

2025 SENATE AGRICULTURE AND VETERANS AFFAIRS

SB 2097

2025 SENATE STANDING COMMITTEE MINUTES

Agriculture and Veterans Affairs Committee

Fort Union Room, State Capitol

SB 2097
1/17/2025

A bill relating to the creation of a rural community endowment.

8:58 a.m. Chairman Luick called the meeting to order.

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

Discussion Topics:

- Value system preservation
- Theodore Roosevelt Presidential Library
- Term limits
- Appropriation timeframe
- Earnings within the biennium
- Property tax relief
- Rural community examples
- Charitable donations/investments
- ND Community Foundation
- Matching funds and requirements
- Grant making committee
- Legislative input and oversight
- Community interview process
- Investment return and annual interest
- Administrative costs
- State advertisement
- Food distribution
- Rural percentage of population
- Grant application qualification and accessibility
- Childcare facilities
- Aging infrastructure
- Community Challenge Grants
- Volunteer board of directors
- Non-profit connections
- Personalized annual reports
- Statewide Greatest Need fund
- Fund access
- Economic development directors and grant writers
- Philanthropy incentives

9:00 a.m. Senator Tim Mathern, District 11, introduced the bill and submitted testimony #29754.

9:06 a.m. Megan Langley, Executive Director of Strengthen ND, testified in favor and submitted testimony #29226.

9:31 a.m. Kenny Rogers, title township officer, Bottineau County, testified in favor.

9:39 a.m. Senator Terry Wanzek, District 29, testified in favor.

9:44 a.m. Josh Kramer, General Manager of the ND Association of Rural Electric Cooperatives, testified in favor and submitted testimony #29168.

9:57 a.m. Kory Peterson, League of Cities, testified in favor and submitted testimony #29663.

9:50 a.m. Janelle Moos, Associate State Advocacy Director of AARP ND, testified in favor and submitted testimony #29691.

9:52 a.m. Kevin Dvorak, President and CEO of the ND Community Foundation, testified in opposition.

10:06 a.m. Leslie Bieber, Superintendent of Alexander Public School, testified in opposition and submitted testimony #29627.

10:09 a.m. Kristi Wilfert, testified in neutral.

Additional written testimony:

Renae Witt, auditor of the City of Tuttle, submitted written testimony #28709 in favor.

Savanna Hendrickson, Crosby, ND, submitted written testimony #28779 in favor.

Bill Bender, council member of the City of Robinson, submitted written testimony #29163 in favor.

Sandra Tibke, Executive Director of the Foundation for a Healthy North Dakota submitted written testimony #29337 in favor.

Cody Hillard, Souris, ND, submitted written testimony #29401 in favor.

Lanette Jager, auditor of the city of Bowbells, submitted written testimony #29403 in favor.

Pat Backer, Center, ND, submitted written testimony #29409 in favor.

Danica Sinner, Wyndemere, ND, submitted written testimony #29485 in favor.

Jeff Scott, Wyndemere ND, submitted written testimony #29489 in favor.

Sandra Larson, Sheyenne GRIT, submitted written testimony #29492 in favor.

Landis Larson, President of ND AFL-CIO, submitted written testimony #29546 in favor.

Steven Zimmer, Intelliplanz, submitted written testimony #29551 in favor.

Melissa Hauer, NDHA General Counsel/VP of the ND Hospital Association submitted written testimony #29590 in favor.

Murray Sagsveen, Western ND Synod, submitted written testimony #29623 in favor.

Logan Staigle, member of the City of Turtle Lake's Economic Development Committee, submitted written testimony #29686 in favor.

Kristi Haugenoe, Executive Director of the NW ND Community Foundation submitted testimony #29732 in favor.

Matt Perdue, Government Relations Director of ND Farmer's Union, submitted testimony #29758 in favor.

10:14 a.m. Chairman Luick closed the hearing.

Audrey Oswald, Committee Clerk

North Dakota is often known for its small towns. The small towns are dwindling because of the lack of resources available to their residents. Most residents are of poverty level and taxes alone aren't enough to support the updates needed to maintain roads, sewers, and recreational facilities just to name a few. Anyone who has lived in a small town appreciates the "help thy neighbor" experiences but considering the age of most residents, that task gets put to those who can afford to help or has the physical ability. Those kind hearted people live in a small town and are deserving of funds to keep them thriving.

