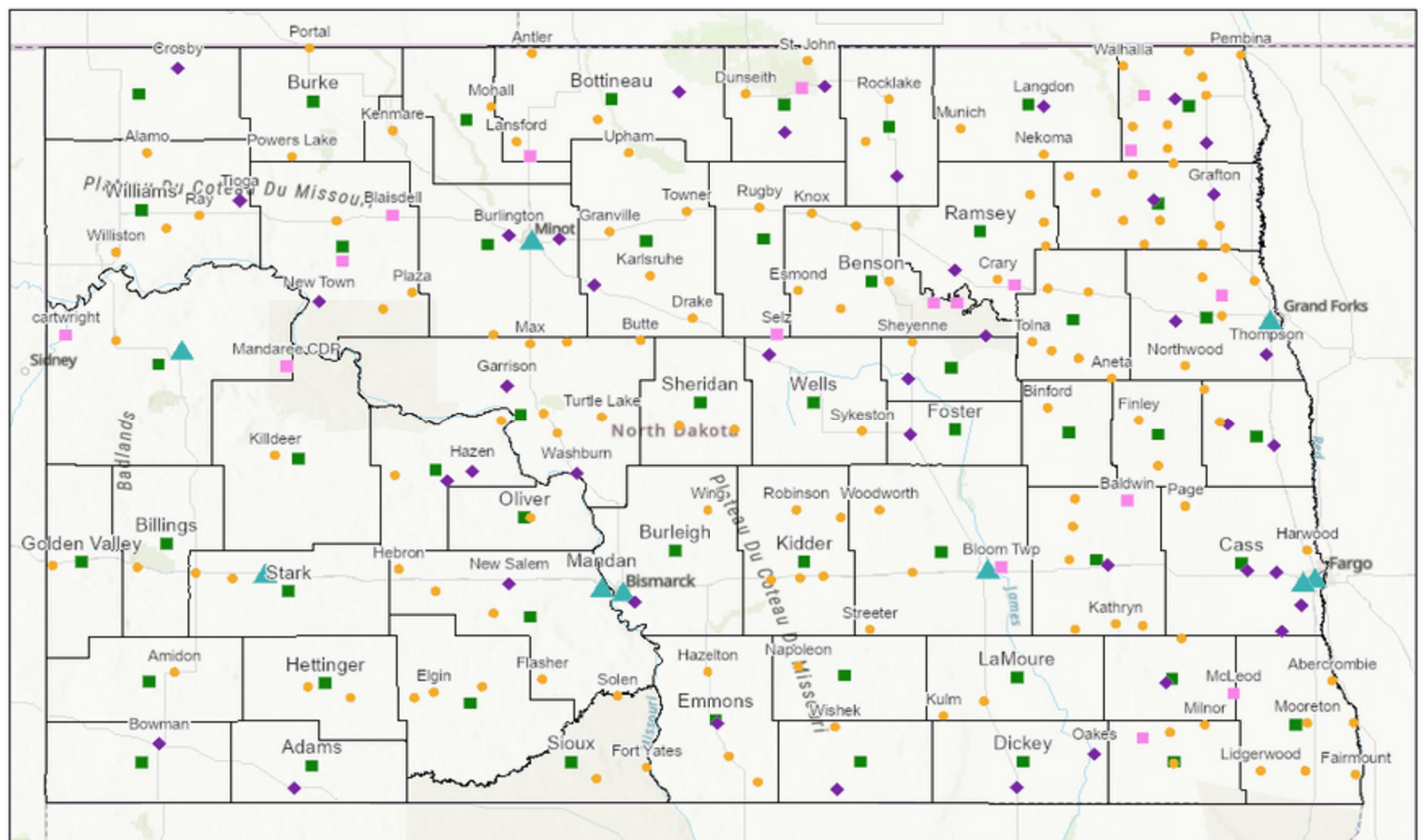
REGIONAL COUNCILS ARE A CORNERSTONE OF THE STATE'S ECONOMIC RENAISSANCE AND COMMUNITY REVITALIZATION. HERE'S A GLIMPSE INTO THE TRANSFORMATIVE IMPACT



- Cultivating the economy
- Implementing workforce attraction & retention systems
- Enhancing quality of life through enhanced community experiences
- Providing predictive expertise, skilled project planning, and funding solutions

REGIONAL COUNCILS' NETWORK OF DEVELOPMENT EXPERTS DRIVE IMPACTFUL RESULTS ACROSS EVERY COUNTY (SEE PAGE 2 FOR DATA)

ND Association of Regional Councils Impacts 2019-2023



2/3/2025

- Unincorporated Places
- Cities under 1,000 pop.
- ◆ Cities 1,000 to 8,500
- ▲ Cities 8,500 to 150,000
- Counties engaged with Regional Councils



ASSOCIATION
OF REGIONAL COUNCILS

FEBRUARY 4, 2025

North Dakota Association of Regional Councils Statewide Impact | 2019-2023

FUNDING APPLICATIONS ASSISTED 1,410

TOTAL FUNDING SECURED WITH
REGIONAL COUNCIL ASSISTANCE \$364,751,823

ADDITIONAL FUNDS LEVERAGED \$531,557,176

TOTAL INVESTMENT IN NORTH DAKOTA \$896,308,998

JOBS CREATED OR RETAINED 5,122

COMMUNITY & ECONOMIC DEVELOPMENT
PLANS CREATED 55

PUBLIC FORUMS, MEETINGS & PLANNING SESSIONS 411

TOTAL ATTENDEES ENGAGED 5,900

LOCAL LEADER BOARD MEMBERS 202

Long-term Stability and Accountability

Permanent funding for Regional Councils is essential for several reasons:

- Ensures **long-term stability** beyond a single biennium
- Local funds create **high levels of accountability**
- Regional Councils serve as **exemplary models for public-private partnerships**

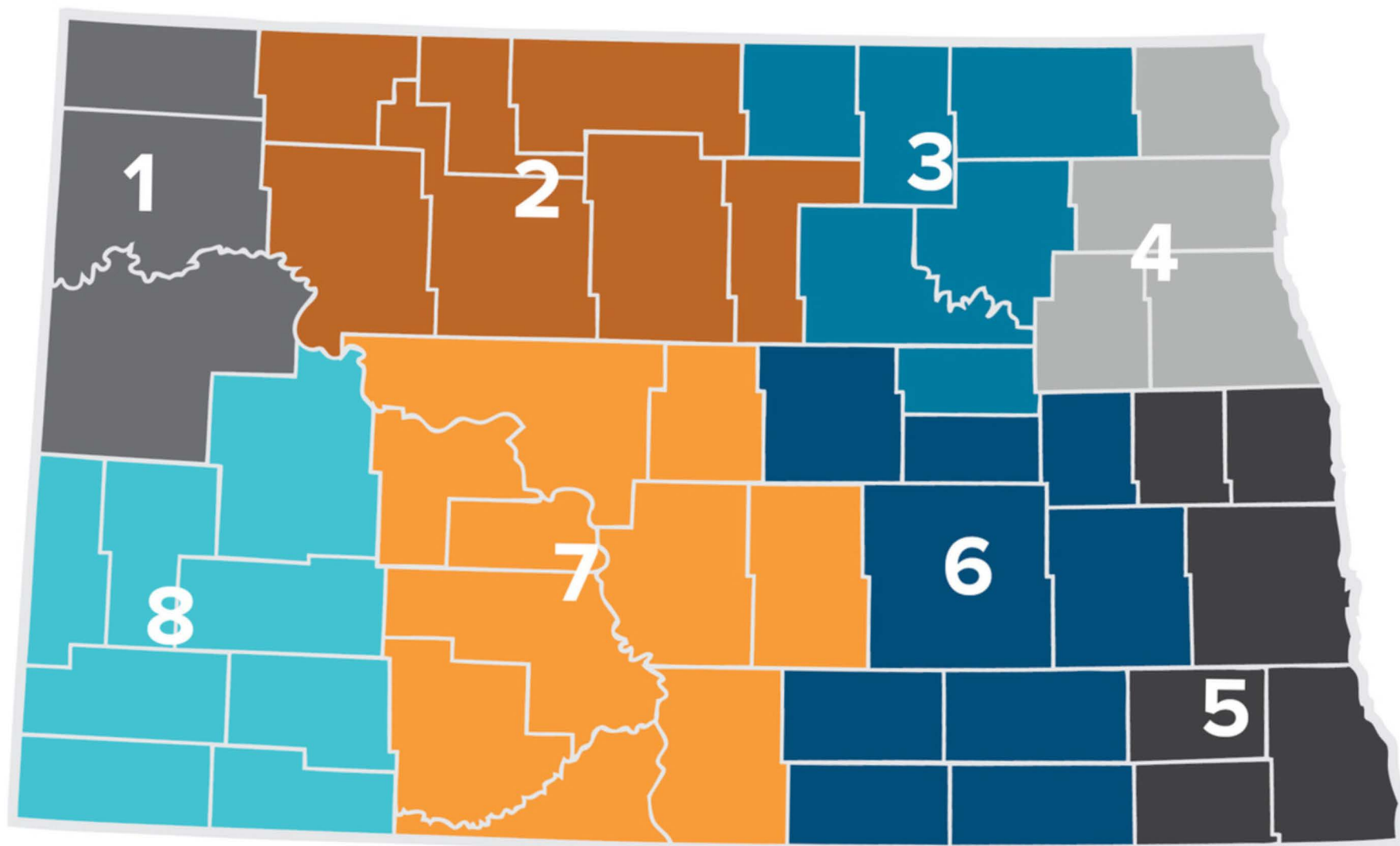
REGIONAL COUNCILS REVOLUTIONIZING RURAL COMMUNITIES

SMART DEVELOPMENT | FUTURE-READY INFRASTRUCTURE COMMUNITY RESILIENCE & GROWTH

- Business development
- Zoning and land use planning
- Grant writing and technical assistance
- Housing development
- Child care support
- Workforce development
- Infrastructure planning
- Tourism and placemaking initiatives
- Disaster recovery planning
- Community leadership development

By permanently funding Regional Councils, North Dakota can maintain its commitment to fostering economic growth and community vitality across the state, particularly in rural areas that may otherwise struggle to access necessary resources and expertise.





ASSOCIATION
OF REGIONAL COUNCILS



PO Box 1091 • Bismarck, ND 58502
701-355-4458 • www.ednd.org

**Testimony of Melissa Beach
Economic Development Association of North Dakota
In Support of HB 1524
February 4, 2025**

Chairman Headland and members of the House Finance and Taxation Committee:

My name is Melissa Beach, and I am the Economic Development Administrator at Minnkota Power Cooperative and serve as the Vice President of the Economic Development Association of North Dakota (EDND).

I am here today to express our strong support for House Bill 1524, which seeks to provide long-needed state funding for North Dakota's regional council network. For many years, these councils have played a crucial role in addressing regional needs and driving collaboration across our state, all without direct state funding.

Despite the critical role they play, these councils have continued to operate without consistent state funding, relying on limited and often unpredictable resources. Over the last 50 years, the councils have proven the importance of their existence – the primary collaborator between local, state and federal entities and programs.

Through their efforts, these organizations have brought substantial benefits to North Dakota communities—supporting community and economic development, advancing infrastructure projects, promoting workforce development and much more.

House Bill 1524 presents a transformative opportunity to secure sustainable support for these councils. The bill proposes a framework that would require councils to submit biannual work plans aligned with the state's strategic goals, ensuring accountability and clear progress towards shared objectives. This approach will not only benefit the state but also provide regional councils with the stability needed to make long-term, meaningful impacts.

The passage of HB 1524 would be a critical investment in North Dakota's future. It would ensure the continued success of the regional council network, a proven asset to the state's development strategy. More importantly, it reflects the legislature's commitment to fostering equitable growth and opportunity in every corner of North Dakota.

I strongly encourage the committee to support HB 1524 to provide the essential funding to sustain and empower North Dakota's regional councils.

Thank you for your time and consideration.



In Favor of HB 1524
House Finance and Taxation
February 4, 2025

Chairman Headland and Committee members:

For the record, my name is Lesley Icenogle. Thank you for the opportunity to testify on behalf of the North Dakota Corn Growers Association (NDCGA) in favor of House Bill 1524.

HB 1524 builds rural capacity to address policy issues that matter to the North Dakota Corn Growers, including business development, zoning and land use planning, workforce development, and infrastructure planning. The bill requires biennial work plans with itemized budgets and reporting metrics to ensure accountability.

In addition, the bill helps level the playing field for smaller communities. 70% of rural North Dakotans live in small towns with less than 1,000 people. HB 1524 will give these communities access to rural development staff and help them compete for additional state and federal funds.

NDCGA urges a Do Pass recommendation on HB 1524 to support rural communities through the regional councils. Thank you for your consideration.



Contact:
Lance Gaebe, Lobbyist
lgaebe@ndfu.org | 701 952-0103

**Testimony of Lance Gaebe
North Dakota Farmers Union
In Support of HB 1524
House Finance and Tax Committee
February 4, 2025**

Chairman Headland and members of the Finance and Taxation Committee,

Thank you for the opportunity to testify on behalf of the members of North Dakota Farmers Union in strong support of House Bill No. 1524. I am Lance Gaebe.

At our most recent annual convention, our members identified several key priorities for this legislative session, including investments in childcare, rural food access, affordable housing, and rural economic development. We recognize that the future of agriculture is inextricably linked to the vitality of our rural communities. We believe that strategic investments in effective regional councils are essential for fostering rural economic development and comprehensive infrastructure planning.

HB 1524 directly supports the coordination efforts of these regional councils, which work tirelessly to improve the quality of life for rural residents and enhance our communities. The professional staff of these councils provide invaluable technical assistance and services to communities, including support for local planning initiatives, organizational assistance, workforce development programs, grant writing assistance, capacity building, and coordination with other regional and state-level initiatives. These services empower communities to not just survive but to also thrive.

We believe that the long-term benefits of supporting regional councils far outweigh the initial investment and will generate returns to the state in additional economic activity.

North Dakota Farmers Union urges your favorable consideration of HB 1524. We believe this bill is a critical step towards strengthening rural communities and ensuring a bright future for North Dakota agriculture. I am happy to answer any questions you may have.



House Bill 1524 Testimony: In Favor
Hon. Craig Headland, Chairman
House Finance and Taxation Committee

February 4, 2025

Chairman Headland and Committee Members,

My name is Anna Nelson, Executive Director of Williston Economic Development. One of my extremely important partners in my work is the Tri-County Regional Development Council serving Region 1 in northwest North Dakota. To ensure that the team can continue to do their work at the fullest capacity, I would respectfully urge a DO PASS recommendation for HB1524.

For every grant question, workforce development issue, childcare discussion, and housing proposal, the Council was at the table offering expertise and assistance. This is true both now in my public capacity as well as during my time in the non-profit sector at the Williston Area Chamber of Commerce. I imagine this does not even compare to the level of support the Council offers to rural communities in the region that do not have the same level of resources to dedicate to grant writing and economic development efforts as do urban municipalities.

Given the rural nature of most North Dakota communities, these councils, collectively, serve a huge role for 40% of our population, according to the U.S. Census Bureau. That said, they touch the lives of all North Dakotans in some way, shape, or form through the work that they do to catalyze and support economic and community development.

As with any business or organization, adequate funding is key to sustainability and growth. Since their inception, regional councils have done a tremendous job of securing funding not just for their regions, but for their own operations. The financial support that HB1524 could provide would give them the capacity to more fully focus on their regions' needs. Given the impact they have had to date, I can only imagine what they will be able to do with additional resources to support their missions and their communities.

For these reasons, I respectfully urge a **DO PASS** recommendation from this committee.

Thank you so much for your consideration, and please feel free to reach out with any questions.

Sincerely,

Anna Nelson
Executive Director
annan@ci.williston.nd.us
(c) 701-651-8265

Erika Kenner
440 6th Ave SE
Leeds, ND 58346
406-581-1188

February 4, 2025

ND House Taxation and Finance Committee

RE: Support for HB 1524

Chairman Headland and Committee members;

I farm and ranch at Leeds, ND which is a town of around 400 people. We have a bank, an elevator which also owns the bulk oil and local Cenex (which is also our grocery store now) and our k-12 school is still operating. We have limited businesses, but need to keep what we have.

I serve on the Leeds Economic Development Committee, which is made up of volunteers in the Leeds area – we do not have a paid employee. We saw a need for a larger daycare than the few in-home ones that were around the area to keep our few businesses going and to attract young teachers and families to our town.

We reached out to North Central Planning Council (Region 3 Planning Council) in Devils Lake to help us and I don't think we could have done it without them. We had received a USDA Rural Development grant to bring in a modular home to be used for the daycare building, but none of us had any experience writing grants. Our funds were limited, and all were needed for the share we had to pay for the building. We appreciated having the support and expertise from North Central Planning on obtaining the grant.

I can see a great benefit in providing more staff to these regional councils in order to help more of these rural communities like Leeds. I ask for a Do-Pass recommendation from this committee.

Sincerely,

Erika Kenner
Leeds, ND
erika.kenner@gmail.com
406-581-1188



www.graftongov.com

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Phone: 701.352.1561 | Fax: 701.352.2730 | TDD: 701.352.1411

February 4th, 2025

Testimony of Jennifer Dusek in support of HB 1524

To House Finance and Taxation Committee

Chairman Headland and members of the Committee:

I am Jennifer Dusek, Community Development Director for the City of Grafton.

I'm seeking your consideration to support funding of \$8 million for regional councils to increase rural development capacity across the state.

Created by NDCC 54-40.1 in 1973, the regional councils were to serve the purpose of establishing statewide policy for planning, economic development programs, operation, coordination, and related cooperative activities of state/local governments to resolve issues and problems transcending individual jurisdictions. Yet, these organizations have not had a consistent long-term funding mechanism to meet this purpose. This bill will provide councils with the expertise and resources needed to help rural communities access funding, implement projects, and drive economic development including regional collaborations.

The Red River Regional Council has been essential in Region 4 for support in rural development, housing and infrastructure, workforce growth, and improving essential services. Our small towns do not have the capacity to lead complex projects. Most do not have economic development staff, but the communities have great needs and potential. They simply lack the expert support needed to access funding and resources and execute strategic planning. This is where the regional council has been a great asset in our region.

The RRRC has financed 10 business projects in Grafton, most of which provide essential services to our residents, directly impacting the quality of life here. They have partnered with and supported North Valley Career and Tech Center to increase workforce training and education to high school students. They led the creation of a 532 Hill Food Incubator intended to address food insecurity and train new food businesses in our region. Two apartment buildings were redeveloped, and 30 homes were rehabbed in past years. The RRRC is an expert in strategic planning and has been a primary driver to address economic needs for rural communities. Yet, they lack the necessary funding to provide the level of support that our communities desperately need.

I urge your support for increasing the rural development capacity across the state by supporting this amendment for \$8 million for the eight regional councils.

Respectfully submitted by Jennifer Dusek, District 19

2025 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Room JW327E, State Capitol

HB 1524
2/5/2025

A BILL for an Act to create and enact a new section to chapter 54-40.1 of the North Dakota Century Code, relating to the funding of regional planning councils; and to provide an appropriation.

2:59 p.m. Chairman Headland opened the meeting.

Members Present: Chairman Headland, Vice Chairman Hagert, Representatives Anderson, Dockter, Dressler, Foss, Grueneich, Ista, Motschenbacher, Nehring, Olson, Porter, Steiner, Toman

Discussion Topics:

- Committee action

3:11 p.m. Vice Chairman Hagert moved to adopt proposed amendment LC#25.1007.01001, testimony #35513.