Chairman Luick and members of the committee,

Thank you for considering my testimony. My name is Savanna Hendrickson, and I currently serve as the President of our county Economic Development Council and the President of a community bank that serves two rural communities in North Dakota. I'm writing to express my strong support for Senate Bill 2097.

As someone deeply involved in the economic development and financial well-being of our rural communities, I witness firsthand the challenges we face daily. Issues such as economic development, infrastructure, housing, and job creation are persistent and pressing concerns that require substantial support to address effectively.

I grew up on a family farm and, after completing my education, returned to rural North Dakota to start a farming operation with my husband. We are committed to continuing this tradition and hope to involve future generations in our farming endeavors. This personal experience has given me a profound understanding of the importance of thriving rural communities.

Senate Bill 2097 proposes the creation of a Rural Community Endowment Fund, which is a critical step towards ensuring the long-term sustainability and prosperity of our rural areas. This fund will provide a reliable source of financial support for essential projects, including housing, workforce development, business recruitment, and infrastructure improvements.

Rural communities are the backbone of our state, providing essential services, economic opportunities, and a high quality of life for their residents. However, declining populations, aging infrastructure, and limited local resources pose significant challenges that threaten their viability. The Rural Community Endowment Fund will help address these challenges by offering grants to support projects that enhance the prosperity, independence, safety, health, and quality of life in rural communities.

The proposed \$50 million endowment fund, with \$5 million earmarked for immediate grants, will provide the necessary financial resources to support these vital projects. By investing in our rural communities, we can ensure they remain vibrant and resilient, capable of attracting new residents and businesses, and providing a high quality of life for their citizens.

As the President of a community bank, I understand the importance of financial stability and the need for strategic investments in our communities. The Rural Community Endowment Fund will not only support immediate needs but also provide long-term benefits by reducing the financial burden on local governments and taxpayers. This proactive approach will help prevent costly emergencies and stabilize local finances, ensuring that our small towns can thrive without overburdening their residents.

In conclusion, I urge you to pass Senate Bill 2097 and give North Dakota's rural communities the tools they need to succeed. This bill represents a significant investment in the future of our state, ensuring that our rural areas remain strong, vibrant, and capable of supporting the needs of their residents for generations to come.

Thank you for your time and consideration.

Savanna Hendrickson

Savanna Hendrickson | savanna.hendrickson@outlook.com | 701-213-0601

Hello,

I have lived in Robinson, pop. ~35, for more than 15 years, have served as mayor, rural Fire Dept member, a Lions member, and currently hold a City Council seat. The establishment of a Rural Community Endowment Fund by the state Legislature will be a desperately needed investment to support small rural towns, which feel, correctly or incorrectly, generally overlooked in favor of large towns and major cities.

Every small town has its' own story in regards to needs for financial investments. Robinson's story consists of a very strong need for renovation of our historic Robinson Hall, which in its useful days functioned as a place for meetings, family gatherings, weddings, events, and even a Senior Center. Currently, the only events held at our current city hall (former grade school) are monthly city council meetings and a single Lions event, which are forced to meet in a cold, expensive to heat, sterile, school gymnasium.

Other needs are similar to any small town... aging water and sewer infrastructure, pulverized roads, dangerous abandon structures, lack of affordable single-family housing to increase our tax base, and an ever-shrinking population who is solely responsible for funding the city's needs.

Maintenance and revitalization currently falls on a smaller and smaller tax base in our community. Our city council can't (for obvious reasons) apply for matching grants, and the time involved for the few grants available that aren't matching, require so much time as to not be possible for a council member. Every fall, we're looking at our remaining funds on one screen, and checking the long-term winter forecast on another, to see of we'll go broke paying to have snow cleared so our residents can get to work or buy goods... in other towns... because we can't afford needed improvements to attract new businesses... and on and on.

Small towns are the Heart and Soul of North Dakota. Please, help us help ourselves, by establishing and funding this important and desperately needed resource.

Respectfully,
Bill Bender, Robinson



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

January 17, 2025

To: North Dakota Senate's Agriculture and Veterans Affairs Committee
From: Josh Kramer, executive vice president and general manager, NDAREC
RE: **Support of Senate Bill 2097**

Chairman Luick and members of the Senate Agriculture and Veteran Affairs Committee,

On behalf of the North Dakota Association of Rural Electric Cooperatives (NDAREC) and its members, I'd like to express support for Senate Bill (SB) 2097.

Our association represents 17 electric distribution cooperatives and five generation and transmission cooperatives that generate, transmit and distribute electricity across the state of North Dakota. For several decades, we have operated one of the most successful rural development centers in the country, successfully leveraging more than \$700 million to provide financial and technical assistance for business enterprises and community economic development projects — 91% of which are still operational today. These projects support the development of small businesses and advance rural communities in the areas of health care, child care, rural food access, housing, infrastructure and much more.

We, and the cooperatives we represent, are dedicated to improving the quality of life for rural people and rural places. Though we've had much success, finding capital and financial assistance for projects in small rural communities is a growing challenge. The proposed rural community endowment fund would be a step in the right direction. This fund would assist with essential community projects that help maintain livable rural communities, populations and the workforce required to match the opportunities before us.

Much of the opportunity we see today is due, in part, to the groundwork, infrastructure, development and ideas put in place years or generations ago. Concepts such as these lead to long-term prosperity and growth, connect people and communities, enable trade, improve livability and create opportunity. This fund could be transformational and provide long-lasting economic and social impacts for generations to come.

NDAREC urges a "Do Pass" recommendation on SB 2097.

This institution is an equal opportunity provider and employer

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SB 2097: Senate Agriculture & Veterans Affairs Testimony

January 17, 2025

Good morning, Chairman Luick and members of the committee, thank you for taking my testimony into consideration today.

My name is Megan Langley, and I am the Executive Director of Strengthen ND. I come before you today not only as an advocate for rural North Dakota but as someone who has lived and breathed the realities of rural life. I grew up as a farm and ranch kid in Eddy County, and I currently live outside the small town of Souris in Bottineau County, a community of about 50 people. With over 15 years of experience in philanthropy and community and economic development for rural communities, I am here to strongly urge you to pass Senate Bill 2097.

Farmers and ranchers like those I grew up around depend on thriving rural communities for essential services, economic opportunities, and quality of life. Rural towns provide the infrastructure, such as roads and bridges, necessary to transport goods to market. They house critical services like fire departments, ambulance services, and agricultural supply stores. They are also the heart of social and cultural connectivity, offering schools, churches, and community hubs that sustain the people who work the land.

When rural communities struggle, so do the farmers and ranchers they support.

Declining populations, aging infrastructure, and limited local resources create challenges that reverberate across the agricultural sector. Senate Bill 2097 directly addresses these challenges by establishing a \$50 million Rural Community Endowment Fund, providing a reliable and accessible source of funding to bolster the long-term sustainability of these vital communities.

A well-designed, set-aside economic and community development fund like the one proposed in SB 2097 also supports long-term property tax relief. By funding essential infrastructure upgrades and community projects, the endowment reduces the financial pressure on local governments and taxpayers.

As communities grow their populations and local economies through these investments, the tax base broadens, further easing the burden on individual property owners. This proactive approach prevents costly emergencies, stabilizes finances, and ensures that small towns can remain vibrant without overburdening their residents.

The need for this fund is not hypothetical; it is urgent and well-documented. We have received inquiries and interest from many rural communities eager to access flexible funding to address their pressing needs. These include:

- **Arthur, Argusville, Erie, Gardner, Grandin, Hunter** – Small towns seeking to modernize community resources, innovatively partner to meet health and wellness needs, and strengthen their local economies.
- **Sheyenne, Fort Totten, Glenburn, Tuttle, Bowbells, Edgeley** – Communities focused on revitalizing housing stock and improving local foods access and livability.
- **Underwood, Hoople, Robinson, New Rockford, Turtle Lake** – Areas aiming to attract residents and businesses through strategic investments.
- **Rhame, Munich, Aneta, Wing, Towner, Donnybrook** – Towns working to address food deserts, outdated infrastructure, and economic diversification.

These communities represent just a fraction of the potential beneficiaries of SB 2097. Each inquiry demonstrates the enthusiasm and readiness of rural leaders to take ownership of their futures when given the resources to do so.