3:11 p.m. Representative J. Olson seconded the motion.

3:11 p.m. Voice vote - motion passed.

3:12 p.m. Vice Chairman Hagert moved a Do Pass as Amended and rerefer to Appropriations.

3:12 p.m. Representative J. Olson seconded the motion.

Representatives	Vote
Representative Craig Headland	Y
Representative Jared Hagert	Y
Representative Dick Anderson	Y
Representative Jason Dockter	Y
Representative Ty Dressler	Y
Representative Jim Grueneich	Y
Representative Mike Motschenbacher	Y
Representative Dennis Nehring	N
Representative Jeremy Olson	Y
Representative Todd Porter	Y
Representative Vicky Steiner	Y
Representative Nathan Toman	N
Representative Austin Foss	Y
Representative Zachary Ista	Y

3:12 p.m. Motion passed 12-2-0.

3:12 p.m. Representative Steiner will carry the bill.

3:13 p.m. Chairman Headland closed the meeting

Janae Pinks, Committee Clerk

February 5, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1524

Introduced by

Representatives Monson, Brandenburg, Kempenich, O'Brien, Ostlie, Pyle

Senators Kessel, Meyer, Myrdal, Barta, Lemm

2-5-25

JB 1 of 2

1 A BILL for an Act to create and enact a new section to chapter 54-40.1 of the North Dakota
2 Century Code, relating to the funding of regional planning councils; and to provide an
3 appropriation.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1.** A new section to chapter 54-40.1 of the North Dakota Century Code is created
6 and enacted as follows:

7 **Biennial work plan - Funding.**

- 8 1. A regional council shall prepare a biennial work plan. The work plan must:
9 a. Include proposed actions, targeted outcomes, and an itemized budget.
10 b. Align with the comprehensive economic development strategy for the region
11 developed with input from regional stakeholders, including members of the
12 legislative assembly.
13 c. Be approved by the regional council's executive board before submission.
14 d. Address issues of rural capacity, including business development, zoning and
15 land use planning, grant writing and technical assistance, housing development,
16 child care support, workforce development, infrastructure planning, tourism and
17 placemaking initiatives, disaster recovery planning, and community leadership
18 development.
19 2. A regional council shall submit:

AB 2002

- 1 a. Copies of the biennial work plan no later than twelve months before the
2 beginning of each biennium to the commissioner of the department of commerce,
3 the governor, and members of the legislative assembly representing the region. A
4 county providing financial support to regional councils shall maintain or exceed
5 the funding to ensure the continuation of regional development efforts.
6 b. Reporting metrics detailing program outcomes, expenditures, and other relevant
7 performance measures no later than forty-five days before the end of the
8 biennium to the commissioner of the department of commerce, the governor, and
9 members of the legislative assembly representing the region.
10 3. Subject to legislative appropriations, the department of commerce shall provide
11 funding to regional councils to implement the biennial work plan.
12 4. Funds may:
13 a. Be used to employ individuals or for contractual services to implement the
14 biennial work plan under this section.
15 b. Not be used for debt repayment, loans, grants, lobbying, political activities, or
16 unrelated or nonessential expenses, including entertainment, luxury purchases,
17 or projects that do not demonstrate a regional benefit.
18 5. Fifty percent of appropriated funding must be allocated equally among the eight
19 regions and fifty percent must be awarded based on a funding formula established
20 jointly by the department of commerce and the association of regional councils.
21 6. The funding formula under subsection 5 must be reviewed and amended as necessary
22 every four years and provide equitable allocation of funding for a regional council
23 providing services for multiple service areas or counties.
24 ~~7. The department of commerce shall provide to each regional council a minimum~~
25 ~~allocation of five hundred thousand dollars per region per biennium and a maximum~~
26 ~~allocation of one million five hundred thousand dollars per region per biennium.~~

27 **SECTION 2. APPROPRIATION - DEPARTMENT OF COMMERCE - REGIONAL**

28 **COUNCILS.** There is appropriated out of any moneys in the general fund in the state treasury,
29 not otherwise appropriated, the sum of ~~\$8,000,000~~ \$1,000,000, or so much of the sum as may
30 be necessary, to the department of commerce for the purpose of funding regional planning
31 councils, for the biennium beginning July 1, 2025, and ending June 30, 2027.

**REPORT OF STANDING COMMITTEE
HB 1524**

Finance and Taxation Committee (Rep. Headland, Chairman) recommends **AMENDMENTS** ([25.1007.01001](#)) and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (12 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). HB 1524 was placed on the Sixth order on the calendar.

Good afternoon Chairman Headland, Vice Chairman Hagert, and Committee members –

Thank you for your time and the allowance of a one hour hearing yesterday for HB 1524 – funding to support rural and regional development capacity via the Regional Council network. This network was established by the state 50 years ago yet failed to include a funding mechanism.

As we see such terrific momentum growing across the state, we would like to weave our small towns and rural regions into this transformation as well as strengthen the services we are able to provide through increased staff capacity.

As requested during the hearing yesterday, please find attached a 2025 Budget Summary from each of the regional councils.

Dawn Mandt

Executive Director

Red River Regional Council

Chase Building | 516 Cooper Avenue, Suite 101 | Grafton, ND 58237

C: 701.520.0487 | Dawn@redriverrc.com www.redriverrc.com



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2025 HOUSE APPROPRIATIONS

HB 1524

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1524
2/17/2025

A BILL for an Act to create and enact a new section to chapter 54-40.1 of the North Dakota Century Code, relating to the funding of regional planning councils; and to provide an appropriation.

11:41 a.m. Chairman Vigesaa called the meeting to order.

Members Present: Chairman Vigesaa, Vice Chairman Kempenich, Representatives Anderson, Berg, Bosch, Brandenburg, Fisher, Hanson, Louser, Martinson, Meier, Mitskog, Monson, Murphy, Nathe, Nelson, O'Brien, Pyle, Richter, Sanford, Stemen, Swiontek, Wagner

Discussion Topics:

- Councils
- Employees in North Dakota
- Regional Council Planning

11:41 a.m. Representative Hagert introduced the Bill.

11:59 a.m. Chairman Vigesaa closed the meeting.

Sierra Schartz, Committee Clerk

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1524
2/17/2025

A BILL for an Act to create and enact a new section to chapter 54-40.1 of the North Dakota Century Code, relating to the funding of regional planning councils; and to provide an appropriation.

7:19 p.m. Chairman Vigesaa opened the hearing.

Members present: Chairman Vigesaa, Vice Chairman Kempenich, Representatives Anderson, Berg, Bosch, Brandenburg, Fisher, Hanson, Louser, Martinson, Meier, Mitskog, Monson, Murphy, Nathe, Nelson, O'Brien, Pyle, Richter, Sanford, Stemen, Swiontek, Wagner

Discussion Topics:

- Proposed amendment
- Committee action

7:19 p.m. Vice Chairman Kempenich moved to amend on page 2, line 23, an appropriation of \$2.4 million.

7:20 p.m. Representative Mitskog seconded the motion.

7:27 p.m. Roll call vote:

Representatives	Vote
Representative Don Vigesaa	N
Representative Keith Kempenich	Y
Representative Bert Anderson	Y
Representative Mike Berg	Y
Representative Glen Bosch	N
Representative Mike Brandenburg	Y
Representative Jay Fisher	N
Representative Karla Rose Hanson	Y
Representative Scott Louser	N
Representative Bob Martinson	N
Representative Lisa Meier	N
Representative Alisa Mitskog	Y
Representative David Monson	Y
Representative Eric J. Murphy	N
Representative Mike Nathe	N
Representative Jon O. Nelson	Y
Representative Emily O'Brien	Y
Representative Brandy L. Pyle	Y
Representative David Richter	Y

Representative Mark Sanford	Y
Representative Gregory Stemen	N
Representative Steve Swiontek	N
Representative Scott Wagner	N

7:27 p.m. Motion carried 12-11-0

7:29 p.m. Representative Murphy moved a Do Pass as Amended.

7:30 p.m. Vice Chairman Kempenich seconded the motion.

7:31 p.m. Roll call vote:

Representatives	Vote
Representative Don Vigesaa	N
Representative Keith Kempenich	Y
Representative Bert Anderson	Y
Representative Mike Berg	Y
Representative Glen Bosch	N
Representative Mike Brandenburg	Y
Representative Jay Fisher	N
Representative Karla Rose Hanson	Y
Representative Scott Louser	N
Representative Bob Martinson	N
Representative Lisa Meier	N
Representative Alisa Mitskog	Y
Representative David Monson	Y
Representative Eric J. Murphy	Y
Representative Mike Nathe	N
Representative Jon O. Nelson	Y
Representative Emily O'Brien	Y
Representative Brandy L. Pyle	Y
Representative David Richter	Y
Representative Mark Sanford	Y
Representative Gregory Stemen	N
Representative Steve Swiontek	N
Representative Scott Wagner	N

7:31 p.m. Motion carried 13-10-0.

Representative Monson will carry the bill.

7:31 p.m. Chairman Vigesaa closed the hearing.

Mary Brucker, Committee Clerk for Sierra Schartz, Committee Clerk

February 17, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

ENGROSSED HOUSE BILL NO. 1524

Introduced by

Representatives Monson, Brandenburg, Kempenich, O'Brien, Ostlie, Pyle

Senators Kessel, Meyer, Myrdal, Barta, Lemm

2-18-25
J.B. 1082

1 A BILL for an Act to create and enact a new section to chapter 54-40.1 of the North Dakota
2 Century Code, relating to the funding of regional planning councils; and to provide an
3 appropriation.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1.** A new section to chapter 54-40.1 of the North Dakota Century Code is created
6 and enacted as follows:

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10 b. Align with the comprehensive economic development strategy for the region
11 developed with input from regional stakeholders, including members of the
12 legislative assembly.

13 c. Be approved by the regional council's executive board before submission.

14 d. Address issues of rural capacity, including business development, zoning and
15 land use planning, grant writing and technical assistance, housing development,
16 child care support, workforce development, infrastructure planning, tourism and
17 placemaking initiatives, disaster recovery planning, and community leadership
18 development.

19 2. A regional council shall submit:

- 1 a. Copies of the biennial work plan no later than twelve months before the
- 2 beginning of each biennium to the commissioner of the department of commerce,
- 3 the governor, and members of the legislative assembly representing the region. A
- 4 county providing financial support to regional councils shall maintain or exceed
- 5 the funding to ensure the continuation of regional development efforts.
- 6 b. Reporting metrics detailing program outcomes, expenditures, and other relevant
- 7 performance measures no later than forty-five days before the end of the
- 8 biennium to the commissioner of the department of commerce, the governor, and
- 9 members of the legislative assembly representing the region.
- 10 3. Subject to legislative appropriations, the department of commerce shall provide
- 11 funding to regional councils to implement the biennial work plan.
- 12 4. Funds may:
- 13 a. Be used to employ individuals or for contractual services to implement the
- 14 biennial work plan under this section.
- 15 b. Not be used for debt repayment, loans, grants, lobbying, political activities, or
- 16 unrelated or nonessential expenses, including entertainment, luxury purchases,
- 17 or projects that do not demonstrate a regional benefit.
- 18 5. Fifty percent of appropriated funding must be allocated equally among the eight
- 19 regions and fifty percent must be awarded based on a funding formula established
- 20 jointly by the department of commerce and the association of regional councils.
- 21 6. The funding formula under subsection 5 must be reviewed and amended as necessary
- 22 every four years and provide equitable allocation of funding for a regional council
- 23 providing services for multiple service areas or counties.

24 **SECTION 2. APPROPRIATION - DEPARTMENT OF COMMERCE - REGIONAL**

25 **COUNCILS.** There is appropriated out of any moneys in the general fund in the state treasury,
26 not otherwise appropriated, the sum of ~~\$1,000,000~~ \$2,400,000, or so much of the sum as may
27 be necessary, to the department of commerce for the purpose of funding regional planning
28 councils, for the biennium beginning July 1, 2025, and ending June 30, 2027.

**REPORT OF STANDING COMMITTEE
ENGROSSED HB 1524**

Appropriations Committee (Rep. Vigesaa, Chairman) recommends **AMENDMENTS** ([25.1007.02001](#)) and when so amended, recommends **DO PASS** (13 YEAS, 10 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). HB 1524 was placed on the Sixth order on the calendar.

2025 SENATE INDUSTRY AND BUSINESS

HB 1524

2025 SENATE STANDING COMMITTEE MINUTES

Industry and Business Committee Fort Union Room, State Capitol

HB 1524
3/17/2025

A bill relating to the funding of regional planning councils; and to provide an appropriation.

2:32 p.m. Chairman Barta opened the hearing.

Members present: Chairman Barta, Vice-Chair Boehm, Senator Klein, Senator Kessel, Senator Enget

Discussion Topics:

- History and impact of regional councils
- Public and private funding and dollar matching
- Comprehensive economic development strategies and planning
- Board makeup and profession variety
- Implementation of projects and funding gaps
- Current council operating budget
- Small business support
- Regional Workforce Impact Program (RWIP)
- Destination Development Plan
- Walsh County Job Development Authority and their role
- Increased staff capacity and program expansion
- Regional housing developer definition and Spark Build
- Grant applications, grant writers, and project managers
- Value added agriculture and rural communities
- Appropriation division and appropriation changes
- Technical assistance and zoning

2:32 p.m. Representative Dave Monson, District 19, testified in favor and introduced the bill.

2:36 p.m. Briselda Herrera, Executive Director, Souris Basin Planning Council, testified in favor and submitted testimony #42315.

2:53 p.m. Dawn Mandt, Executive Director, Red River Regional Council, testified in favor and submitted testimony #42529.

3:13 p.m. Teran Doerr, Executive Director, Roosevelt Custer Regional Council, testified in favor and submitted testimony #41797.

3:23 p.m. Jenniffer Henderson, Director, Community Housing and Grants Management, ND Housing Finance Agency, testified in favor and submitted testimony #42200.

3:28 p.m. Stephanie Engebretson, ND League of Cities, testified in favor.

3:29 p.m. Parrell Grossman, ND Soybean Growers Association, testified in favor and submitted testimony #42058.

3:40 p.m. Josh Kramer, general manager, Executive Vice President, ND Association of Rural Electric Cooperatives, testified in favor and submitted testimony #42327.

3:44 p.m. Haley Vollmer, ND Corn Growers Association, testified in favor and submitted testimony #42264.

3:45 p.m. Mark Lyman, Economic Development Association of ND, testified in favor and submitted testimony #42021.

3:51 p.m. Ryan Gregg, ND Farmers Union, testified in favor.

3:52 p.m. Melissa Beach, Economic Development Administrator, Minnkota Power Cooperative/Economic Development Association of ND, testified in favor and submitted testimony #42055.

Additional written testimony:

Mike Connor, board member, North Central Planning Regional Council, submitted testimony #41660 in favor.

Anna Nelson, Executive Director, Williston Economic Development, submitted testimony #41942 in favor.

Lisa Rotvold, Red River Community Housing Development Organization, submitted testimony #42049 in favor.

Dave Flohr, Executive Director, ND Housing, submitted testimony #42159 in favor.

Bernell Hirning, President, Williston State College, submitted testimony #42199 in favor.

Vawnita Best, Community and Business Development Director, submitted testimony #42328 in favor.

Williams County, submitted testimony #42397 in favor.

Anne Kvande, Executive Officer, Western Region Economic Development, submitted testimony #42422 in favor.

3:55 p.m. Chairman Barta closed the hearing.

Audrey Oswald, Committee Clerk

I urge legislative support of HB1524 for funding of regional planning council. Having served on the Board of North Central Regional Planning Council (NCP) since 1989 has given me the opportunity to see how valuable the work of a regional planning council can be for the residents of the six counties NCP serves.

In the mid 80s while serving as a City Commissioner at Devils Lake I made several trips to Bismarck to appeal for Community Block Grant (CDBG) Funds to a committee chaired by then Lieutenant Governor Sand. Often times the result was funding went to larger communities in the state. Then the decision was made that regional planning councils would decide how the CDBG funds were distributed. This action allowed small communities of only a few hundred a fighting chance to make a pitch for help on their local community needs. Whether it was reducing the size of a lagoon that had been overbuilt on the premise of the missile project or a water tower repair/replacement the decisions were made by representatives of the six counties who were familiar with small town problems.

As part of the application for CDBG and other programs small communities relied on the assistance of staff from NCP to jump through the regulatory hoops. This service was provided and the result was small projects in small communities being funded.

Recently the decision making has reverted back to being done in Bismarck due to both federal and state decisions. Requirements of project size has literally eliminated small communities the opportunity to apply!

If our small communities, the backbone of our state, are going to survive and hopefully prosper the regional planning councils must be able to assist those communities. Over the years our state has never provided any state funds to help make this happen. HB#1524 can be the first step in helping to allow NCP and other regional planning councils provide that help to small rural communities.

I urge your support and passage of this legislation,

Mike Connor
Board Member, North Central Regional Planning Council
Devils Lake, ND



Roosevelt Custer
REGIONAL COUNCIL

13 E Divide Ave
PO Box 1143
Bowman, ND 58623
701.483.1241
teran@swnd.org

**Testimony of Teran Doerr
Roosevelt Custer Regional Council
In Favor House Bill 1524
March 17, 2025**

Chairman Barta and Members of the Senate Industry and Business Committee,

Thank you for the opportunity to provide testimony in support of House Bill 1524. This bill is an investment in North Dakota's communities, ensuring they have the expertise and capacity to access funding, implement projects, and grow. The funding in this bill is not for regional councils, it is for the communities we serve.

Many small towns do not have experts to help them apply for grants, manage projects, or plan for the future. When that happens, funding goes unclaimed, and opportunities are lost. Regional councils help communities cut through the complexity, ensuring that these dollars reach the people and places that need them most.

Right now, North Dakota is making historic investments in workforce, housing, childcare, and infrastructure. But funding alone does not make projects happen; planning, execution, and technical assistance do. The programs and dollars exist, but they only benefit communities that have the capacity to apply, plan, and follow through on projects. That is where regional councils come in.

Even rural communities with economic developers struggle to navigate the complexity of state and federal programs. Many rely on volunteers or staff who are already stretched thin. Without direct support, money gets left on the table, projects stall, and smaller communities miss out on opportunities that should be available to all of North Dakota.

Before July 2022, our regional council struggled, and our communities lost out on millions of dollars in grants and projects. Since then, we have helped secure Community Development Block Grants (CDBG) for critical projects in Mott, Regent, Medora, and Bowman. We have assisted businesses and communities in accessing USDA and EDA grants for economic development and future tourism investments. We secured a Department of Energy grant for a rural fire department in Amidon. When Sanford closed its rural nursing home in Mott, we assisted in securing funding to reopen the clinic and basic care facility, and when the project fell short, we found an additional \$200,000 to complete it. We have also supported childcare, workforce, and housing initiatives across our region.

Despite this success, we operate with only three to four staff members serving up to 10 counties, and most of our staffing is tied to specific grant-funded projects. That means we can only assist with programs we are funded to administer. Many communities call us for help with housing, childcare, and infrastructure projects, but without dedicated funding, we simply do not have the capacity to assist everyone who needs it.

With dedicated funding, regional councils across the state could hire staff dedicated to helping communities access and implement state and federal funding, including:

- **Workforce and housing development**, ensuring state investments reach communities of all sizes.
- **Childcare expansion**, making sure funding is used effectively and sustainably.
- **Rural infrastructure planning**, assisting with grants for essential services like water, sewer, roads, and emergency services.
- **Business retention and expansion**, helping small businesses navigate resources to grow and thrive.

The state is making major investments in workforce, housing, childcare, and economic development. But none of these investments will succeed if communities do not have the expertise and support to access them.

Regional councils have a long history of turning small investments into big results. We help communities develop strategic plans for long-term growth, secure and layer funding from multiple sources, and implement and manage projects to ensure funding is used effectively.

This is not just a funding bill, it is a commitment to making sure rural investments actually happen. Without continued investment, many small communities will continue to struggle while larger cities get ahead. HB 1524 ensures that every region has the tools to make the most of state and federal dollars.

I urge you to support this bill so that North Dakota's small towns can keep growing and thriving.

Thank you for your time and consideration.

Sincerely,
Teran Doerr



House Bill 1524 Testimony: In Favor
 Hon. Jeff Barta, Chairman
 Senate Industry and Business Committee
 Chairman Barta and Committee Members,

March 17, 2025

My name is Anna Nelson, Executive Director of Williston Economic Development. One of my extremely important partners in my work is the Tri-County Regional Development Council serving Region 1 in northwest North Dakota. To ensure that the team can continue to do their work at the fullest capacity, I would respectfully urge a DO PASS recommendation for HB1524.

For every grant question, workforce development issue, childcare discussion, and housing proposal, the Council was at the table offering expertise and assistance. This is true both now in my public capacity as well as during my time in the non-profit sector at the Williston Area Chamber of Commerce. I imagine this does not even compare to the level of support the Council offers to rural communities in the region that do not have the same level of resources to dedicate to grant writing and economic development efforts as do urban municipalities.

Given the rural nature of most North Dakota communities, these councils, collectively, serve a crucial role for 40% of our population, according to the U.S. Census Bureau. That said, they touch the lives of all North Dakotans in some way, shape, or form through the work that they do to catalyze and support economic and community development. In the current economic landscape, that involves work on critical elements such as housing, workforce development, infrastructure, and so much more.

As with any business or organization, adequate funding is key to impact, sustainability, and growth. Since their inception, regional councils have done a tremendous job of securing funding not just for their regions, but for their own operations. The financial support that HB1524 could provide would give them the capacity to more fully focus on their regions' needs. Given the impact they have had to date, I can only imagine what they will be able to do with additional resources to support their missions and their communities.

One request I would humbly make is that the committee consider an increase in the appropriation, if the budget would allow, to help them further their reach and great work to facilitate and support economic development in each of their respective regions.

Regardless, I believe this is an important show of support for the councils and, for the reasons mentioned above, I respectfully urge the committee to give this bill a DO PASS recommendation.

Thank you so much for your consideration, and please feel free to reach out with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Anna Nelson".

Anna Nelson, Executive Director
annan@ci.williston.nd.us
 (c) 701-651-8265



PO Box 1091 • Bismarck, ND 58502
701-355-4458 • www.ednd.org

Testimony of Mark Lyman
Economic Development Association of North Dakota
In Support of HB 1524
March 17, 2025

Chair Barta and members of the Senate Industry and Business Committee:

My name is Mark Lyman, and I am the Economic Development Specialist with the Minot Area Chamber EDC as well as a member of the Economic Development Association of North Dakota (EDND). It is in the capacity of an EDND member that I provide testimony today. Thank you for the opportunity to provide testimony in support of HB 1524.

Regional planning councils are essential to economic and community development across the state, particularly in rural areas where local governments often lack the capacity to pursue large-scale initiatives on their own. These councils help communities navigate complex economic challenges, secure funding opportunities, and coordinate long-term strategic planning efforts. By requiring a biennial work plan, HB 1524 ensures that regional councils align their activities with the state's economic development goals while remaining accountable for their performance.

This bill also strengthens regional planning efforts by addressing key issues such as business development, workforce expansion, infrastructure planning, housing, and childcare. These areas are fundamental to economic growth, and without dedicated resources, many communities struggle to attract businesses and retain talent. The funding provided in HB 1524 will enable regional councils to continue providing technical assistance, grant writing support, and other vital services that help North Dakota's communities grow and thrive.

Sustained investment in regional planning councils is a necessary step to support North Dakota's long-term economic success. The \$2.4 million appropriation outlined in this bill is a strategic investment in the future of our state, ensuring that communities—large and small—have access to the resources they need to remain competitive. On behalf of EDND, we urge your support for HB 1524 and welcome any questions you may have.

Testimony of Lisa Rotvold

IN SUPPORT of

HB 1524

House Finance and Taxation Committee – hearing

March 17, 2025

Chairman, and committee members. My name is Lisa Rotvold. I live in Hillsboro and serve as the Executive Director of the Red River Community Housing Development Organization (CHDO). I also serve on the advisory board of the North Dakota Housing Finance Agency.

My testimony today is in support of HB 1524, a bill for an Act to create and enact a new section to chapter 54-40.1 of the ND Century Code, relating to funding of regional planning councils, and to provide an appropriation.

Red River CHDO is a non-profit 501(c)(3) organization with a mission to grow opportunity for low- and moderate-income people and underserved rural communities, by building attainable housing and supporting community development. A brief history of the organization reads as follows:

- Formed in 1996, by Red River Regional Council
- Helped re-develop two historic buildings, on the Life Skills Transition Center campus in Grafton, into affordable senior rental housing. (continue to provide 60 units of quality affordable housing today)
- Over time the CHDO became inactive due to lack of funding and staffing
- In 2022 Dawn Mandt and the Red River Regional Council board of directors decided to help revive the non-profit to help tackle pressing housing needs in the region
- In 2023, Red River CHDO officially reorganized and seated a new board of directors from around the region. Staffing is provided through a contract with the regional council.
- Since 2023 Red River CHDO has
 - Researched root causes of lack of new housing development
 - spoken to community leaders,
 - hosted listening sessions with 17 communities
 - toured communities, identified potential sites for new housing development
 - commissioned a region-wide housing study and action plan, and

- developed our Spark Build initiative

Spark Building is our strategy to build new single-family for sale homes in rural communities, to jumpstart new construction and demonstrate that there is a market for new housing.

In 2024 we were able to break ground on four new single-family homes in Lakota and Larimore. Two in Lakota were completed and sold by the end of 2024. Two homes in Larimore will be complete in May 2025 and are both under contract with buyers.

We are also helping Park River and Minto prepare to break ground on Spark Build homes this spring. Six more communities are lined up to participate with Spark Build once a new HIF appropriation is known.

In 2025 we have the potential to break ground on as many as 30 new homes throughout the region.

We are also looking for opportunities to help communities add new rental units. Doing this type of work requires time. Time to meet local leaders, employers, and builders. Time to share ideas and build trust. We've spent nearly two years working with people in Cavalier to get eight new rental units built. We still aren't there yet and continue to try to get all of the pieces of the puzzle to fit together.

Red River CHDO's primary source of operating funding is developer fees. **It took two years to receive the first payment of developer fee.** While the organization did have some money in the bank, **the financial support of the regional council is the only reason any of this work has happened.** With the work ahead of us we hope to have the regional council repaid by the end of 2025.

The Red River Regional Council's experience, knowledge of the region, and deep ties to communities and elected officials make them uniquely positioned to understand the needs and challenges rural communities face. Their professional economic and community development staff are a valuable resource to municipalities with small budgets and limited staff.

Regional councils have been operating in survival mode for too long. The state's investment in operating capacity for regional councils will allow staff to respond to evolving regional needs. Funding proposed in HB 1524 would ensure that the councils will no longer have to worry about running out of funding in the middle of a great project, losing staff, and losing all of the momentum they had gained.

Respectfully submitted by:

Red River Community Housing Development Organization (CHDO)

Lisa Rotovld, Executive Director lisa@redriverrc.com

Marcy Douglas, President

Mike Helt, Vice President

Shelley Popiel, Secretary Treasurer

Amie Vasichek, Board Member

Paul Houdek, Board Member

Rebecca Kjellend, Board Member



5301 32nd Ave S
Grand Forks, ND 58201-3312
Phone 701.795.4000
www.minnkota.com

Testimony of Melissa Beach in Support of HB 1524
Senate Industry & Business | March 17, 2025

Chairman Barta and members of the Senate Industry & Business Committee,

My name is Melissa Beach, and I am the Economic Development Administrator at Minnkota Power Cooperative. I am here today to express my strong support for House Bill 1524, which would provide base funding to the eight regional councils across North Dakota. I believe that this bill is vital for continuing and expanding the success of community and economic development in our state.

For nearly 15 years, I've worked in economic development in eastern North Dakota. In that time, I've watched small businesses and communities struggle. With high turnover in city staff, economic developers and the volunteers that often fill the roles of planners, recruiters, grant writers and more in our communities, we're being left behind other states that have carefully developed levels of support for communities. Throughout these 15 years, regional councils have often been one of the first places I direct businesses or communities. These organizations are on the ground, funded with local dollars and have great ties to their communities – but it's not enough.

In my experience in eastern North Dakota, regional councils have been instrumental in implementing a variety of important projects. For instance, Lake Agassiz Regional Council, which serves the southeastern part of the state, has recently spearheaded initiatives to support workforce development programs, secure and administer federal programs for both businesses and communities and much more. Additionally, the Red River Regional Council has been heavily involved in revitalizing historic buildings, developing regional tourism, retaining businesses and spearheading community development efforts like housing and childcare. For years, these organizations have continued to boost local economies and create new opportunities for residents in the area.

These examples highlight the tremendous impact these regional councils have on local economies and communities in North Dakota. All while being a state mandated entity with no funding.

I urge the committee to support this bill, and its initial funding level, to provide the necessary base funding to the regional councils. By doing so, we are investing in a more prosperous future for North Dakota.

Thank you for your time and consideration.

Melissa Beach
Economic Development Administrator
mbeach@minnkota.com
P: 701.795.4225



HOUSE BILL NO. 1524
SENATE INDUSTRY AND BUSINESS COMMITTEE
JEFF BARTA, CHAIR
TESTIMONY IN SUPPORT OF SECOND ENGROSSED HOUSE BILL 1524
MARCH 17, 2025

Chairman Barta and members of the Senate Industry and Business Committee. I am Parrell Grossman, and it is my privilege to be the Legislative Director for the North Dakota Soybean Growers Association. I appear on behalf of the Association in support of Second Engrossed House Bill 1524, with amendments.

The Association advocates for more than 8,900 operations that raise soybeans in North Dakota. In 2024, North Dakota farmers planted 6.6 million acres of soybeans, producing over 245 million bushels of soybeans in North Dakota.

The agricultural economic impact in North Dakota. NDSU's 2024 North Dakota Agriculture Industry Economic Contribution Analysis reported that the economic contribution to North Dakota is \$41.3 billion, including \$26 billion from direct output and \$15.3 billion from secondary output. The report also concluded that this economic contribution included 46,620 direct jobs and 76,740 secondary jobs for total jobs of 123,360.

The Association is a strong supporter of the eight regional planning councils and greatly appreciates the unique work they do, role they perform, and their successes and accomplishments for rural North Dakota across the state. This proposed funding is absolutely critical to the mission and operation of each of these councils, and the work they do is vital to rural North Dakota across the state. These councils leverage a small amount of funds to assist communities, townships, and counties with many projects. These smaller jurisdictions or political subdivisions simply don't have the staff, expertise, or financial resources to fulfill the ever-increasing and more challenging needs of rural North Dakota.

In addition to the funding secured, the additional funds that are leveraged, and the jobs created or retained, the Association particularly recognizes their important roles in supporting agriculture.

These councils can provide services to write grants or search for other funding sources. They are an excellent resource for locating and facilitating resources to assist with or address statutory or regulatory matters. One example would include zoning issues to allow animal agriculture to develop in townships and counties. With appropriate resources, these regional planning councils can provide the tools and expertise to navigate the requirements and rules involved in determining suitable areas for animal agriculture.

Vital rural communities and areas, whether at the township, city, or county level, are paramount to supporting agriculture and the families that live there. Their quality of life, functionality, and sustainability often depend upon the regional planning councils. Unlike larger communities, these communities or areas don't have staff to plan community improvements, housing developments, recreational facilities and activities, improved schools, etc. These councils, however, can provide a level of services or refer them to other resources such as grants or consultants.

The Legislature performs an important and generous role in supporting agriculture, including value-added agriculture. The Association hopes you also continue to support the rural communities that are necessary to house the employees for soybean crushing plants and ethanol plants, and all those who otherwise sustain the state's agricultural community and rural areas. These creative and committed regional councils, who receive your funding, are good financial stewards, and exponentially multiply and distribute the benefits of your funding.

For these reasons, the Association asks that you amend this legislation to restore the \$8 million funding originally requested in this legislation, from the reduced \$2.4 million by the House, to an amount of \$5 million or more. With the utmost respect, \$2.4 million divided between eight regional councils simply will be spread too thin to effectively accomplish this important work.

Mr. Chairman and members of the Committee, for these and other stated reasons, the Association respectfully asks the Senate Industry and Business Committee to give Second Engrossed House Bill 1524 a "Do Pass" recommendation, with amendments.

Thank you for your consideration and I would be pleased to try and answer any questions.



Testimony of David Flohr
Senate Industry and Business Committee
HB 1524
March 17, 2025

Chairman Barta and Members of the Committee,

I am Dave Flohr, Executive Director of the North Dakota Housing Finance Agency (NDHFA) and I am in favor of HB 1524.

Along with 26 other individuals I was a member of the North Dakota Housing Initiative Advisory Committee in 2024 - [North Dakota Housing Initiative](#). The other members consisted of Realtors, local financial institutions, community leaders from across the state, apartment owners, housing developers and builders, your fellow Senators Bekkedahl and Rummel and Representatives Schauer and Beltz. The Committee met 3 times over the summer of 2024 and conducted 5 listening sessions in Bismarck, Fargo, Williston, Harvey and at the Tribal Government to Government Conference. The Committee also conducted a statewide survey of the public - [ND Housing Initiative public survey highlights](#).

In October 2024 the Committee released its recommendations - [ND Housing Initiative recommendations](#). HB 1524 assists in meeting these recommendations and goals:

1. Make targeted investments to bridge affordability gaps in today's housing market.
2. Assist the path of moderate-income households to make a transition from renting to owning.
3. Provide for a full range of housing choices in our communities.
4. Helping to ensure communities have adequate housing for their workforce.

To assist in accomplishing these goals, support for rural areas to plan and develop housing projects was a recommendation of the Initiative. Rural communities often suffer from STP syndrome (Same Ten People do everything) and without specific knowledge of developing housing projects it is difficult to accomplish what the community needs. During Advisory Committee meetings, Regional Development Councils were identified as a resource that could be utilized by communities to aid in planning housing projects.

As a member of the ND Housing Initiative Advisory Committee and in my role at the North Dakota Housing Finance Agency I recommend a **Do Pass** on HB 1524 and provide the proper amount of funding to give our rural communities the opportunity to succeed.



Office of the President

To: Senate Industry & Business Committee

From: Dr. Bernell Hirning, President-WSC

Date: March 17, 2025

Subject: Testimony on HB1524

Greetings! I am writing today in support of HB1524, which provides funding for Regional Workforce Planning Councils.

From my position as the President of Williston State College (WSC), I represent the College on a number of different economic development groups/committees/councils. For this testimony, I'm specifically referring to the Tri-County Regional Development Council, representing the counties of Williams, Divide and McKenzie. This Council helps to keep the economic engine of business development going strong in western ND by providing support and funds for start-up businesses, as well as expansion of current businesses, and upkeep within regional communities.

Please consider funding HB1524 to assist northwest ND communities in having a solid level of support as needed for future growth and sustainability of existing infrastructure. Thank you for your support.

Bernell Hirning, PhD
President-Williston State College

NORTH DAKOTA HOUSING FINANCE AGENCY
DIVISION OF THE STATE INDUSTRIAL COMMISSION
HB 1524 - TESTIMONY OF JENNIFER HENDERSON, DIRECTOR COMMUNITY HOUSING &
GRANTS MANAGEMENT DIVISION
SENATE INDUSTRY AND BUSINESS

MARCH 17, 2025

Members of the Committee, my name is Jennifer Henderson, Director of the Community Housing and Grants management division at North Dakota Housing Finance Agency, and I am here today to speak in favor of HB 1524.

NDHFA administers the Housing Incentive fund and works with for-profit and not-profit organizations to finance the development of single family for-sale and affordable multifamily rental developments.

Housing development, especially in rural communities, is challenging. Across the state, rural communities have had very little new housing construction, but at the same time continue to indicate the need for housing.

Housing Incentive Fund prioritizes multifamily rental applications from rural communities by providing preference points for those applications. However, since 2019, only 4 out of the 16 applications approved were from communities of 20,000 or below. This isn't because there isn't a need, but because there is a lack of developers willing and able to put together an application.

It requires having an organization that can:

- Complete a regional/rural housing study and action plan
- Take the role of nonprofit housing developer
- Determine of the type of housing needed
- Develop partnership with communities, educate on needs and possibilities, seek contribution of available lots
- Bundle multiple communities/projects together to enable a scaled contract which is more attractive for builders
- Obtain building plans and specs
- Develop a budget
- Identify funding sources and secure a combination of loans and grant funds - such as the Housing Incentive Fund
- Secure contractors – builders, plumbers, electricians
- Break ground
- Monitor construction progress and address any issues that arise during the construction process
- Market the housing and find buyers

- See the project through to completion and sale

Attached to my testimony is a case study from Region 4 that showcases successful development when there is an organization able to take the reins and coordinate the development.

Rural communities often struggle with limited capacity to address housing and economic development needs on their own. Regional councils bridge that gap by providing vital technical support, leadership, and a comprehensive understanding of available resources. They help rural communities leverage federal, state, and private funding opportunities, ensuring that the right projects get off the ground and continue to flourish.

The unique local knowledge and regional networks that these organizations bring are indispensable. They are trusted partners in navigating complex regulatory landscapes, bringing together stakeholders, and promoting long-term planning. Without their expertise and support, many rural communities are unable to capitalize on the opportunities that can address their needs.



Red River Community Housing
Development Organization (CHDO)

Single-family new construction with the Housing Incentive Fund



The Red River Community Housing Development Organization (CHDO,) is a partner organization of the Red River Regional Council, based in Grafton. Red River CHDO's mission is to grow opportunities for low-income and moderate-income people, and underserved rural communities, by developing decent and attainable housing and supporting community development, to help them thrive.

This case study outlines the organization's efforts to increase single family housing production in rural communities in north east North Dakota. Lakota was our first community.

Primary Objectives

- Create opportunities for growth in rural communities
- Jumpstart new construction of single-family homes in rural communities,
- Lift values to reduce and/or eliminate appraisal gap in small towns

"Spark Build" Initiative

After identifying barriers RRCHDO identified strategies to overcome them resulting in the Spark Build Initiative

- Red River CHDO acts as developer to be the risk taker in places where others aren't willing or able to do so.
- Acquires lots, finds builder, contracts with builder, secures all construction financing, pays builder monthly for work completed, collects lien waivers, markets homes, sells homes, repays construction financing

Process

- Sent RFP to 12 contractors in region, no responses received
- Shifted strategy to recruit a builder
- Collaborated with builder on home design and budget to reach project goals
- Outreach to communities - inquiries from 9 communities, 6 proposals, and 29 lots
- Selected communities, lots, and funding partners
- Secured conditional commitment of HIF forgivable construction loan
- Secured construction loan from local lender(s)
- Signed contract with builder
- Transferred ownership of lots to RR CHDO (updated abstract, title search, cleared lien, purchase liability and builders risk insurance, applied for building permit)
- Broke ground in May
- Sales contracts on both homes signed by end of June.
- Both homes complete and sold by end of year.
- Two additional homes currently under construction in Larimore.