As someone who has spent my life in rural North Dakota—from the fields of Eddy County to my home outside Souris—I have seen firsthand the resilience and innovation of rural communities. But I have also seen the challenges they face. Farmers, ranchers, and small-town residents have the ideas and determination to solve their own problems, but they often lack the resources to act. SB 2097 changes that dynamic, providing a foundation for communities to thrive on their own terms.

Senate Bill 2097 is not just about funding projects; it's about investing in the people and places that make North Dakota strong. It's about ensuring that farmers, ranchers, and rural residents have the support they need to succeed. And it's about creating a legacy of sustainable growth and opportunity for generations to come.

I urge you to pass SB 2097 and give North Dakota's rural communities the tools they need to thrive.

Included with my testimony today are some frequently asked questions for the fund to support your decision-making. Thank you for your time and consideration. I am happy to stand and answer any questions the committee may have.

Megan Langley, Executive Director, Strengthen ND
(701) 303-0840 | megan@strengthennd.com

Frequently Asked Questions: SB 2097

What is the Rural Community Endowment Fund?

The Rural Community Endowment Fund is a proposed \$50 million permanent fund designed to provide long-term, sustainable financial support to rural North Dakota communities with populations under 1,000. The fund will offer grants for essential projects such as housing, workforce development, infrastructure upgrades, and community revitalization.

Why is the Rural Community Endowment Fund needed?

Rural North Dakota communities face significant barriers, including:

- Limited access to flexible funding for critical needs.
- Lack of resources to secure federal or state funding due to matching fund requirements or complex application processes.
- Declining populations and aging infrastructure in need of repair, threatening long-term viability.
- Structural urbanism and funding biases favoring larger, urbanized areas.

Without immediate investments, rural areas risk population decline, infrastructure failure, and public health crises. The cost of inaction will far outweigh the cost of proactive funding.

How will the fund work?

- **Permanent Principal:** The \$50 million principal will remain untouched, ensuring the fund's sustainability. **In an ideal investment scenario, assuming up to 7% investment returns and 1.5% investment fees, along with a 4.5% distribution rate, after 20 years, the Rural Community Endowment Fund will have invested \$50M in rural communities while building the fund to just over \$60M.**
- **Grant Distribution:** Interest earned on the principal will be used for grantmaking, awarded competitively through a process managed by a nonprofit partner and overseen by the Rural Community Endowment Fund Committee.
- **Immediate Impact:** \$5 million is earmarked for immediate grants during the 2025–2027 biennium.

Who will administer the fund?

The fund will be advised by a Rural Community Endowment Fund Committee, comprising rural community residents and nonprofit representatives. Committee members will be approved by the State. Through a competitive Request for Proposals

(RFP) process, the State will select a nonprofit, state-based grantmaker to administer the fund's overall grantmaking process.

The Rural Community Endowment Fund will add no permanent full- or part-time positions to State government.

Who is eligible for funding?

The fund will prioritize cities with populations under 1,000 as defined by the most recent census. Grants will target projects that address local housing, economic growth, and community infrastructure.

What types of projects will the fund support?

Eligible projects include:

- **Housing Development:** Addressing shortages and revitalization needs.
- **Workforce Initiatives:** Attracting and retaining talent.
- **Infrastructure Improvements:** Upgrades to water and sewer systems, roads, and public facilities.
- **Community Projects:** Enhancing safety, health, and quality of life, such as parks, childcare facilities, and hybrid local stores.

What is the expected impact of the fund?

The fund aims to:

- Strengthen the capacity of rural communities to secure additional state, federal, and private funding.
- Enhance the vibrancy and livability of rural areas.
- Reduce reliance on state funding by fostering local autonomy and resilience.
- Address critical issues like declining infrastructure and population loss, ensuring rural communities remain vital.

How does this fund support long-term property tax relief?

- **Reducing Tax Dependency:** The fund provides an alternative to property tax revenue for critical community projects, easing the financial burden on local taxpayers.
- **Growing the Tax Base:** Investments in infrastructure, housing, and workforce development attract new residents and businesses, expanding the local tax base and lowering the per-capita tax rate.
- **Preventing Crises:** Proactive funding reduces the likelihood of costly emergency repairs or interventions that would require tax increases.

How does this fund compare to other endowment funds in North Dakota?