Challenges

- Finding a builder – busy, not interested, skeptical, not general contractors
- Attracting bank financing for construction – risk averse
- Accessing HIF dollars – not able to use for single family for sale housing until after law change in 2023 legislature
- Timing – getting on a builder's schedule - typically book jobs out a year (or more) in advance, require signed contract and down payment
- Single family construction payment structure – pay ahead vs. after work complete
- Appraised value vs. cost to build

Partners

- Red River Community Housing Development Organization (CHDO)
- City of Lakota
- State Bank of Lakota & First United Bank
- North Dakota Housing Finance Agency
- Gemmill Custom Cabinets and Homes
- Red River Regional Council

Outcomes

- Expanded housing stock and created movement in local housing market.
- Two new single-family homes started, finished, and sold in 2024
- Lakota retained two “empty nester” households in need of single level living

- Opened up two well-kept single-family homes in Lakota for sale at + or - \$200,000. One new first time home buyer
- Opened up one rental apartment – already re-leased

Lessons Learned

- Developer, risk taker, is missing link
- Construction financing - another missing link
- Challenges encountered at every level in rural area – builders, financing, lots, marketing, home values/appraisals, risk management.
- Stick to a single house plan for multiple homes - saved time, saved money, fewer decision points
- Bundling multiple homes under one contract - good for builder, good for CHDO, saved time and money
- Build a relatively basic home – appraisal gap not as bad as expected – “extras” and upgrades may increase value gap
- Every partner needs to manage their risk - developers, builders, lenders, and cities
- Housing Incentive Fund (HIF) was the key to risk management and pulling this all together



2024 Fall
Both homes
complete &
sold



In Favor of HB 1524
Senate Industry and Business
March 17, 2025

Chairman Barta and Committee members:

For the record, my name is Haley Vollmer. Thank you for the opportunity to testify on behalf of the North Dakota Corn Growers Association (NDCGA) in favor of House Bill 1524.

HB 1524 builds rural capacity to address policy issues that matter to the North Dakota Corn Growers, including business development, zoning and land use planning, workforce development, and infrastructure planning. The bill requires biennial work plans with itemized budgets and reporting metrics to ensure accountability.

In addition, the bill helps level the playing field for smaller communities. 70% of rural North Dakotans live in small towns with less than 1,000 people. HB 1524 will give these communities access to rural development staff and help them compete for additional state and federal funds.

NDCGA urges a Do Pass recommendation on HB 1524 to support rural communities through the regional councils. Thank you for your consideration.



Testimony of Briselda Hernandez Herrera in support of HB 1524
To the Senate Industry and Business
March 17, 2025

Chairman Barta, Vice Chairman Boehm, and Members of the Committee,

My name is Briselda Hernandez Herrera, and I am the Executive Director of Souris Basin Planning Council (SBPC). SBPC serves North Dakota Region 2 comprised of Bottineau, Burke, McHenry, Mountrail, Pierce, Renville, and Ward counties. I have had the privilege of working with communities, leaders, and businesses for over 10 years. I have seen firsthand the power of people and communities working together to improve quality of life and create opportunities for economic growth. On the other hand, many of the communities that I have worked with have struggled to advance community projects due to limited funding and the reality that most community leaders are stretched with numerous volunteer roles. In fact, fewer than half of North Dakota's counties have local economic development organizations, and only 19 small towns have part- or full-time development staff. When there are so many needs to be addressed—whether it is housing, food deserts, and childcare—it can be hard for communities to lead this work alone.

I come before you today in support of HB 1524. HB 1524 will provide the much-needed people power to get things done in a resourceful and strategic manner. It will help build staff capacity for regional councils who are positioned to advance economic and community development.

Why Regional Councils?

Formed by state law (NDCC 54-40.1), North Dakota's eight regional councils are a boots-on-the-ground resource that provide the support to advance community projects. Regional councils are deeply embedded in the community offering technical assistance, expertise, and a structure for collaboration. As a public servant, I understand the importance of ensuring that we are good stewards of public dollars. I believe regional councils have a proven track record of maximizing every dollar and being transparent.

- **Transparency and Accountability:** Regional councils operate under strict governance which includes annual reporting and audits. Their boards are made up of elected city officials and county commissioners (majority) and regional stakeholders who help ensure funds are being used properly.
- **Planning:** Every five years, regional councils develop a Comprehensive Economic Development Strategy (CEDS), a community-driven plan for smart and strategic economic and community development. The CEDS aligns priorities and efforts to increase impact. It helps ensure that resources are used efficiently and effectively.



- **Partnerships and Statewide Networks:** Regional councils are well-connected and rely on strategic partnerships to tackle needs. They have a network of long-term, trusted relationships with local and state leadership as made evident in the testimonies submitted. Their planning activities and work engage a diverse range of stakeholders within the private, public, and nonprofit sectors. Programs and services provided by regional councils are designed to complement not duplicate efforts.

Why Funding Now?

There is a shared consensus that a regional approach to economic and community development is needed to maximize impact, and regional councils are well positioned to lead this work. **Unfortunately, regional councils are faced with the same challenges experienced by our communities— limited staff capacity.** Additional support is needed for regions to be better able to take advantage of programming and funding opportunities and implement long-term solutions. HB 1524 is based on a deep-dive assessment of capacity needs that will help address regional priorities such as project development and implantation, grant writing and administration, business development, workforce development, and housing development. Imagine what more can be accomplished at full capacity! This is why I am asking you to support **HB 1524**. Thank you for your time and consideration.

Briselda Hernandez Herrera
briselda@sourisbasin.org
701.712.7308

March 17, 2025

To: North Dakota Senate Industry and Business Committee

From: Josh Kramer, general manager, North Dakota Association of Rural Electric Cooperatives

RE: **Support of House Bill 1524**

Chairman Barta and members of the Senate Industry and Business Committee, on behalf of the North Dakota Association of Rural Electric Cooperatives (NDAREC) and our members, we extend our support for House Bill 1524.

Since the early 1990s, our state association has been providing development services through our rural development center that is supported by rural electric and broadband cooperatives in North Dakota.

Our center provides technical assistance and connection to resources, including grants and low interest financing, for communities as well start-up and expanding cooperatives, small businesses and non-profit organizations. We've assisted initiatives and projects 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!

We, and the cooperatives we represent, are dedicated to improving the quality of life for rural people and rural places. Though we've made many impacts across the state, there is always more demand for the technical assistance that we provide, and limited funding and financing capabilities — to serve all the needs. Our tracking list shows 76 projects in process or in response-to-inquiry or exploratory phases. These projects need guidance, handholding, organizational assistance, help obtaining grants and loans, and coordination with other regional and state efforts.

Regional councils play a crucial role in advancing projects in our state, and are important partners, with the shared goal dedicated to improving the quality of life in rural places. We often work together with some combination of support and loans through cities, counties, businesses, and philanthropic organizations, to package and move projects forward.

With these experiences, we see first-hand the need for more hands-on assistance in communities and counties that can't afford economic development staff or that lack organized entities focused on community betterment.

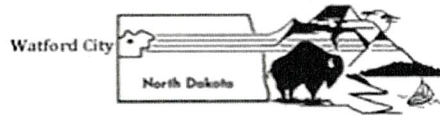
Several communities in North Dakota are growing, but there are many that are not. County population estimates through 2023 show only 10 counties growing in population since 2020. Looking for consistent growth, only four counties make the list: Cass, Burleigh, Morton and Billings.

Small towns matter. Among North Dakota's 355 cities, only 92 have a population greater than 500 and 263 are below this threshold. These communities are in places that produce our food and energy. The people who live in these rural and frontier places deserve access to basic goods and services.

As a state, we must be deliberate about empowering all communities to capitalize on the growth, opportunity and the prosperity potential that exists, as we all benefit, when they do.

The dedicated funding in HB 1524, will better equip the state's eight regional development councils to serve their respective areas, by providing much needed resources for boots on the ground, enabling more dedicated technical expertise and by allowing more partnerships to flourish, that will assist communities in addressing challenges and capitalizing opportunities.

NDAREC urges a "Do Pass" recommendation on HB1524.



Testimony of Vawnita Best
Community Development Department – City of Watford City
SUPPORT of HB 1524
March 17th, 2025

Chairman Barta and members of Senate Industry and Business Committee,

My name is Vawnita Best, Community and Business Development Director, City of Watford City. I represent Mayor Phil Riley as the City of Watford City representative to the Tri-County Regional Development Council (Region 1) board of directors.

I also administer the Roughrider Fund in Watford City, a 1.5 cent city sales tax passed by the people and dedicated to community and business development in Watford City. We leverage a portion of these fund to incentive business development and expansion in Watford City. SBDC operates out of our office two days a week. It is a combined City/County/SBDC office where we work daily with entrepreneurs and businesses with startup and expansion services and support.

The funding proposed in HB 1524 (\$ 150,000 / per yr. / per regional council) would fill a current service gap that exists for business startups and expansions in Watford City, a member of Tri-County Region 1 Development Council. Business owners often request support to research and identify business grants, non-traditional capital, and a variety of other technical development resources to support their startup and expansion plans. Support in identifying and accessing these resources would improve business outcomes and success for the businesses that are the backbone of rural North Dakota communities.

As much as we would like to provide them with this requested support, and as much as it would benefit our business community, we simply do not have the capacity to do so. If Tri-County Regional Development Council had the funding resources proposed in 1524 to provide these resources, they would be a strong development partner for us in these efforts to support these needs in our community.

To close, I urge you to support this critical funding bill for Regional Councils statewide, and to provide a **DO PASS** recommendation on **HB 1524**, and support adequate appropriations to fund skill sets to fill our existing service gap.

Sincerely,

A handwritten signature in black ink, consisting of a large, stylized 'V' followed by a horizontal line and a small flourish.

Vawnita Best, Community & Business Development Director, City of Watford City
vbey@nd.gov | (701) 580-1862



House Bill 1524 Testimony: In Favor – DO PASS
March 17, 2025 | 2:30 pm | Senate Industry and Business

Chairman Headland and members of the Committee,

Williams County is an active collaborator with the Tri-County Regional Development Council, which serves as a council of local government entities for economic development planning and disseminating financial resources across Divide, McKenzie, and Williams Counties.

HB 1524 would provide all regional development councils, including Tri-County, with much needed supplemental funding to increase their impact on local communities with expanding rural development in a sustainable and fiscally responsible way. In western North Dakota, we are continuing to experience growth as the energy sector continues to innovate. **We rely on organizations such as the Tri-County Regional Development Council to assist with planning and funding for essential rural services, housing, and infrastructure, especially as we continue to see growth and development in the energy sector.**

A core function of a regional development council is to provide local businesses and organizations with the technical expertise to navigate funding programs at the federal level, such as those administered by the Economic Development Administration, the U.S. Department of Agriculture – Rural Development, and the U.S. Department of Housing and Urban Development, as well as on the state level, including financial programs available through the Bank of North Dakota and the Housing Incentive Fund. They also serve a key role in securing grant funding that is pivotal for increasing local services, reducing slum and blight, and providing critical local infrastructure. A thriving local economy hinges on the success of businesses both big and small, and the assistance that a regional development council can provide to help with finding the right program, gathering application materials, and following through with program commitments is invaluable.

Today, the Tri-County Regional Development Council is primarily funded by local government contributions and federal grants. **HB 1524 would serve as a stable funding source, ensuring that staff can continue to consistently perform their core functions of securing grants, providing funding administration, and performing project management duties, but also expand their capacity in response to growing community needs.**

Please consider a **DO PASS** for HB 1524. Thank you for your time.

Sincerely,

Cory Hanson
Chairman, Williams County Board of County Commissioners

WILLIAMS COUNTY BOARD OF COUNTY COMMISSIONERS

First District – Beau Anderson | Second District – Steve Kemp | Third District – Cory Hanson
Fourth District – Chris Walstad | Fifth District – Barry Ramberg

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March 17, 2025

Rep. Headland and members of the House Finance and Tax Committee:

Western Region Economic Development (WRED), representing Divide, McKenzie, Mountrail, and Williams Counties of North Dakota, **supports HB1524** to create and enact a new section to chapter 54-40 of the North Dakota Century Code, relating to the funding of regional planning councils; and to provide an appropriation. Tri-County Regional Development Council (TCRDC) Region 1 being the primary regional council for WRED.

Regional councils play an essential role in economic and community development across North Dakota. For decades they have provided technical expertise, project management, and funding assistance that otherwise wouldn't be available to our communities due to lack of resources in our small towns.

Regional councils assist in securing funding for economic development, infrastructure, and essential services. They assist with complex grant applications and project administration, utilizing state and federal funding sources. Many small towns would struggle to compete for these funding opportunities without the regional councils' assistance.

TCRDC has assisted businesses in securing gap financing and applying for Community Development Block Grants (CDBG) to benefit our rural communities. They have been an integral part of securing funding for housing, infrastructure, and workforce growth over the years. By adding this funding to the North Dakota Century Code, it secures our regional councils as a resource to our communities.

WRED urges you to **support HB1524** as our regional councils are vital to the economic landscape of North Dakota. This bill will ensure that they have the resources to continue to thrive.

Sincerely,

A handwritten signature in black ink that reads "Ann Kvande". The signature is fluid and cursive, with the first name "Ann" and last name "Kvande" clearly distinguishable.

Ann Kvande
Executive Officer



Chase Building
516 Cooper Avenue, Suite 101
Grafton, ND 58237
T: 701.352.3550
www.redriverrc.com

Testimony of Dawn Mandt in support of HB 1524

To the Senate Business and Industry Committee

Monday, March 17, 2025

Chairman Barta and Committee Members,

Hi, my name is Dawn Mandt, and I'm the Executive Director of the Red River Regional Council in Grafton. Our team serves four counties in the northeast corner of North Dakota. I have been a rural developer in North Dakota since I was a junior at Jamestown College in 1992 – this is my 33rd year.



Today, I'm here to provide information the collective impact of all regional councils as well as information on project development.

2019 – 2023 Statewide Impacts

The eight regional councils that comprise the Association of Regional Councils have developed the attached Impact Report to document that broad and significant impact we have in communities of all sizes across the state. This reporting period includes the abnormal era of the pandemic. In response to the pandemic, one of our federal partners, the US Department of Commerce Economic Development Administration, provided immediate supplemental disaster aid to all the regional planning districts. This came in two forms - \$200,000/year for two years to enable increased staff capacity and awards of approximately \$1.2 million to establish a business revolving loan fund to provide economic assistance to impacted, new or expanding businesses. In addition, there were significant additional federal resources provided to prevent of economic disaster and provide assistance which we helped draw into North Dakota.

Our expertise is both in project development as well as where to find the money. During this season, **the regional councils rallied and assisted with 1,410 funding applications leading to securing \$365 million for businesses, volunteer groups, communities, homeowners, and to establish new programs.** These funds leveraged another \$532 million for a total investment of nearly \$900 million. And, resulted in 5,122 new or retained jobs.

During this time, we also convened 5,900 people in our regions to discuss the future in 411 forums and resulting in 55 new development plans.

What does development work look like?

To put context to this work, I'd like to share a case study of recent work in our region.

When the ND Department of Commerce first announced the Regional Workforce Impact Grant Program in 2021, our region's development personnel swiftly initiated several study components to address childcare needs including conducting provider focus groups and parent surveys, and a grant opportunity through the Regional Workforce Impact Program. In Region 4, we dedicated \$1 million to increase childcare availability in the very first round of RWIP funding.

To address the "low childcare access" classification, Walsh County needs at least 137 new childcare slots in a county of approximately 10,000 people. The Walsh County JDA decided to move ahead with creating a turnkey, licensed childcare space and lease it to a private operator. This is a private/public business model we've advised on with several childcare and grocery stores in our region over the past 20 years. Public development enables access to grant funding and raising philanthropic gifts.

The Red River Regional Council provides contracted staff and development expertise to the Walsh County Job Development Authority which led this project.

Developing real estate is a new role for the JDA and every step was a learning process. This included:

- Evaluating and learning the spatial and building requirements for childcare centers
- Evaluating eight different buildings with one one deemed suitable for this purpose
- Soliciting childcare providers who would have interest in partnering on this project and expand their childcare slots
- Developing procurement policies
- Soliciting qualifications from architectural firms
- Designing the space
- Soliciting construction bids, which came in \$200,000 over budget
- Awarding bids and conducting weekly construction management meetings to assure progress and address any issues – over a 6–7-month period
- Seeking funds wherever possible, developing funding partnerships, preparing and submitting application materials. Upon award, we designed accounting systems to accurately track expenditures to comply with grant award requirements – so far, with 12 funding partners, there is significant compliance requirements to documenting and drawing funds
 - This included writing and securing two grants from RWIP, however, grant program design prohibited this project from reaching the permissible 75% grant threshold
- Learning philanthropic fundraising techniques, developing a prospect list, and meeting with potential donors numerous times to educate and seek their investment
- The JDA director, Stacie Sevigny and her predecessor, Angelle French, have invested approximately 1,000 staff hours into this project to date.
- Total project cost is \$1.4 million and despite securing funds from 12 funding sources, the project remains short of its goal

At the Red River Regional Council, **we work hard to support small towns and regional partnerships with very limited resources.** Our local leaders are volunteers juggling multiple responsibilities to keep their communities running. **We develop long-term plans with their help, but without proper funding, we often struggle to move forward.**

We recently created a Destination Development Plan, with input from over 600 people, to attract visitors and new residents. We also launched a workforce initiative called Real. Good. to help fill job openings. We've been scrapping funds together to employ a Housing Developer for the past two years. **We piece funding together from any possible source – often funding long-term ideals with short-term grants which is not sustainable.**

We have created regional collaborations, we've engaged and worked to empower our people, and we have been creating regional momentum. **We'd welcome the state's partnership in many of these efforts.**

We have an opportunity to create real, lasting change for our small towns. That's why I'm asking you to support **HB 1524**—so we can invest in our communities, work together, and build a stronger future for all of North Dakota.

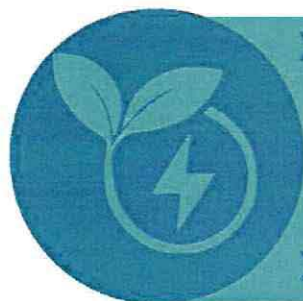
Dawn Mandt
dawn@redriverrc.com
701-520-0487



What's Real. Good. in
Northeast North Dakota?
Find out at www.realgoodnd.com.