The Rural Community Endowment Fund is modeled after successful state endowments like the Legacy Fund and the Common Schools Endowment Fund. However, its focus is specifically on empowering rural communities with flexible, accessible funding.

Who supports this legislation?

The bill is sponsored by:

- Senator Tim Mathern (Fargo)
- Senator Terry Wanzek (Jamestown)
- Representative Mike Brandenburg (Edgeley)

How will accountability be ensured?

Annual reporting to legislative management and appropriations committees will ensure transparency and effective use of resources. Reports will detail:

- Fund usage
- Program outcomes
- Success stories and lessons learned

What challenges does this fund address?

The fund addresses challenges such as:

- Declining infrastructure and housing stock in rural towns.
- Limited capacity to meet federal and state funding requirements.
- The need for community-driven solutions tailored to unique rural challenges.
- A lack of flexible and accessible funding for small, underserved communities.

How can I learn more?

For more information, contact:

Megan Langley

Executive Director, Strengthen ND

Phone: (701) 303-0840

Email: megan@strengthennd.com

**SB 2097****Senate Agriculture and Veterans Affairs****January 17, 2025 | 9:00 a.m.**

Good afternoon, Chairman Luick, and members of the Senate Agriculture and Veterans Affairs Committee. My name is Sandy Tibke, and I'm the director of Foundation for a Healthy North Dakota.

I stand before you today in full support of the proposed bill to create a Rural Community Endowment Fund in North Dakota. This innovative legislation has the potential to profoundly and lastingly impact our rural communities, fostering growth and sustainability for generations to come.

Importance of the Rural Community Endowment Fund

1. Long-Term Prosperity: By establishing a permanent endowment fund dedicated to supporting rural communities, we can secure a brighter future for our residents. The fund will provide essential resources for local housing, infrastructure, business recruitment, and other community needs, ensuring the long-term prosperity of our rural areas.
2. Empowering Local Initiatives: Creating a Rural Community Endowment Fund Committee, comprising individuals from rural communities and nonprofit organizations, will empower local stakeholders to drive positive change, spur job creation and boost small businesses. The committee can prioritize projects that enhance our residents' quality of life, safety, and independence through strategic grant allocations.
3. Accountability and Transparency: The bill mandates regular reporting to the legislative management, ensuring transparency in fund utilization. This accountability mechanism will guarantee that the allocated funds are used effectively and efficiently to benefit our rural communities.

According to recent census data, seventy-five cities in North Dakota have populations of fewer than one thousand individuals, meeting the criteria for rural communities under this bill. Investing in these areas through the Rural Community Endowment Fund can address critical needs, stimulate economic development, and foster a sense of community pride among residents.

The proposed appropriation of \$50,000,000 from the general fund to the Rural Community Endowment Fund, along with an additional \$5,000,000 for rural community endowment

grants, demonstrates a commitment to the growth and prosperity of our rural areas. These funds will empower local initiatives, support community-driven projects, and ensure equitable access to resources for all residents.

In conclusion, I urge you to support this transformative legislation, which will benefit our rural communities in North Dakota. Together, we can create a more resilient, vibrant, and sustainable future for all our residents.

Thank you for your time and consideration.

Chairman Luick and Members of the Senate Agriculture and Veterans Affairs Committee,

My name is Cody Hilliard, and I am from Souris, North Dakota, a small town in Bottineau County. I am here today to express my strong support for Senate Bill 2097, which proposes the creation of the Rural Community Endowment Fund.

I have spent my entire life in rural North Dakota, working in agriculture and now in the oil and gas industry. These experiences have given me a deep appreciation for the unique challenges and opportunities that rural communities face. In addition to my professional background, I am a youth wrestling coach in rural Bottineau County, where I see firsthand the critical role that community resources and investments play in shaping the lives of young people and their families.

Rural communities are the backbone of North Dakota's economy, supporting vital industries like agriculture and energy. However, many of these communities are struggling to maintain the infrastructure and services necessary for families and businesses to thrive. As someone who has worked in agriculture and oil and gas, I know how crucial it is to have reliable infrastructure—whether it's roads to transport crops and equipment or utilities to support industrial operations. These basic needs cannot be met without sustainable funding solutions.

SB 2097 is a solution to these challenges. By creating a \$50 million endowment fund, the state can provide rural communities with the flexible, reliable funding they need to address critical issues like housing, workforce development, and infrastructure upgrades. This fund would empower local leaders to make decisions that best serve their communities, ensuring resources are used effectively and with maximum impact.

As a youth wrestling coach, I see every day how important it is to invest in the next generation. Sports programs like ours are often supported by small-town schools and community facilities, both of which depend on local resources to operate. Unfortunately, many rural communities lack the funding to maintain or improve these essential spaces. SB 2097 would allow communities to invest in projects that directly benefit young people and their families, whether it's upgrading a school gymnasium, building safe housing for families, or creating recreational opportunities to keep kids active and engaged.

Rural North Dakota has always been resilient, but resilience requires resources. SB 2097 ensures that small towns like Souris have the tools to not just survive but thrive.

Whether it's a grain farmer needing better roads to haul their crop or an oil worker relying on local services to support their family, these investments will make a tangible difference in people's lives. More importantly, they will help retain and attract residents, ensuring that our rural communities remain vibrant and viable for generations to come.

I urge you to support SB 2097 and the creation of the Rural Community Endowment Fund. This bill is not just about funding—it's about securing the future of rural North Dakota. As someone who has dedicated my life to working in and supporting rural areas, I can't overstate the importance of this legislation. It's an investment in our families, our industries, and our future.

Thank you for your time and consideration.

Sincerely,
Cody Hilliard
Souris, North Dakota
(701) 460-7295

I am writing to express my strong support for the Rural Community Endowment Fund Bill. As a local municipality with a population of under 400 hundred people, funding projects such as housing, infrastructure, present and local business expansions is extremely difficult if not impossible without the financial boost that the Rural Community Endowment Fund would provide to rural areas. The City of Bowbells has about 10 to 12 utility poles on Main Street than are City owned. These poles are old and are starting to rot. The last big windstorm we had blew one over on Main Street and we do not have the funds to replace them all. This Bill would help tremendously. By investing in our rural communities, we are investing in the future of our state. Thank you for considering this important Funding.

January 15, 2025

Senate Agriculture and Veterans Affairs

IN FAVOR

Senate Bill 2097

Growing up in a small town provides special experiences and it is important to keep these traditions, work ethics, cultures, and values alive and thriving.

This endowment will give North Dakota rural communities the tools and support they need to succeed by investing in the future of the people. It is important that the rural areas grow and are able to support the needs of the small town residents and values.

Many times it is support that becomes a game changer for the success of a rural community and Bill SB 2097 would be the backbone to this essential support.

Respectfully,

Pat Backer

I am in favor for this to pass.

Danica S.

I am in favor for this to pass .

Jeff s.

SB 2097
Letter of Support

Dear Chairman and members of the committee,

My name is Sandra Larson and I am a proud volunteer for the community of Sheyenne, North Dakota. I strongly support SB 2097 as written.

I was taught to volunteer for my community as soon as I was old enough to pour coffee at a fundraiser. Now, as a civil engineer working on community projects across the region, I know the value of growing up in a small town. I would love to move back home one day, but there is currently nothing for sale or rent in Sheyenne, with a mighty population of 178. Instead I spend my spare time writing grants on behalf of Sheyenne GRIT, a non-profit focused on six aspects of community betterment. Our main focus is housing. Projects the people of Sheyenne have been dreaming of for a generation were made possible by the Rural Workforce Housing Grant and Rural Slum and Blight Removal Grant from the Department of Commerce, for which we competed against towns with populations of 10,000 or less. An endowment fund to benefit towns of 1,000 or less would create opportunities for 344 communities (86% of towns in North Dakota) and volunteers would no longer have to compete with cities that have grant writers and administrators working in paid positions.

With \$117,300 from two Department of Commerce grants, we have torn down five dilapidated structures, moved in a donated three bedroom home, put a new roof on an essential business, are restoring an apartment building, and are offering a free lot for building a new home in a prime location. It just makes sense to invest in infill housing. All the infrastructure is already in place, including fiber optic internet that makes working from home in professions like mine possible. GRIT also uses a community-owned finance tool that started with a "seed-money" grant from StrengthenND. We have already bought, renovated, and sold a house and are working on our second with the profit from the first sale. This proves that an initial investment can turn into a self-sustaining project. It's not only giving our community a facelift, it's expanding the tax base, and five of seven families interested in building a home or moving to Sheyenne are from out of state! We are working to create workforce housing availability and the Department of Commerce and other rural grants are making that possible.