REGIONAL COUNCILS *Sparking development, strengthening community.*

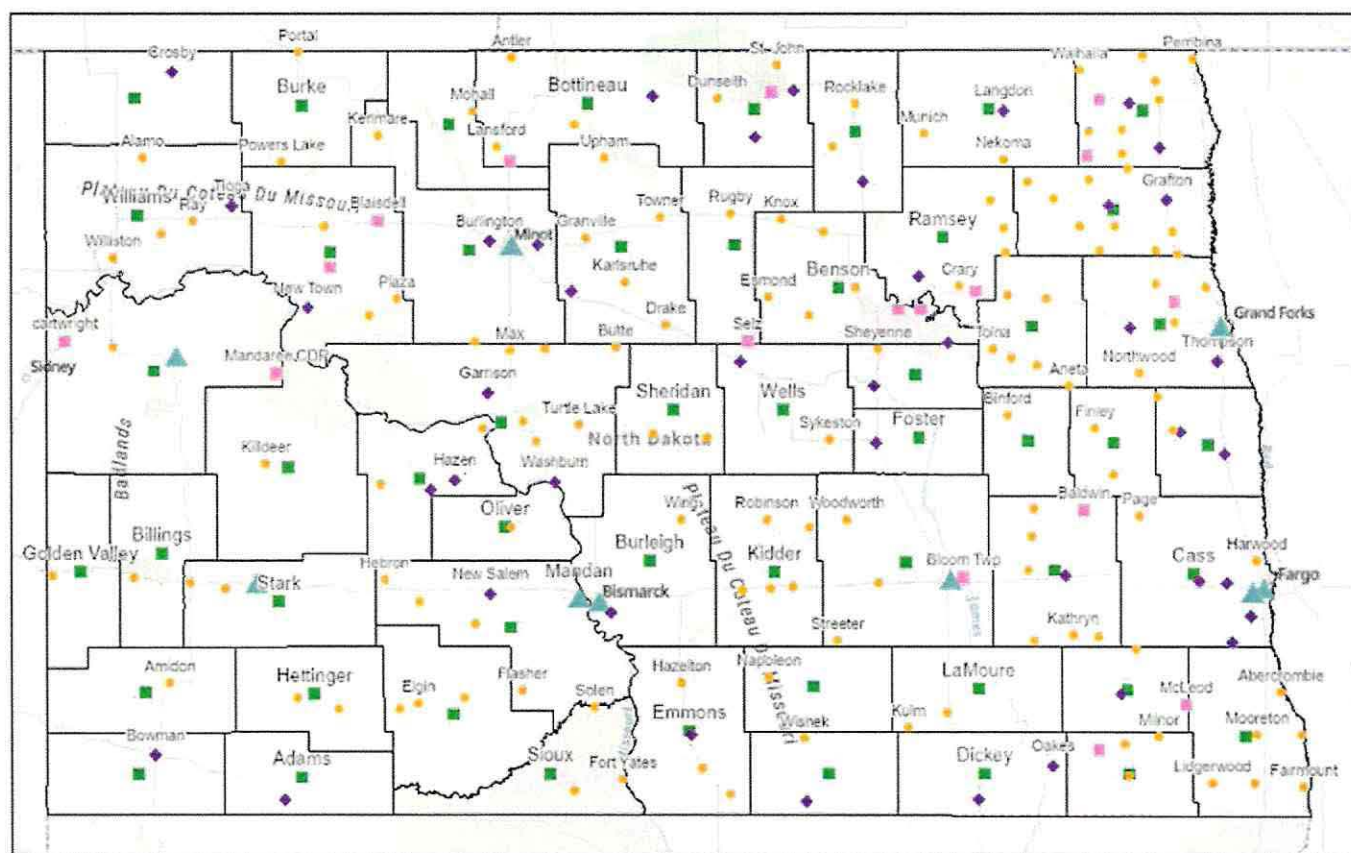
REGIONAL COUNCILS ARE A CORNERSTONE OF THE STATE'S ECONOMIC RENAISSANCE AND COMMUNITY REVITALIZATION. HERE'S A GLIMPSE INTO THE TRANSFORMATIVE IMPACT



- Cultivating the economy
- Implementing workforce attraction & retention systems
- Enhancing quality of life through enhanced community experiences
- Providing predictive expertise, skilled project planning, and funding solutions

REGIONAL COUNCILS' NETWORK OF DEVELOPMENT EXPERTS DRIVE IMPACTFUL RESULTS ACROSS EVERY COUNTY (SEE PAGE 2 FOR DATA)

ND Association of Regional Councils Impacts 2019-2023



2/3/2025

- Unincorporated Places
- Cities under 1,000 pop
- ◆ Cities 1,000 to 8,500
- ▲ Cities 8,500 to 150,000
- Counties engaged with Regional Councils



**ASSOCIATION
OF REGIONAL COUNCILS**

North Dakota Association of Regional Councils Statewide Impact | 2019-2023

Effectiveness of the Regional Councils and contractual partner organizations

FUNDING APPLICATIONS ASSISTED	1,410
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TOTAL FUNDING SECURED WITH REGIONAL COUNCIL ASSISTANCE	\$364,751,823
---	---------------

ADDITIONAL FUNDS LEVERAGED	\$531,557,176
----------------------------	---------------

TOTAL INVESTMENT IN NORTH DAKOTA	\$896,308,998
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JOBS CREATED OR RETAINED	5,122
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COMMUNITY & ECONOMIC DEVELOPMENT PLANS CREATED	55
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PUBLIC FORUMS, MEETINGS & PLANNING SESSIONS	411
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TOTAL ATTENDEES ENGAGED	5,900
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LOCAL LEADER BOARD MEMBERS	202
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Long-term Stability and Accountability

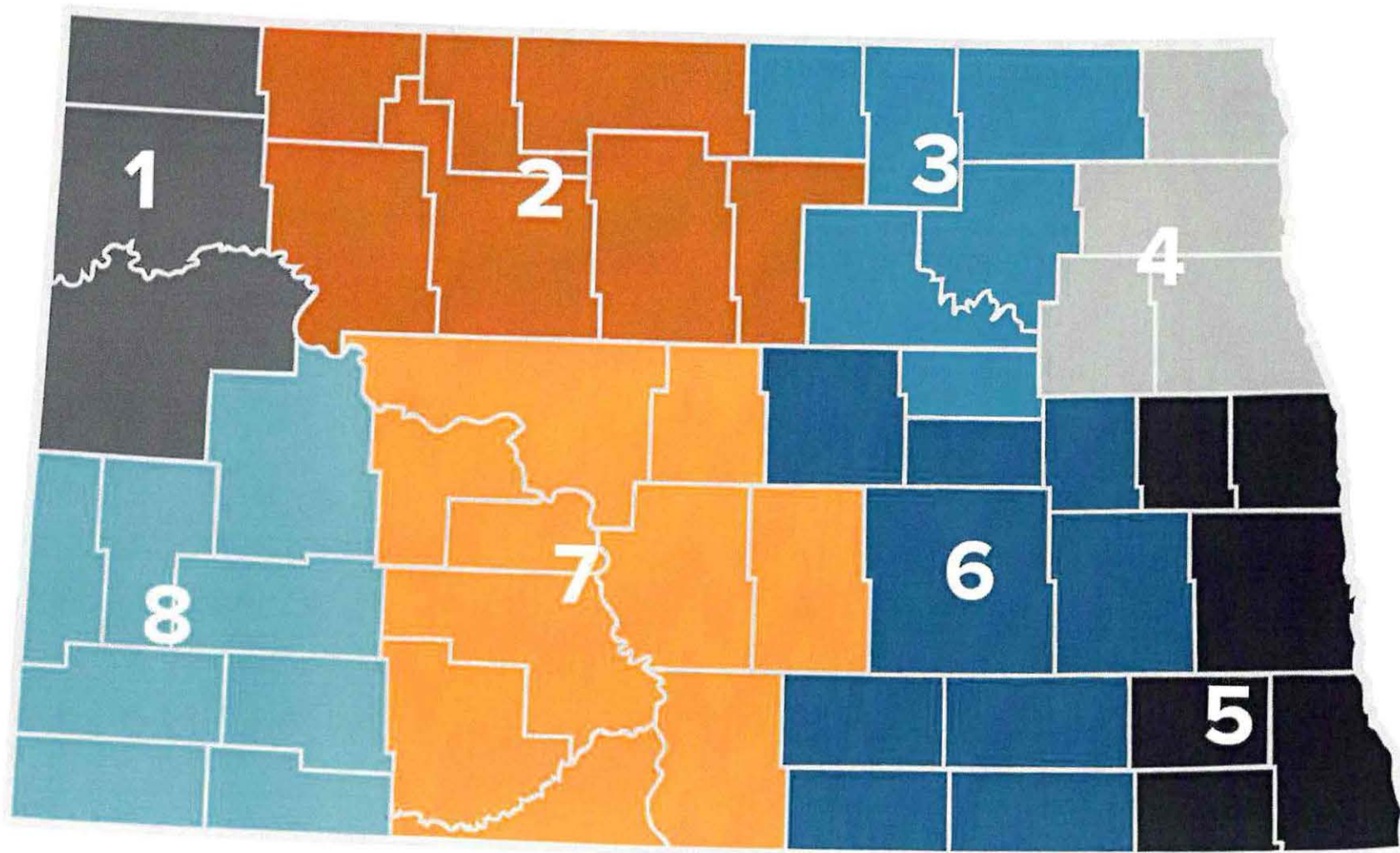
Permanent funding for Regional Councils is essential for several reasons:

- Ensures **long-term stability** beyond a single biennium
- Local funds create **high levels of accountability**
- Regional Councils serve as **exemplary models for public-private partnerships**

REGIONAL COUNCILS REVOLUTIONIZING RURAL COMMUNITIES SMART DEVELOPMENT | FUTURE-READY INFRASTRUCTURE COMMUNITY RESILIENCE & GROWTH

- Business development
- Zoning and land use planning
- Grant writing and technical assistance
- Housing development
- Child care support
- Workforce development
- Infrastructure planning
- Tourism and placemaking initiatives
- Disaster recovery planning
- Community leadership development

By permanently funding Regional Councils, North Dakota can maintain its commitment to fostering economic growth and community vitality across the state, particularly in rural areas that may otherwise struggle to access necessary resources and expertise.



ASSOCIATION
OF REGIONAL COUNCILS

WALSH COUNTY CHILDCARE CENTER

January 2025

Contact:

Stacie Sevigny

Walsh County JDA Director

701-352-3550 | 701-360-4681

Stacie@redriverrc.com

OBJECTIVE

To address a critical shortage of childcare services in Walsh County and eliminate the cost prohibitive capital investment burden/risk, the Walsh County Job Development Authority has been developing a turn-key childcare center that will create 25 to 35 new childcare slots. This will become only the second childcare center in Walsh County (population 10,305).



UNIQUE PRIVATE/PUBLIC MODEL

The project is a public-private-nonprofit partnership. To address the high cost of facility investment for a private childcare center, the Walsh County JDA proposed buying and renovating a building to lease to a private childcare business. After completion and meeting certain criteria, the building will be donated to the Red River Community Housing Development Organization (CHDO) for long-term ownership. If the lease ends, the facility will be available for a new childcare provider. This public ownership model has proven successful in similar projects in northeast North Dakota.

Partners

- Walsh County JDA – developer
- Rocking Horse Childcare – childcare provider
- Red River Community Housing Development Organization – eventual building owner

Timeline

2022 to February 2025. Fundraising continues.

JDA staff and board time and money commitments stretched

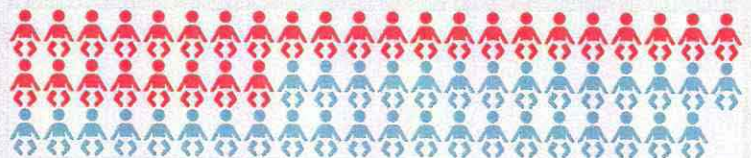
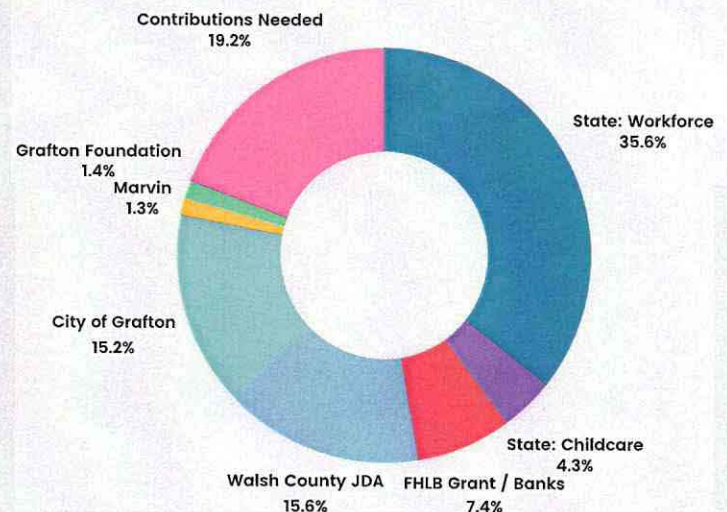
- The Walsh County JDA director, the sole full-time JDA employee, has **invested approximately 1,000 staff hours into this project to date.**
- The JDA has committed significant funding project budget to this single project.
- Real estate development is an entirely new role for the JDA and required learning: facility requirements, childcare regulations, procurement, philanthropy, construction management, and more.

Expanded Capacity: 55-65 childcare slots

Cost

\$1.4 million; \$21,500 per childcare slot

12 Funders and still short \$370,000



Project development

- Evaluated 8 buildings to find an appropriate, existing space
- Sought input on space evaluation from Childcare provider, Fire Marshall, and provider
- Solicited provider willing to expand and meet proposed timeline
- Secured first RWIP grant and sought match

- Developed procurement policies and procured architect
- Solicited bids, received 9 bids from 8 contractors - total exceeded the project budget by \$200,000
- Construction began in June 2024
- Held weekly construction management meetings and troubleshoot any issues as they arose
- Provider moved into the building in Feb 2025
- Completed grant management tasks and reporting

2025 SENATE STANDING COMMITTEE MINUTES

Industry and Business Committee Fort Union Room, State Capitol

HB 1524
3/19/2025

A bill relating to the funding of regional planning councils; and to provide an appropriation.
--

10:33 a.m. Chairman Barta opened the hearing.

Members present: Chairman Barta, Vice-Chair Boehm, Senator Klein, Senator Kessel, Senator Enget

Discussion Topics:

- Administrative staffing
- Appropriation amount
- Equal allocation and funding formulas
- Past funding and importance
- Economic development associations
- Small towns and grant writing capabilities

10:33 a.m. Chairman Barta led the discussion.

10:40 a.m. Senator Klein moved a Do Pass and Rereferred to Appropriations.

10:41 a.m. Senator Kessel seconded.

Senators	Vote
Senator Jeff Barta	Y
Senator Keith Boehm	Y
Senator Mark Enget	Y
Senator Greg Kessel	Y
Senator Jerry Klein	Y

Motion passed 5-0-0.

Senator Barta will carry the bill.

10:41 a.m. Chairman Barta closed the hearing.

Audrey Oswald, Committee Clerk

REPORT OF STANDING COMMITTEE
REENGROSSED HB 1524 ([25.1007.03000](#))

Industry and Business Committee (Sen. Barta, Chairman) recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (5 YEAS, 0 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). HB 1524 was rereferred to the **Appropriations Committee**. This bill does not affect workforce development.

2025 SENATE APPROPRIATIONS

HB 1524

2025 SENATE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Red River Room, State Capitol

HB 1524
3/31/2025

A BILL for an Act to create and enact a new section to chapter 54-40.1 of the North Dakota Century Code, relating to the funding of regional planning councils; and to provide an appropriation.

10:33 a.m. Vice-Chairman Dwyer opened the hearing.

Members Present: Vice-Chair Dwyer, Senator Burckhard, Senator Erbele, and Senator Sickler. Member absent: Senator Wanzek.

Discussion Topics:

- Funding sources and funds requested
- History of regional councils
- Services provided by regional councils
- Transparency and proper use of funds
- Childcare projects
- Workforce attraction and retention
- Specialized skills requirements for economic development
- Role of ND Commerce Department
- Cost to continue for this bill
- Role and impact of regional councils
- Sustainable funding challenges
- Agricultural impacts, value-added agriculture, housing for agricultural employees

10:34 a.m. Representative Munsen, District 19, introduced HB 1524, and testified in favor.

10:37 a.m. Briselda Hernandez Herrera, Executive Director, Souris Basin Regional Planning Council, testified in favor, responded to committee questions, and submitted testimony #44422 in favor.

10:54 a.m. Teran Doerr, Executive Director, Roosevelt Custer Regional Planning Council, testified in favor and submitted testimony #44419.

11:10 a.m. Josh Buchmann, President, Roosevelt Custer Regional Council and Bowman County Commissioner, testified in favor and submitted testimony #44418.

11:12 a.m. Dawn Mandt, Executive Director of Red River Regional Council, testified in favor and submitted testimony #44463.

11:21 a.m. David Flohr, Executive Director, ND Housing Finance Agency, testified in favor and submitted testimony #44432.

11:25 a.m. Parrell Grossman, Legislative Director, ND Soybean Growers, testified in favor and submitted testimony #44421.

11:28 a.m. Matt Gardner, Executive Director, ND League of Cities, testified in favor.

11:29 a.m. Laura Lacher, Executive Director, ND Economic Development Association, testified in favor.

11:30 a.m. Matt Perdue, Government Relations Director, ND Farmers Union, testified in favor.

11:31 a.m. Amber Metz, Lake Agassiz Development Group, testified in favor.

Additional written testimony:

Ann Kvande, Executive Officer, Western Region Economic Development (WRED), submitted testimony #44399 in favor.

Anna Nelson, Executive Director, City of Williston Economic Development, submitted testimony #44401 in favor.

11:33 a.m. Vice-Chair Dwyer closed the hearing.

Carol Thompson, Committee Clerk



March 28, 2025

Senator Wanzek and members of the Senate Appropriations Government Operations Division:

Western Region Economic Development (WRED), representing Divide, McKenzie, Mountrail, and Williams Counties of North Dakota, **supports HB1524** to create and enact a new section to chapter 54-40 of the North Dakota Century Code, relating to the funding of regional planning councils; and to provide an appropriation. Tri-County Regional Development Council (TCRDC) Region 1 being the primary regional council for WRED. **However, WRED requests that the budget be increased from \$2.4 million to \$5.75 million as outlined in the NDARC State Ask.**

Regional councils play an essential role in economic and community development across North Dakota. For decades they have provided technical expertise, project management, and funding assistance that otherwise wouldn't be available to our communities due to lack of resources in our small towns.

Regional councils assist in securing funding for economic development, infrastructure, and essential services. They assist with complex grant applications and project administration, utilizing state and federal funding sources. Many small towns would struggle to compete for these funding opportunities without the regional councils' assistance.

TCRDC has assisted businesses in securing gap financing and applying for Community Development Block Grants (CDBG) to benefit our rural communities. They have been an integral part of securing funding for housing, infrastructure, and workforce growth over the years. By adding this funding to the North Dakota Century Code, it secures our regional councils as a resource to our communities.

WRED urges you to **support HB1524 with a budget of \$5.75 million** as our regional councils are vital to the economic landscape of North Dakota. This bill will ensure that they have the resources to continue to help our communities thrive.

Sincerely,

A handwritten signature in black ink that reads "Ann Kvande". The signature is fluid and cursive, with the first name "Ann" and last name "Kvande" clearly distinguishable.

Ann Kvande
Executive Officer



House Bill 1524 Testimony: In Favor
 Hon. Terry Wanzek, Chairman
 Senate Appropriations – Government Operations Division Committee
 Chairman Wanzek and Committee Members,

March 31, 2025

My name is Anna Nelson, Executive Director of Williston Economic Development. One of my extremely important partners in my work is the Tri-County Regional Development Council serving Region 1 in northwest North Dakota. To ensure that the team can continue to do their work at the fullest capacity, I would respectfully urge a **DO PASS** recommendation for HB1524.

For every grant question, workforce development issue, childcare discussion, and housing proposal, the Council was at the table offering expertise and assistance. This is true both now in my public capacity as well as during my time in the non-profit sector at the Williston Area Chamber of Commerce. I imagine this does not even compare to the level of support the Council offers to rural communities in the region that do not have the same level of resources to dedicate to grant writing and economic development efforts as do urban municipalities.