The hard working people who make up the Department of Commerce select projects that put rural communities on the path to growth and resiliency. The grant application process is strict, and each expense is scrutinized. Not a penny is wasted, and the grant projects we do in Sheyenne invest the funds right back into our community whenever possible, supporting local contractors, the hardware store, and lumber yard. 93% of our Rural Workforce Housing Grant money stayed in Eddy County. Thank you for investing in rural North Dakota.

Sincerely,

Sandra Larson
Sheyenne GRIT
sandrajlarson7@gmail.com

**Testimony of Landis Larson, ND AFL-CIO President
In Support of SB 2097
January 17, 2025**

Chairperson:

My name is Landis Larson, President of the North Dakota AFL-CIO. The North Dakota AFL-CIO is the federation of labor unions in North Dakota, representing the interests of all working people in our state.

I am testifying on behalf of the North Dakota AFL-CIO in support of Senate Bill 2097.

Over a third of all North Dakota union members live in rural cities that are less than 1000 in population. Workers in energy generation, education, building and construction trades, rail transportation, manufacturing, healthcare and more could see quality of life benefits from a rural community endowment fund making investments in their hometowns.

The North Dakota AFL-CIO fully supports Senate Bill 2097.

Steven Zimmer
Owner, Intelliplanz
Farmer
szimmer@intelliplanz.com
(701) 373-1871

Chairman Luick and committee members,

Thank you for the opportunity to submit my testimony for SB 2097.

Senate Bill 2097 would create a Rural Community Endowment Fund. This is an amazing opportunity to support the rural areas of our state that are in need. The bill outlines how the principal investment of \$50 million would remain in the fund and administered by a committee approved by the state. Only the interest from the principal would be used to fund eligible projects. This may be the most important bill and investment in rural areas under 1,000 people that has ever been proposed in the State of North Dakota. I hope you see the enormous potential this bill has to improve the lives of rural North Dakotans and that you pass SB 2097.

I have grown up and lived in rural North Dakota nearly my entire life. My family has been living, farming, and running businesses in and around Munich for 5 generations. I am the fourth generation.

I have worked as a City Planner and Senior City Planner for the City of Devils Lake and the City of West Fargo. I moved back to Munich to take over the family farm and started a community planning and zoning consulting firm Intelliplanz, LLC.

People in rural North Dakota are creative, resilient, hardworking, and community minded. Over the past few decades, the number of people who live in these areas has decreased significantly and has put a strain on towns, citizens, and businesses. It is getting increasingly more difficult for small town governments and businesses to provide the services required to deliver a quality-of-life that their residents and customers have become accustomed to.

None of the city governments, businesses, or service providers I have worked with are expecting a handout but are all looking for a way to support, maintain, and build without raising taxes as the only option to make it happen. I believe this bill can do exactly that.

Over the past 13 years I have worked with dozens of rural communities and counties in many capacities in all corners of the state. The locations of a community may change, but the needs and issues remain the same.

The recurring issues I have heard in nearly every rural community I have worked in are:

- 1) Workforce Housing – often mislabeled as affordable housing.
- 2) Retaining necessary services – schools, grocery stores, etc.
- 3) Infrastructure improvement needs.
- 4) Retaining existing businesses.
- 5) Attract residents and businesses.

Workforce Housing

I learned early on working in rural areas that housing is one issue that nearly every community has regardless of size. The most common need is the need for workforce housing. Such individuals are farm workers, teachers, school administrators, and workers for all support industries. You will not be able to attract or retain workers without adequate housing stock.

Rural school districts from all over the state have problems recruiting and retaining teachers because there are limited housing options compared to larger school districts. Everyone in the community understands the problem, but most often there is a lack of financial resources and expertise in these areas to work towards solving this problem. This bill would provide resources for communities to hire professionals that can help them understand if and how the housing problem can be overcome.

Retaining Essential Services

Rural areas of the state have lost a majority of their essential services over the past few decades. Schools, fire departments, emergency services, grocery stores, cafes, service stations, etc., are all core services that used to be available in most communities, which are now only available in a handful with a population under 1,000.