Given the rural nature of most North Dakota communities, these councils, collectively, serve a crucial role for 40% of our population, according to the U.S. Census Bureau. That said, they touch the lives of all North Dakotans in some way, shape, or form through the work that they do to catalyze and support economic and community development. In the current economic landscape, that involves work on critical elements such as housing, workforce development, infrastructure, and so much more.

As with any business or organization, adequate funding is key to impact, sustainability, and growth. Since their inception, regional councils have done a tremendous job of securing funding not just for their regions, but for their own operations. The financial support that HB1524 could provide would give them the capacity to more fully focus on their regions' needs. Given the impact they have had to date, I can only imagine what they will be able to do with additional resources to support their missions and their communities.

One request I would humbly make is that the committee **consider an increase in the appropriation, if the budget would allow**, to help them further their reach and great work to facilitate and support economic development in each of their respective regions.

Regardless, I believe this is an important show of support for the councils and, for the reasons mentioned above, I respectfully urge the committee to give this bill a **DO PASS** recommendation.

Thank you so much for your consideration, and please feel free to reach out with any questions.

Sincerely,

Anna Nelson, Executive Director
annan@ci.williston.nd.us
 (c) 701-651-8265

**Testimony of Josh Buchmann
Roosevelt Custer Regional Council and Bowman County
In Favor of HB 1524
January 30, 2025**

Chairman Wanzek and Committee Members:

My name is Josh Buchmann, and I am the President of Roosevelt Custer Regional Council (RCRC) and a Commissioner for Bowman County. I am submitting this testimony in strong support of HB 1524 and respectfully ask the committee to consider increasing the appropriation for regional councils to \$5.75 million.

Roosevelt Custer Regional Council proudly serves 8 counties in Southwest North Dakota. Of the communities we serve, all but three have populations under 1,000 residents. These communities rely heavily on the support and technical assistance we provide to move projects forward and access state and federal funding opportunities.

I've served on the RCRC board since 2018, and during this time, I've witnessed the profound impact an active regional council can have on rural communities. When I first joined the board, RCRC was struggling to stay active, and our region lacked the resources to support the needs of Southwest North Dakota. At that time, we didn't even have a physical office to serve Region 8.

In 2022, we made the decision to relocate RCRC to Bowman, ND, and began the process of rebuilding. We hired staff and secured contract management to help us become an active regional council again—one that could provide critical support for businesses and tourism in our area.

Today, RCRC is once again assisting our rural communities. Through our efforts, we've secured gap financing, implemented Community Development Block Grants (CDBG) to benefit rural communities, and launched a regional talent attraction campaign. We've been able to assist small communities in securing funding for vital projects, such as new clinics, fire halls, updated water mains, and more. This kind of support is essential to the sustainability of our smallest communities.

With a current team of just two full-time staff members and three part-time contract staff, we are doing great work, but the demand for services continues to grow. Increasing funding to \$5.75 million would allow RCRC to hire three additional full-time employees, which we believe would make a significant difference in our ability to serve the entire region more effectively and proactively.

To effectively address the challenges of rural development, housing, infrastructure, workforce growth, and essential services, we need sustained, dedicated funding. HB 1524

would provide this, enabling us to expand our efforts and better support the diverse needs of our region.

As President of RCRC, I've seen firsthand the dedication of our staff in securing grants and managing projects. These grants have been essential in rebuilding our organization and fostering economic growth in our region. However, securing grants can be a long and complicated process, and they often don't provide the stability or long-term funding needed to ensure ongoing support for rural businesses and tourism. HB 1524 addresses this challenge by providing stable funding, ensuring that regional councils can continue their critical work and help rural communities access state and federal resources.

HB 1524 also aligns with broader efforts to improve rural economic development, infrastructure, housing, workforce growth, and essential services. It provides technical expertise to help rural communities navigate complex funding applications, project development, and reporting. It also offers project managers who will be dedicated to advancing rural development initiatives, something that will level the playing field for smaller communities.

On behalf of Roosevelt Custer Regional Council, the counties and communities of Region 8, and Bowman County, I urge you to support HB 1524 and consider increasing the funding to \$5.75 million. Regional councils are vital to the sustainability and prosperity of rural communities across our state, and this bill will ensure they have the resources needed to thrive.

Thank you for your consideration.

Sincerely,

Josh Buchmann
President, Roosevelt Custer Regional Council
Commissioner, Bowman County



Roosevelt Custer
REGIONAL COUNCIL

13 E Divide Ave
PO Box 1143
Bowman, ND 58623
701.483.1241
teran@swnd.org

**Testimony of Teran Doerr
Roosevelt Custer Regional Council
In Favor House Bill 1524
March 31, 2025**

Chairman Wanzek and Members of the Committee,

Thank you for the opportunity to provide testimony in support of House Bill 1524. This bill is an investment in North Dakota's communities, ensuring they have the expertise and capacity to access funding, implement projects, and grow. The funding in this bill is not for regional councils, it is for the communities we serve.

We respectfully request that you consider increasing the appropriation to \$5.75 million. This would provide the level of capacity needed across the state to truly move the needle in our rural areas. These dollars would allow regional councils to hire staff who can focus solely on serving small towns, many of which lack the people or expertise to access funding that's already available.

Many small towns do not have experts to help them apply for grants, manage projects, or plan for the future. When that happens, funding goes unclaimed, and opportunities are lost. Regional councils help communities cut through the complexity, ensuring that these dollars reach the people and places that need them most.

Right now, North Dakota is making historic investments in workforce, housing, childcare, and infrastructure. But funding alone does not make projects happen; planning, execution, and technical assistance do. The programs and dollars exist, but they only benefit communities that have the capacity to apply, plan, and follow through on projects. That is where regional councils come in.

Even rural communities with economic developers struggle to navigate the complexity of state and federal programs. Many rely on volunteers or staff who are already stretched thin. Without direct support, money gets left on the table, projects stall, and smaller communities miss out on opportunities that should be available to all of North Dakota.

Before July 2022, our regional council struggled, and our communities lost out on millions of dollars in grants and projects. Since then, we have helped secure Community Development Block Grants (CDBG) for critical projects in Mott, Regent, Medora, and Bowman. We have assisted businesses and communities in accessing USDA and EDA grants for economic development and future tourism investments. We secured a Department of Energy grant for a rural fire department in Amidon. When Sanford closed its rural nursing home in Mott, we assisted in securing funding to reopen the clinic and basic care facility, and when the project fell short, we found an additional \$200,000 to complete it. We have also supported childcare, workforce, and housing initiatives across our region.

Despite this success, we operate with only three to four staff members serving up to 10 counties, and most of our staffing is tied to specific grant-funded projects. That means we can only assist with programs we are funded to administer. Many communities call us for help with housing, childcare, and infrastructure projects, but without dedicated funding, we simply do not have the capacity to assist everyone who needs it.

With dedicated funding, regional councils across the state could hire staff dedicated to helping communities access and implement state and federal funding, including:

- **Workforce and housing development**, ensuring state investments reach communities of all sizes.
- **Childcare expansion**, making sure funding is used effectively and sustainably.
- **Rural infrastructure planning**, assisting with grants for essential services like water, sewer, roads, and emergency services.
- **Business retention and expansion**, helping small businesses navigate resources to grow and thrive.

The state is making major investments in workforce, housing, childcare, and economic development. But none of these investments will succeed if communities do not have the expertise and support to access them.

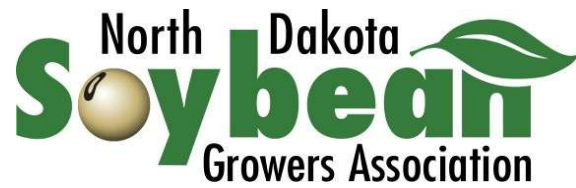
Regional councils have a long history of turning small investments into big results. We help communities develop strategic plans for long-term growth, secure and layer funding from multiple sources, and implement and manage projects to ensure funding is used effectively.

This is not just a funding bill; it is a commitment to making sure rural investments actually happen. Without continued investment, many small communities will continue to struggle while larger cities get ahead. HB 1524 ensures that every region has the tools to make the most of state and federal dollars.

I urge you to support this bill so that North Dakota's small towns can keep growing and thriving.

Thank you for your time and consideration.

Sincerely,
Teran Doerr



HOUSE BILL NO. 1524
SENATE APPROPRIATIONS GOVERNMENT OPERATIONS DIVISION
TERRY WANZEK, CHAIR
TESTIMONY IN SUPPORT OF RE-ENGROSSED HOUSE BILL 1524
MARCH 31, 2025

Chairman Wanzek and members of the Senate Appropriations Government Operations Division Committee. I am Parrell Grossman, and it is my privilege to be the Legislative Director for the North Dakota Soybean Growers Association. I appear on behalf of the Association in support of Re-Engrossed House Bill 1524, including with a funding amendment.

The Association advocates for more than 8,900 operations that raise soybeans in North Dakota. In 2024, North Dakota farmers planted 6.6 million acres of soybeans, producing over 245 million bushels of soybeans in North Dakota.

The agricultural economic impact in North Dakota, according to NDSU's 2024 North Dakota Agriculture Industry Economic Contribution Analysis, is a phenomenal \$41.3 billion, including \$26 billion from direct output and \$15.3 billion from secondary output. The report also concluded that this economic contribution included 46,620 direct jobs and 76,740 secondary jobs for total jobs of 123,360.

The Association is a strong supporter of the eight regional planning councils and greatly appreciates the unique work they do, role they perform, and their successes and accomplishments for rural North Dakota and agriculture across the state. This proposed funding is incredibly important to the mission and operation of each of these councils, and the work they do is vital to rural North Dakota across the state. These councils leverage a small amount of funds to assist communities, townships, and counties with many projects. These smaller jurisdictions or political subdivisions simply don't have the staff, expertise, or financial resources to fulfill the ever-increasing and more challenging needs of rural North Dakota.

In addition to the funding secured, the additional funds that are leveraged, and the jobs created or retained, the Association particularly recognizes their important roles in supporting agriculture.

These councils can provide services to write grants or search for other funding sources. They are an excellent resource for locating and facilitating resources to assist with or address statutory or regulatory matters. One example would include zoning issues to allow animal agriculture to develop in townships and counties. With appropriate resources, these regional planning councils

can provide the tools and expertise to navigate the requirements and rules involved in determining suitable areas for animal agriculture.

Vital rural communities and areas, whether at the township, city, or county level, are paramount to supporting agriculture and the families that live there. Their quality of life, functionality, and sustainability often depend upon the regional planning councils. Unlike larger communities, these communities or areas don't have staff to plan community improvements, housing developments, recreational facilities and activities, improved schools, etc. These councils, however, can provide a level of services or refer them to other resources such as grants or consultants.

The Legislature performs an important and generous role in supporting agriculture, including value-added agriculture. The Association hopes you also continue to support the rural communities that are necessary to house the employees for soybean crushing plants and ethanol plants, and all those who otherwise sustain the state's agricultural community and rural areas. These creative and committed regional councils, who receive your funding, are good financial stewards, and exponentially multiply and distribute the benefits of your funding.

For these reasons, the Association asks this Committee to amend this legislation to increase the funding from \$2.4 million last approved by the Senate, to an amount of at least \$5.75 million. This would allow each regional council to hire up to three full-time professionals focused on rural project development, workforce grant writing, and community engagement. These positions and this funding would precisely support our rural and agricultural communities, steering them through new and critical funding opportunities and project completions.

The Association strongly believes no other organizations are as uniquely qualified, competent and successful as these planning councils in leveraging state dollars and bringing exponential results to our rural communities, in order to keep them vibrant and growing.

Mr. Chairman and members of the Senate Government Operations Division, for these and other stated reasons, the Association respectfully asks the Senate Appropriations Government Operations Division to give Re-Engrossed House Bill 1524 a "Do Pass" recommendation, with amendment.

Thank you for your consideration and I would be pleased to try and answer any questions.



Testimony of Briselda Hernandez Herrera in support of HB 1524
To the Senate Appropriations Government Operations Committee
March 31, 2025

Chairman Wanzek and Members of the Committee,

My name is Briselda Hernandez Herrera, and I serve as the Executive Director of the Souris Basin Planning Council (SBPC). SBPC supports North Dakota's Region 2, which includes Bottineau, Burke, McHenry, Mountrail, Pierce, Renville, and Ward counties. For over a decade, I have had the privilege of working alongside communities, leaders, and businesses, witnessing firsthand the incredible impact of collaboration in improving quality of life and fostering economic growth. However, many of the communities I work with face significant challenges in advancing local projects due to limited funding and the fact that most community leaders are stretched with numerous volunteer roles. In North Dakota, fewer than half of the counties have dedicated economic development organizations, and only 19 small communities have part- or full-time development staff. With pressing needs such as housing, food deserts, and childcare, it is difficult for communities to tackle these issues alone.

I come before you today to express my strong support for HB 1524 which would provide much-needed capacity to advance economic and community development in a strategic and resourceful way. This bill would help regional councils expand their staff and strengthen their ability to serve communities effectively.

Why Regional Councils?

Formed by state law (NDCC 54-40.1), North Dakota's eight regional councils serve as on-the-ground partners in advancing community projects. These councils provide technical assistance, expertise, and a collaborative framework to drive progress. As a public servant, I understand the importance of responsible stewardship of public funds, and I firmly believe regional councils have a strong track record of maximizing resources and maintaining transparency.

- **Transparency & Accountability:** Regional councils adhere to strict governance requirements, including annual reporting and audits. Their boards are primarily composed of elected city officials and county commissioners, ensuring oversight and proper use of funds.
- **Strategic Planning:** Every five years, regional councils develop a Comprehensive Economic Development Strategy (CEDS), a community-driven plan that aligns regional priorities to optimize resources and maximize impact.



- **Strong Partnerships:** Regional councils maintain well-established relationships with local and state leaders, as evidenced in the testimonies submitted. Their work engages stakeholders across the private, public, and nonprofit sectors, ensuring that programs complement—not duplicate—existing efforts.
- **A Collaborative Network:** Regional councils operate within a shared network of expertise, knowledge, and resources, making them a powerful force for economic and community development. While each regional council serves a distinct region, they do not work in isolation. Instead, they collaborate, exchange best practices, and leverage their collective strengths. Each regional council brings unique expertise to the table—whether in infrastructure planning, grant administration, business development, planning and zoning, or housing. By working together, they create a well-rounded support system for communities. Ultimately, regional councils serve as a bridge between local needs and resources, ensuring that communities—regardless of size or capacity—have the support necessary to thrive. By working together, they amplify their impact, drive regional progress, and create a stronger, more resilient North Dakota.

Why Funding Now?

There is broad consensus that a regional approach is essential for effective economic and community development, and regional councils are well-positioned to lead these efforts. However, like the communities they serve, **regional councils face staffing shortages that limit their ability to maximize available funding opportunities, coordinate local and regional projects, and implement long-term solutions.** HB 1524 is informed by an in-depth assessment of capacity needs and would address key regional priorities, including project development and implementation, grant writing and administration, business development, workforce development, and housing development. Imagine what could be accomplished if regional councils operated at full capacity! This is why I am asking you to support **HB 1524 for \$5.75 million.** Information on what this funding will support is included in the Attachment – Building North Dakota Regions. Thank you for your time and consideration.

Briselda Hernandez Herrera
briselda@sourisbasin.org
701.712.7308



Testimony of David Flohr
Senate Appropriations Government Operations Division
HB 1524
March 31, 2025

Chairman Wanzek and Members of the Committee,

I am Dave Flohr, Executive Director of the North Dakota Housing Finance Agency (NDHFA) and I am in favor of HB 1524.

Along with 26 other individuals I was a member of the North Dakota Housing Initiative Advisory Committee in 2024 - [North Dakota Housing Initiative](#). The other members consisted of Realtors, local financial institutions, community leaders from across the state, apartment owners, housing developers and builders, your fellow Senators Bekkedahl and Rummel and Representatives Schauer and Beltz. The Committee met 3 times over the summer of 2024 and conducted 5 listening sessions in Bismarck, Fargo, Williston, Harvey and at the Tribal Government to Government Conference. The Committee also conducted a statewide survey of the public - [ND Housing Initiative public survey highlights](#).

In October 2024 the Committee released its recommendations - [ND Housing Initiative recommendations](#). HB 1524 assists in meeting these recommendations and goals:

1. Helping to ensure communities have adequate housing for their workforce.
2. Provide for a full range of housing choices in our communities.
3. Make targeted investments to bridge affordability gaps in today's housing market.
4. Assist the path of moderate-income households to make a transition from renting to owning.

To assist in accomplishing these goals, support for rural areas to plan and develop housing projects was a recommendation of the Initiative. During Advisory Committee meetings, Regional Development Councils were identified as a resource that could be utilized by communities to aid in planning housing projects. Success in housing development has already occurred in Lakota and Larimore through the efforts of the Red River Regional Council.

As a member of the ND Housing Initiative Advisory Committee and in my role at the North Dakota Housing Finance Agency I recommend a **Do Pass** on HB 1524 and provide the amount of funding as requested by the ND Council of Rural Development Councils to give our rural communities the opportunity to succeed.

3-31-25



Chase Building
516 Cooper Avenue, Suite 101
Grafton, ND 58237
T: 701.352.3550
www.redriverrc.com

Testimony of Dawn Mandt in support of HB 1524

To the Senate Appropriations – Government Operations

Monday, March 31, 2025

Chairman Dwyer and Committee Members,

Hi, my name is Dawn Mandt, and I'm the Executive Director of the Red River Regional Council in Grafton. Our team serves four counties in the northeast corner of North Dakota. I have been a rural developer in North Dakota since I was a junior at Jamestown College in 1992 – this is my 33rd year.



Today, I'm here to provide information the collective impact of all regional councils as well as information on project development.

The Role & Impact of Regional Councils (2019–2023)

- The eight regional councils in North Dakota play a vital role in economic and community development, especially in rural areas.
- These councils help communities secure funding, provide planning support, and assist local businesses and organizations in navigating financial and regulatory processes.
- During the pandemic, the U.S. Department of Commerce Economic Development Administration provided emergency funding to regional councils, allowing them to:
 - Increase staff capacity to respond to urgent economic needs.
 - Establish business revolving loan funds to support affected, new, or expanding businesses.
- Key outcomes over four years:
 - Assisted with 1,410 funding applications, securing \$365 million in direct funding and leveraging another \$532 million, leading to a total impact of nearly \$900 million.
 - Helped create or retain 5,122 jobs statewide.
 - Organized 411 community forums involving 5,900 participants, resulting in the creation of 55 new development plans to address regional economic challenges.

What does development look like? Case Study: Walsh County Childcare Project

- During the first round of the Regional Workforce Impact Grant Program (RWIP), the Red River Regional Council convened all its development partners and conducted focus groups and regional surveys. As a result, Region 4 allocated \$1 million to increase childcare availability.
- Recognizing the severe childcare shortage in Walsh County (which needed at least 137 additional childcare slots), the regional council partnered with the Walsh County Job Development Authority (JDA) to pursue solutions.
- Given the difficulty in establishing childcare facilities due to the significant capital investment, a public-private partnership model was developed, where the JDA would create a turnkey childcare center space and lease it to a private operator.
- Steps in the development process:
 - Conducted focus groups and surveys with parents and childcare providers to assess needs.
 - Evaluated eight potential buildings, selecting one as the best option.
 - Solicited interest from childcare providers to expand operations.
 - Hired architectural firm and designed the space.
 - Managed construction bids, which initially came in \$200,000 over budget.
 - Coordinated with 12 funding sources, ensuring compliance with various grant regulations.
 - Engaged in philanthropic fundraising to help close remaining funding gaps.
- Despite these efforts, the \$1.4 million project remains underfunded, highlighting the ongoing challenge of securing sufficient long-term investment in small towns.
- Rocking Horse Childcare has moved into this completed space and will double its childcare slots.
- The attached case study provides additional details about this project.

Development work is often addressing complex issues getting in the way of economic growth, learning each step of the way, and creating collaborative partnerships.

Sustainable Funding Issues:

At the Red River Regional Council, **we work hard to support small towns and regional partnerships with very limited resources.** Our local leaders are volunteers juggling multiple responsibilities to keep their communities running. **We develop long-term plans with their help, but without proper funding, we often struggle to move forward.**

We recently created a Destination Development Plan, with input from over 600 people, to attract visitors and new residents. We also launched a workforce initiative called Real. Good. to help fill job openings. We've been scrapping funds together to employ a Housing Developer for the past two years. **We piece funding together from any possible source – often funding long-term ideals with short-term grants which is not sustainable.**

Call to Action – Support for HB 1524:

- The state has an opportunity to strengthen partnerships with regional councils to create lasting economic change.
- HB 1524 would provide essential funding and resources to ensure regional councils can continue their work, support small towns, and build a stronger, more resilient North Dakota.

We have created regional collaborations, we've engaged and worked to empower our people, and we have been creating regional momentum. **We'd welcome the state's partnership in many of these efforts.**

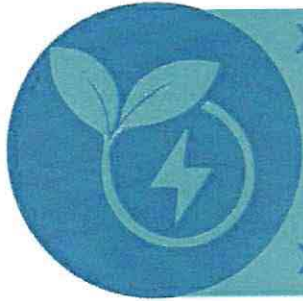
We have an opportunity to create real, lasting change for our small towns. That's why I'm asking you to support **HB 1524**—so we can invest in our communities, work together, and build a stronger future for all of North Dakota.

Dawn Mandt
dawn@redriverrc.com
701-520-0487



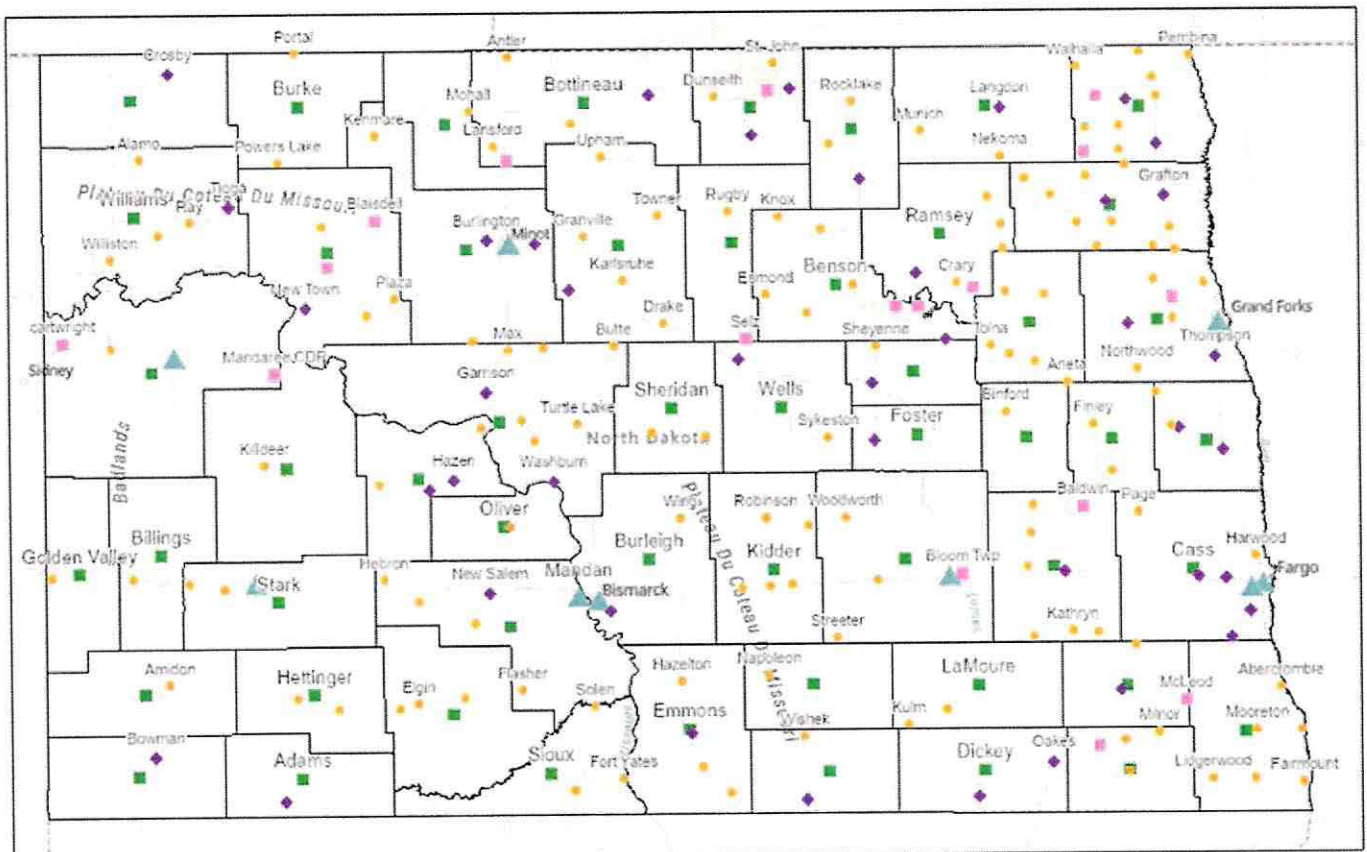
What's Real. Good. in
Northeast North Dakota?
Find out at www.realgoodnd.com.

REGIONAL COUNCILS ARE A CORNERSTONE OF THE STATE'S ECONOMIC RENAISSANCE AND COMMUNITY REVITALIZATION. HERE'S A GLIMPSE INTO THE TRANSFORMATIVE IMPACT



- Cultivating the economy
- Implementing workforce attraction & retention systems
- Enhancing quality of life through enhanced community experiences
- Providing predictive expertise, skilled project planning, and funding solutions

ND Association of Regional Councils Impacts 2019-2023



■ Unincorporated Places ▲ Cities 8,500 to 150,000
● Cities under 1,000 pop ■ Counties engaged with Regional Councils
◆ Cities 1,000 to 8,500



ASSOCIATION
OF REGIONAL COUNCILS

North Dakota Association of Regional Councils Statewide Impact | 2019-2023

Effectiveness of the Regional Councils and contractual partner organizations

FUNDING APPLICATIONS ASSISTED	1,410
-------------------------------	-------

TOTAL FUNDING SECURED WITH REGIONAL COUNCIL ASSISTANCE	\$364,751,823
---	---------------

ADDITIONAL FUNDS LEVERAGED	\$531,557,176
----------------------------	---------------

TOTAL INVESTMENT IN NORTH DAKOTA	\$896,308,998
---	----------------------

JOBS CREATED OR RETAINED	5,122
--------------------------	-------

COMMUNITY & ECONOMIC DEVELOPMENT PLANS CREATED	55
---	----

PUBLIC FORUMS, MEETINGS & PLANNING SESSIONS	411
---	-----

TOTAL ATTENDEES ENGAGED	5,900
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LOCAL LEADER BOARD MEMBERS	202
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Long-term Stability and Accountability

Permanent funding for Regional Councils is essential for several reasons:

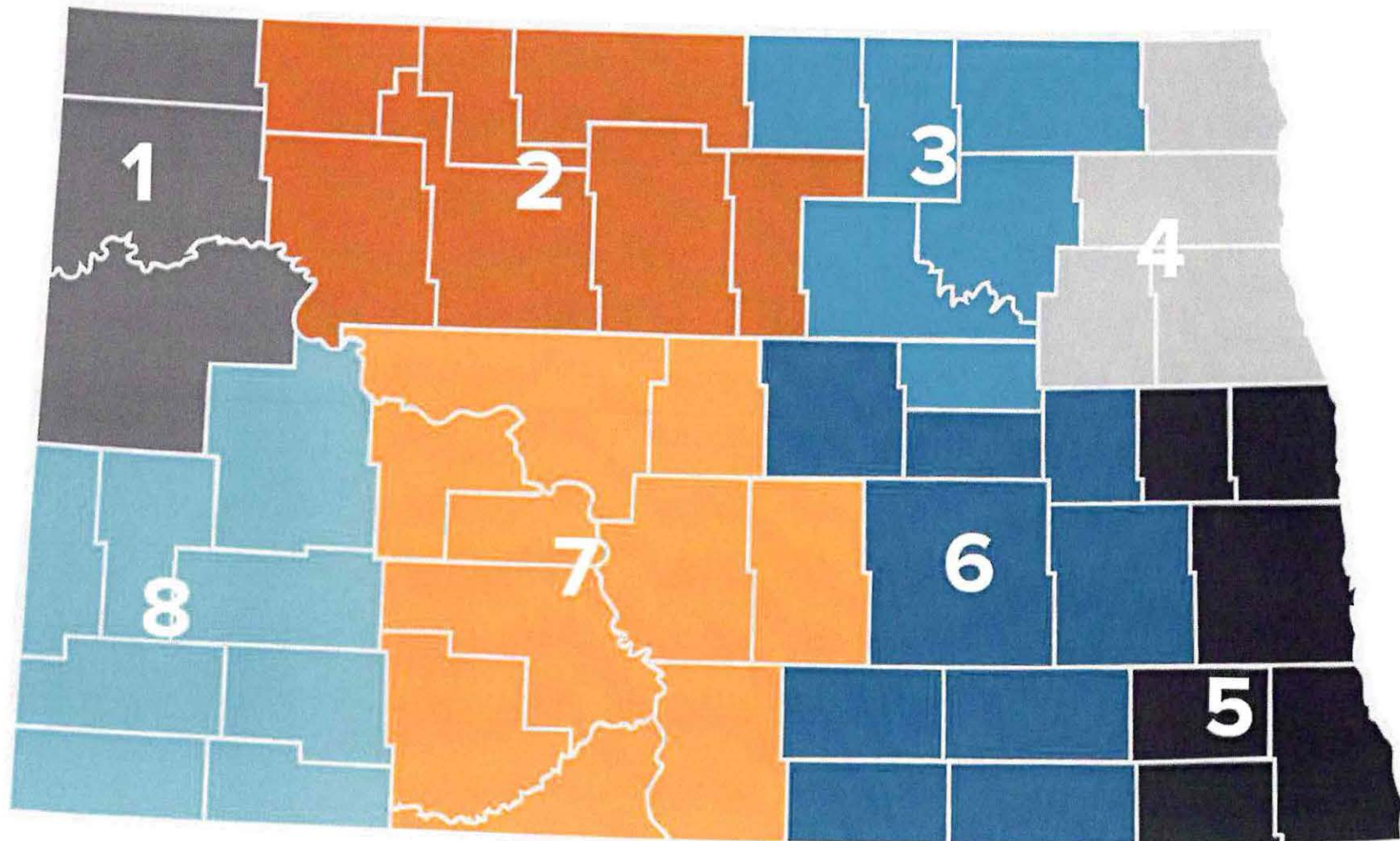
- Ensures **long-term stability** beyond a single biennium
- Local funds create **high levels of accountability**
- Regional Councils serve as **exemplary models for public-private partnerships**

REGIONAL COUNCILS REVOLUTIONIZING RURAL COMMUNITIES

SMART DEVELOPMENT | FUTURE-READY INFRASTRUCTURE COMMUNITY RESILIENCE & GROWTH

- Business development
- Zoning and land use planning
- Grant writing and technical assistance
- Housing development
- Child care support
- Workforce development
- Infrastructure planning
- Tourism and placemaking initiatives
- Disaster recovery planning
- Community leadership development

By permanently funding Regional Councils, North Dakota can maintain its commitment to fostering economic growth and community vitality across the state, particularly in rural areas that may otherwise struggle to access necessary resources and expertise.



ASSOCIATION
OF REGIONAL COUNCILS

WALSH COUNTY CHILDCARE CENTER

January 2025

Contact:

Stacie Sevigny

Walsh County JDA Director

701-352-3550 | 701-360-4681

Stacie@redriverrc.com

OBJECTIVE

To address a critical shortage of childcare services in Walsh County and eliminate the cost prohibitive capital investment burden/risk, the Walsh County Job Development Authority has been developing a turn-key childcare center that will create 25 to 35 new childcare slots. This will become only the second childcare center in Walsh County (population 10,305).



UNIQUE PRIVATE/PUBLIC MODEL

The project is a public-private-nonprofit partnership. To address the high cost of facility investment for a private childcare center, the Walsh County JDA proposed buying and renovating a building to lease to a private childcare business. After completion and meeting certain criteria, the building will be donated to the Red River Community Housing Development Organization (CHDO) for long-term ownership. If the lease ends, the facility will be available for a new childcare provider. This public ownership model has proven successful in similar projects in northeast North Dakota.

Partners

- Walsh County JDA – developer
- Rocking Horse Childcare – childcare provider
- Red River Community Housing Development Organization – eventual building owner

Timeline

2022 to February 2025. Fundraising continues.

JDA staff and board time and money commitments stretched

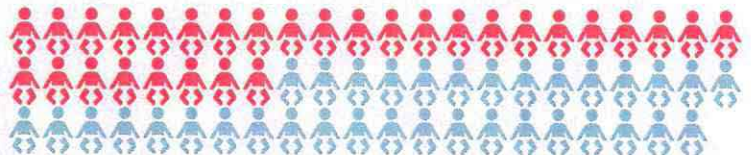
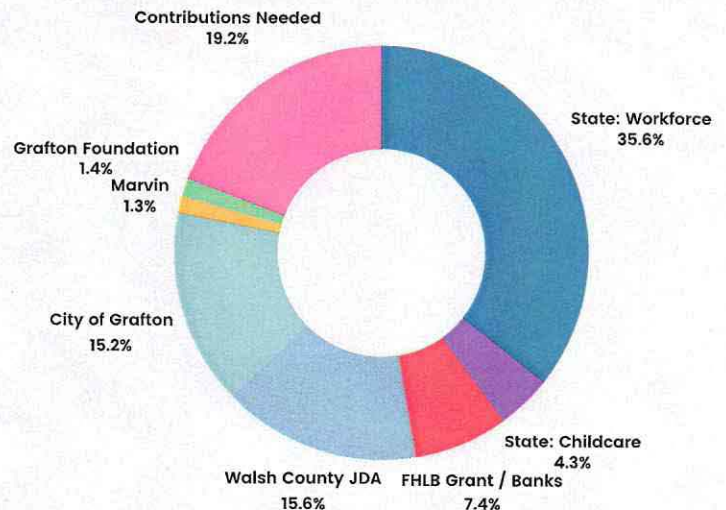
- The Walsh County JDA director, the sole full-time JDA employee, has **invested approximately 1,000 staff hours into this project to date.**
- The JDA has committed significant funding project budget to this single project.
- Real estate development is an entirely new role for the JDA and required learning: facility requirements, childcare regulations, procurement, philanthropy, construction management, and more.

Expanded Capacity: 55-65 childcare slots

Cost

\$1.4 million; \$21,500 per childcare slot

12 Funders and still short \$370,000



Project development

- Evaluated 8 buildings to find an appropriate, existing space
- Sought input on space evaluation from Childcare, Fire Marshall, and provider
- Solicited provider willing to expand and meet proposed timeline
- Secured first RWIP grant and sought match

- Developed procurement policies and procured architect
- Solicited bids, received 9 bids from 8 contractors - total exceeded the project budget by \$200,000
- Construction began in June 2024
- Held weekly construction management meetings and troubleshoot any issues as they arose
- Provider moved into the building in Feb 2025
- Completed grant management tasks and reporting

2025 SENATE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Red River Room, State Capitol

HB 1524
4/3/2025

A BILL for an Act to create and enact a new section to chapter 54-40.1 of the North Dakota Century Code, relating to the funding of regional planning councils; and to provide an appropriation.

10:09 A.M. Chairman Wanzek opened the hearing.

Members present: Chairman Wanzek, Vice-Chair Dwyer, Senator Burckhard, Senator Erbele, and Senator Sickler.

Discussion Topics:

- Role of planning councils
- Increase in number of full-time employees (FTEs)
- Biennial cost

10:15 a.m. After committee discussion, Chairman Wanzek delayed action on this bill pending further research.

10:16 a.m. Chairman Wanzek closed the hearing.

Carol Thompson, Committee Clerk

2025 SENATE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Red River Room, State Capitol

HB 1524
4/4/2025

A BILL for an Act to create and enact a new section to chapter 54-40.1 of the North Dakota Century Code, relating to the funding of regional planning councils; and to provide an appropriation.

10:21 a.m. Chairman Wanzek opened the hearing.

Members present: Chairman Wanzek, Vice-Chair Dwyer, Senator Burckhard, Senator Erbele, and Senator Sickler.

Discussion Topics:

- ND Commerce may award grants to regional development councils
- Support for state-authorized programs and initiatives

10:23 a.m. Senator Dwyer brought proposed language for an amendment to HB 1524 to the committee and submitted testimony #44694.

10:29 a.m Chairman Wanzek directed Grant Gader, LC Fiscal Analyst, to draft an amendment to this bill based upon committee discussion, for next Monday.

10:36 a.m. Chairman Wanzek closed the meeting.

Carol Thompson, Committee Clerk

HB 1524 - 4-4-25, 10:30, Senator Dwyer

Rogstad, Michael - STechClerk7 - SAPPGO

From: Dwyer, Mike A.
Sent: Friday, April 4, 2025 10:22 AM
To: Rogstad, Michael - STechClerk7 - SPPGO
Subject: FW:
Attachments: image001.jpg

Hog house amendment: Remove everything, and insert the following:

The department of commerce may award grants to regional development councils or other local entities to support local and regional implementation of state-authorized programs and initiatives, including housing, regional workforce, rural catalyst, local food and grocery, and other state authorized programs. The department may approve grants to support program implementation and resource development and efforts to attract and leverage additional public or private investment into North Dakota local and regional areas.

2025 SENATE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Red River Room, State Capitol

HB 1524
4/7/2025

A BILL for an Act to create and enact a new section to chapter 54-40.1 of the North Dakota Century Code, relating to the funding of regional planning councils; and to provide an appropriation.

10:28 a.m. Chairman Wanzek opened the meeting.

Members present: Chairman Wanzek, Vice-Chair Dwyer, Senator Burckhard, Senator Erbele, and Senator Sickler.

Discussion Topics:

- Appropriation removed
- Policy authorization for grants by Department of Commerce

10:30 a.m. Grant Gader, LC Fiscal Analyst, submitted the proposed amendment, testimony #44731.

10:31 a.m. Senator Dwyer moved to Adopt the Amendment, 25.1007.03001, for HB 1524.

10:31 a.m. Senator Burckhard seconded the motion.

Senators	Vote
Senator Terry M. Wanzek	Y
Senator Randy A. Burckhard	Y
Senator Michael Dwyer	Y
Senator Robert Erbele	Y
Senator Jonathan Sickler	Y

Motion passed 5-0-0.

10:36 a.m. Senator Dwyer moved a Do Pass as Amended for HB 1524.

10:36 a.m. Senator Burckhard seconded the motion.

Senators	Vote
Senator Terry M. Wanzek	Y
Senator Randy A. Burckhard	Y
Senator Michael Dwyer	Y
Senator Robert Erbele	Y
Senator Jonathan Sickler	N

Motion passed 4-1-0.

Senator Dwyer will carry this bill.

10:39 a.m. Chairman Wanzek closed the hearing.

Carol Thompson, Committee Clerk

4-7 Grant

25.1007.03001
Title.
Fiscal No. 1

Prepared by the Legislative Council
staff for Senate Appropriations -
Government Operations Division
Committee

April 4, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO SECOND ENGROSSMENT

REENGROSSED HOUSE BILL NO. 1524

Introduced by

Representatives Monson, Brandenburg, Kempenich, O'Brien, Ostlie, Pyle

Senators Kessel, Meyer, Myrdal, Barta, Lemm

- 1 A BILL for an Act to create and enact a new section to chapter 54-40.1 of the North Dakota
- 2 Century Code, relating to the funding of regional planning councils; and to provide an
- 3 appropriation for an Act to create and enact a new section to chapter 54-60 of the North Dakota
- 4 Century Code, relating regional planning council grants from the department of commerce.

5 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

- 6 ~~SECTION 1. A new section to chapter 54-40.1 of the North Dakota Century Code is created~~
- 7 ~~and enacted as follows:~~
- 8 ~~Biennial work plan - Funding.~~
- 9 ~~1. A regional council shall prepare a biennial work plan. The work plan must:~~
- 10 ~~a. Include proposed actions, targeted outcomes, and an itemized budget.~~
- 11 ~~b. Align with the comprehensive economic development strategy for the region~~
- 12 ~~developed with input from regional stakeholders, including members of the~~
- 13 ~~legislative assembly.~~
- 14 ~~c. Be approved by the regional council's executive board before submission.~~
- 15 ~~d. Address issues of rural capacity, including business development, zoning and~~
- 16 ~~land use planning, grant writing and technical assistance, housing development,~~
- 17 ~~child care support, workforce development, infrastructure planning, tourism and~~
- 18 ~~placemaking initiatives, disaster recovery planning, and community leadership~~
- 19 ~~development.~~

1 ~~2. A regional council shall submit:~~

2 ~~a. Copies of the biennial work plan no later than twelve months before the~~
3 ~~beginning of each biennium to the commissioner of the department of commerce,~~
4 ~~the governor, and members of the legislative assembly representing the region. A~~
5 ~~county providing financial support to regional councils shall maintain or exceed~~
6 ~~the funding to ensure the continuation of regional development efforts.~~

7 ~~b. Reporting metrics detailing program outcomes, expenditures, and other relevant~~
8 ~~performance measures no later than forty five days before the end of the~~
9 ~~biennium to the commissioner of the department of commerce, the governor, and~~
10 ~~members of the legislative assembly representing the region.~~

11 ~~3. Subject to legislative appropriations, the department of commerce shall provide~~
12 ~~funding to regional councils to implement the biennial work plan.~~

13 ~~4. Funds may:~~

14 ~~a. Be used to employ individuals or for contractual services to implement the~~
15 ~~biennial work plan under this section.~~

16 ~~b. Not be used for debt repayment, loans, grants, lobbying, political activities, or~~
17 ~~unrelated or nonessential expenses, including entertainment, luxury purchases,~~
18 ~~or projects that do not demonstrate a regional benefit.~~

19 ~~5. Fifty percent of appropriated funding must be allocated equally among the eight~~
20 ~~regions and fifty percent must be awarded based on a funding formula established~~
21 ~~jointly by the department of commerce and the association of regional councils.~~

22 ~~6. The funding formula under subsection 5 must be reviewed and amended as necessary~~
23 ~~every four years and provide equitable allocation of funding for a regional council~~
24 ~~providing services for multiple service areas or counties.~~

25 ~~**SECTION 2. APPROPRIATION - DEPARTMENT OF COMMERCE - REGIONAL**~~

26 ~~**COUNCILS.** There is appropriated out of any moneys in the general fund in the state treasury,~~
27 ~~not otherwise appropriated, the sum of \$2,400,000, or so much of the sum as may be~~
28 ~~necessary, to the department of commerce for the purpose of funding regional planning~~
29 ~~councils, for the biennium beginning July 1, 2025, and ending June 30, 2027.~~

30 **SECTION 1.** A new section to chapter 54-60 of the North Dakota Century Code is created
31 and enacted as follows:

1 Regional planning council grants - Purpose.

2 The department may award grants to regional planning councils under chapter 54-40.1 to
3 support local and regional implementation of state-authorized programs and initiatives, including
4 housing, regional workforce, rural catalyst, local food and grocery, and other state authorized
5 programs, subject to legislative appropriations. The department may approve grants to support
6 program implementation, resource development, and efforts to attract and leverage public or
7 private investment in local and regional areas of the state.

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1524 - Department of Commerce - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Regional planning councils		\$2,400,000	(\$2,400,000)	
Total all funds	\$0	\$2,400,000	(\$2,400,000)	\$0
Less estimated income	0	0	0	0
General fund	\$0	\$2,400,000	(\$2,400,000)	\$0
FTE	0.00	0.00	0.00	0.00

Department 601 - Department of Commerce - Detail of Senate Changes

	Removes Funding for Regional Planning Councils ¹	Total Senate Changes
Regional planning councils	(\$2,400,000)	(\$2,400,000)
Total all funds	(\$2,400,000)	(\$2,400,000)
Less estimated income	0	0
General fund	(\$2,400,000)	(\$2,400,000)
FTE	0.00	0.00

¹ One-time funding of \$2.4 million from the general fund for regional planning council grants is removed. Provisions included in the House version are removed and replaced with a new section added to North Dakota Century Code Chapter 54-60 to allow the Department of Commerce to award grants to regional planning councils, subject to legislative appropriations.

2025 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

HB 1524
4/9/2025

A BILL for an Act to create and enact a new section to chapter 54-40.1 of the North Dakota Century Code, relating to the funding of regional planning councils; and to provide an appropriation.

8:14 a.m. Chairman Bekkedahl opened the hearing.

Members Present: Chairman Bekkedahl, Vice-Chairman Erbele, and Senators Burckhard, Cleary, Conley, Davison, Dever, Dwyer, Magrum, Mathern, Meyer, Schaible, Sickler, Sorvaag, Thomas, Wanzek.

Discussion Topics:

- Sustainability Plan
- Grant Authorization

8:14 a.m. Senator Dwyer introduced the bill and submitted testimony #44828.

8:17 a.m. Senator Dwyer moved amendment LC 25.1007.03001.

8:17 a.m. Senator Wanzek seconded the motion.

Senators	Vote
Senator Brad Bekkedahl	Y
Senator Robert Erbele	Y
Senator Randy A. Burckhard	Y
Senator Sean Cleary	Y
Senator Cole Conley	Y
Senator Kyle Davison	Y
Senator Dick Dever	Y
Senator Michael Dwyer	Y
Senator Jeffery J. Magrum	Y
Senator Tim Mathern	Y
Senator Scott Meyer	Y
Senator Donald Schaible	Y
Senator Jonathan Sickler	Y
Senator Ronald Sorvaag	Y
Senator Paul J. Thomas	Y
Senator Terry M. Wanzek	Y

Motion Passed 16-0-0.

8:18 a.m. Senator Dwyer moved a Do Pass as Amended.

8:18 a.m. Senator Burckhard seconded the motion.

Senators	Vote
Senator Brad Bekkedahl	Y
Senator Robert Erbele	Y
Senator Randy A. Burckhard	Y
Senator Sean Cleary	Y
Senator Cole Conley	Y
Senator Kyle Davison	Y
Senator Dick Dever	Y
Senator Michael Dwyer	Y
Senator Jeffery J. Magrum	N
Senator Tim Mathern	Y
Senator Scott Meyer	Y
Senator Donald Schaible	Y
Senator Jonathan Sickler	N
Senator Ronald Sorvaag	Y
Senator Paul J. Thomas	Y
Senator Terry M. Wanzek	Y

Motion Passed 14-2-0.

Senator Dwyer will carry the bill.

8:22 a.m. Chairman Bekkedahl closed the hearing.

Elizabeth Reiten, Committee Clerk

April 4, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
SECOND ENGROSSMENT**

VC 4/9/25
1 of 3

REENGROSSED HOUSE BILL NO. 1524

Introduced by

Representatives Monson, Brandenburg, Kempenich, O'Brien, Ostlie, Pyle

Senators Kessel, Meyer, Myrdal, Barta, Lemm

1 A BILL ~~for an Act to create and enact a new section to chapter 54-40.1 of the North Dakota~~
2 ~~Century Code, relating to the funding of regional planning councils; and to provide an~~
3 ~~appropriation~~ for an Act to create and enact a new section to chapter 54-60 of the North Dakota
4 Century Code, relating to regional planning council grants from the department of commerce.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 ~~SECTION 1. A new section to chapter 54-40.1 of the North Dakota Century Code is created~~
7 ~~and enacted as follows:~~

8 ~~**Biennial work plan - Funding.**~~

9 ~~1. A regional council shall prepare a biennial work plan. The work plan must:~~

10 ~~a. Include proposed actions, targeted outcomes, and an itemized budget.~~

11 ~~b. Align with the comprehensive economic development strategy for the region~~
12 ~~developed with input from regional stakeholders, including members of the~~
13 ~~legislative assembly.~~

14 ~~c. Be approved by the regional council's executive board before submission.~~

15 ~~d. Address issues of rural capacity, including business development, zoning and~~
16 ~~land use planning, grant writing and technical assistance, housing development,~~
17 ~~child care support, workforce development, infrastructure planning, tourism and~~
18 ~~placemaking initiatives, disaster recovery planning, and community leadership~~
19 ~~development.~~

~~2. A regional council shall submit:~~

~~a. Copies of the biennial work plan no later than twelve months before the beginning of each biennium to the commissioner of the department of commerce, the governor, and members of the legislative assembly representing the region. A county providing financial support to regional councils shall maintain or exceed the funding to ensure the continuation of regional development efforts.~~

~~b. Reporting metrics detailing program outcomes, expenditures, and other relevant performance measures no later than forty five days before the end of the biennium to the commissioner of the department of commerce, the governor, and members of the legislative assembly representing the region.~~

~~3. Subject to legislative appropriations, the department of commerce shall provide funding to regional councils to implement the biennial work plan.~~

~~4. Funds may:~~

~~a. Be used to employ individuals or for contractual services to implement the biennial work plan under this section.~~

~~b. Not be used for debt repayment, loans, grants, lobbying, political activities, or unrelated or nonessential expenses, including entertainment, luxury purchases, or projects that do not demonstrate a regional benefit.~~

~~5. Fifty percent of appropriated funding must be allocated equally among the eight regions and fifty percent must be awarded based on a funding formula established jointly by the department of commerce and the association of regional councils.~~

~~6. The funding formula under subsection 5 must be reviewed and amended as necessary every four years and provide equitable allocation of funding for a regional council providing services for multiple service areas or counties.~~

~~SECTION 2. APPROPRIATION – DEPARTMENT OF COMMERCE – REGIONAL~~

~~COUNCILS.~~ ~~There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$2,400,000, or so much of the sum as may be necessary, to the department of commerce for the purpose of funding regional planning councils, for the biennium beginning July 1, 2025, and ending June 30, 2027.~~

SECTION 1. A new section to chapter 54-60 of the North Dakota Century Code is created and enacted as follows:

1 **Regional planning council grants - Purpose.**

2 The department may award grants to regional planning councils under chapter 54-40.1 to
3 support local and regional implementation of state-authorized programs and initiatives, including
4 housing, regional workforce, rural catalyst, local food and grocery, and other state authorized
5 programs, subject to legislative appropriations. The department may approve grants to support
6 program implementation, resource development, and efforts to attract and leverage public or
7 private investment in local and regional areas of the state.

**REPORT OF STANDING COMMITTEE
REENGROSSED HB 1524**

Appropriations Committee (Sen. Bekkedahl, Chairman) recommends **AMENDMENTS** ([25.1007.03001](#)) and when so amended, recommends **DO PASS** (14 YEAS, 2 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). Reengrossed HB 1524 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

25.1007.03001
Title.
Fiscal No. 1

Prepared by the Legislative Council
staff for Senate Appropriations -
Government Operations Division
Committee

April 4, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO SECOND ENGROSSMENT

REENGROSSED HOUSE BILL NO. 1524

Introduced by

Representatives Monson, Brandenburg, Kempenich, O'Brien, Ostlie, Pyle

Senators Kessel, Meyer, Myrdal, Barta, Lemm

1 A BILL for an Act to create and enact a new section to chapter 54-40.1 of the North Dakota
2 Century Code, relating to the funding of regional planning councils; and to provide an
3 appropriation for an Act to create and enact a new section to chapter 54-60 of the North Dakota
4 Century Code, relating regional planning council grants from the department of commerce.

5 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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8 ~~Biennial work plan Funding.~~
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12 ~~developed with input from regional stakeholders, including members of the~~
13 ~~legislative assembly.~~
14 ~~c. Be approved by the regional council's executive board before submission.~~
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17 ~~child care support, workforce development, infrastructure planning, tourism and~~
18 ~~placemaking initiatives, disaster recovery planning, and community leadership~~
19 ~~development.~~

- 1 ~~2. A regional council shall submit:~~
- 2 ~~a. Copies of the biennial work plan no later than twelve months before the~~
- 3 ~~beginning of each biennium to the commissioner of the department of commerce,~~
- 4 ~~the governor, and members of the legislative assembly representing the region. A~~
- 5 ~~county providing financial support to regional councils shall maintain or exceed~~
- 6 ~~the funding to ensure the continuation of regional development efforts.~~
- 7 ~~b. Reporting metrics detailing program outcomes, expenditures, and other relevant~~
- 8 ~~performance measures no later than forty-five days before the end of the~~
- 9 ~~biennium to the commissioner of the department of commerce, the governor, and~~
- 10 ~~members of the legislative assembly representing the region.~~
- 11 ~~3. Subject to legislative appropriations, the department of commerce shall provide~~
- 12 ~~funding to regional councils to implement the biennial work plan.~~
- 13 ~~4. Funds may:~~
- 14 ~~a. Be used to employ individuals or for contractual services to implement the~~
- 15 ~~biennial work plan under this section.~~
- 16 ~~b. Not be used for debt repayment, loans, grants, lobbying, political activities, or~~
- 17 ~~unrelated or nonessential expenses, including entertainment, luxury purchases,~~
- 18 ~~or projects that do not demonstrate a regional benefit.~~
- 19 ~~5. Fifty percent of appropriated funding must be allocated equally among the eight~~
- 20 ~~regions and fifty percent must be awarded based on a funding formula established~~
- 21 ~~jointly by the department of commerce and the association of regional councils.~~
- 22 ~~6. The funding formula under subsection 5 must be reviewed and amended as necessary~~
- 23 ~~every four years and provide equitable allocation of funding for a regional council~~
- 24 ~~providing services for multiple service areas or counties.~~

25 ~~**SECTION 2. APPROPRIATION - DEPARTMENT OF COMMERCE - REGIONAL**~~

26 ~~**COUNCILS.** There is appropriated out of any moneys in the general fund in the state treasury,~~

27 ~~not otherwise appropriated, the sum of \$2,400,000, or so much of the sum as may be~~

28 ~~necessary, to the department of commerce for the purpose of funding regional planning~~

29 ~~councils, for the biennium beginning July 1, 2025, and ending June 30, 2027.~~

30 **SECTION 1.** A new section to chapter 54-60 of the North Dakota Century Code is created

31 and enacted as follows:

- 1 Regional planning council grants - Purpose.
- 2 The department may award grants to regional planning councils under chapter 54-40.1 to
- 3 support local and regional implementation of state-authorized programs and initiatives, including
- 4 housing, regional workforce, rural catalyst, local food and grocery, and other state authorized
- 5 programs, subject to legislative appropriations. The department may approve grants to support
- 6 program implementation, resource development, and efforts to attract and leverage public or
- 7 private investment in local and regional areas of the state.

STATEMENT OF PURPOSE OF AMENDMENT:**House Bill No. 1524 - Department of Commerce - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Regional planning councils		\$2,400,000	(\$2,400,000)	
Total all funds	\$0	\$2,400,000	(\$2,400,000)	\$0
Less estimated income	0	0	0	0
General fund	\$0	\$2,400,000	(\$2,400,000)	\$0
FTE	0.00	0.00	0.00	0.00

Department 601 - Department of Commerce - Detail of Senate Changes

	Removes Funding for Regional Planning Councils ¹	Total Senate Changes
Regional planning councils	(\$2,400,000)	(\$2,400,000)
Total all funds	(\$2,400,000)	(\$2,400,000)
Less estimated income	0	0
General fund	(\$2,400,000)	(\$2,400,000)
FTE	0.00	0.00

¹ One-time funding of \$2.4 million from the general fund for regional planning council grants is removed. Provisions included in the House version are removed and replaced with a new section added to North Dakota Century Code Chapter 54-60 to allow the Department of Commerce to award grants to regional planning councils, subject to legislative appropriations.

2025 CONFERENCE COMMITTEE

HB 1524

2025 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Room JW327E, State Capitol

HB 1524
4/23/2025
Conference Committee

Relating to regional planning council grants from the department of commerce.

9:30 a.m. Chairman Monson called the meeting to order.

Members Present: Chairman Monson, Representatives Pyle, Hagert; Chairman Dwyer, Senators Sickler, Wanzek

Discussion Topics:

- Regional Councils
- Grant programs
- Grant writers
- Full-time employee positions
- Small town support
- Grant applications

9:31 a.m. Chairman Dwyer explained Senate Amendment LC#25.1007.03001.

9:58 a.m. Chairman Monson adjourned the meeting.

Janae Pinks, Committee Clerk

2025 HOUSE STANDING COMMITTEE MINUTES

Finance and Taxation Committee Room JW327E, State Capitol

HB 1524
4/24/2025
Conference Committee

Relating to regional planning council grants from the department of commerce.

4:00 p.m. Chairman Monson called the meeting to order.

Members Present: Chairman Monson, Representatives Pyle, Hagert; Chairman Dwyer, Senators Sickler, Wanzek

Discussion Topics:

- Committee Action

4:00 p.m. Representative Pyle moved that the House accept the Senate Amendment LC#25.1007.03001.

4:00 p.m. Representative Hagert seconded the motion.

4:01 p.m. Motion passed 6-0-0.

4:02 p.m. Representative Monson will carry the bill.

4:02 p.m. Senator Dwyer will carry the bill.

4:02 p.m. Chairman Monson adjourned the meeting.

Janae Pinks, Committee Clerk

HB 1524 042425 1601 PM Roll Call Vote

Final Recommendation

HB 1524

Date Submitted: April 24, 2025, 4:01 p.m.

Recommendation: Accept

Amendment LC #: 25.1007.03001

Engrossed LC #: N/A

Description:

Motioned By: Pyle, Brandy

Seconded By: Hagert, Jared

House Carrier: Monson, David

Senate Carrier: Dwyer, Michael

Emergency Clause: None

Vote Results: 6 - 0 - 0

Rep. Monson, David	Yea
Rep. Pyle, Brandy	Yea
Rep. Hagert, Jared	Yea
Sen. Dwyer, Michael	Yea
Sen. Sickler, Jonathan	Yea
Sen. Wanzek, Terry M.	Yea

**REPORT OF CONFERENCE COMMITTEE
REENGROSSED HB 1524**

Your conference committee (Sens. Dwyer, Sickler, Wanzek and Reps. Monson, Pyle, Hagert) recommends the **HOUSE ACCEPT** the Senate amendments ([25.1007.03001](#)) to Reengrossed HB 1524.

Reengrossed HB 1524 was placed on the Seventh order of business on the calendar.