The communities that still have these services depend on them to retain their current residents. While schools are funded using public money, grocery stores and other services are not and are as important for rural communities to survive. There have been multiple studies conducted that show the two most important services in a rural community are a

school and a grocery store. The lack of one or both of these leads to rapid population loss and most often the loss of the other and their employees.

Food deserts, areas where people have to drive at least 30 minutes to buy food, are becoming more common in North Dakota with the dwindling population in rural areas. This bill would provide a much-needed source of funding to support creative solutions to help solve this problem and to support current grocery stores and other businesses in areas of need.

Infrastructure Improvements/Maintenance

Adding housing units is not as simple as adding lots and retaining essential services is not as simple as patronizing them. A community must be able to provide reliable infrastructure to its businesses and residents just to survive. Making major improvements or adding to its current infrastructure such as sewer lift stations, additional lagoon cells, replacing failing pipes, lot filling, building water towers, etc. are most often cost prohibitive, yet essential, for small communities to grow.

One of the biggest roadblocks for communities to making the necessary infrastructure improvements is coming up the money from the city budget for the dollar match requirements for grants, such as USDA Rural Development grants. There simply is not enough money in small town budgets to meet minimum match requirements on larger infrastructure projects. This bill would provide funding to help these communities make necessary improvements to their infrastructure while still allowing a community to retain its financial stability.

Retaining Existing Businesses

Rural areas have a tough time retaining businesses because of the limited client base and limited-service area population. It is more important for these areas to be able to retain existing businesses than larger cities because most often once they leave, they are gone for good.

There are circumstances that arise that these businesses need financial help for repairs and updates to equipment and/or buildings to be able to continue operating. SB 2097 would be a source for these businesses to be able to make these necessary upgrades and continue serving the community.

Attracting Residents and Businesses

Attracting new residents and businesses is not something that has felt realistic to small communities in North Dakota for years. There is a generational shift happening in farm communities of our parent's generation looking to retire and passing responsibility to their children. This is the first time in 30-40 years that a shift includes such a high percentage of rural residents. This bill could provide a source of funding to help this new generation revitalize rural areas and attract new residents.



2025 SB 2097
Senate Agriculture and Veterans Affairs Committee
Senator Larry Luick, Chairman
January 17, 2025

Chairman Luick and members of the Senate Agriculture and Veterans Affairs Committee, I am Melissa Hauer, General Counsel/VP of the North Dakota Hospital Association (NDHA). I am here to testify in support of Senate Bill 2097. I ask that you give this bill a **Do Pass** recommendation.

Hospitals support the creation of a rural community endowment fund for rural communities in our state to support, create, or improve local housing, workforce, business recruitment and commerce, infrastructure, or other community needs. We especially appreciate that, when awarding grants from the fund, the bill would require prioritization of projects that support the long-term prosperity, independence, safety, health, and quality of life of rural communities and their citizens.

In rural communities, hospitals are especially important to the long-term health and economic viability of a community. Hospitals provide crucial access to healthcare services like emergency and primary care and also are often the primary employer and economic driver for the area, generating jobs and supporting local businesses by providing essential medical services that might not be available otherwise. This presence includes benefits like improved access to healthcare, economic stability, and community health initiatives addressing social determinants of health like housing and nutrition.

The bill provides that grant funds are available for rural communities with a population of fewer than one thousand individuals and there are a number of hospitals located in cities of that size. We envision that the grant funds could be used creatively by these communities to drive positive change in areas such as workforce development, affordable housing, and increasing childcare options – all of which are critical to hospitals and other businesses being able to operate and provide services. Investing in such critical infrastructure could also stimulate economic development through the indirect effects of

such investment and resulting growth in rural communities. An endowment fund such as the one in the bill would ensure that funds are available for rural community development long into the future. We see this fund as being able to support creative, locally developed, tailored investment in the health of entire rural communities.

In summary, we thank you for your support of the rural areas of our state and ask that you support passage of this bill.

I would be happy to respond to any questions you may have. Thank you.

Respectfully Submitted,

Melissa Hauer, General Counsel/VP
North Dakota Hospital Association

Testimony to the Senate Agriculture and Veterans Affairs Committee**On Senate Bill 2097****January 17, 2025**

Chair Luick and members of the Committee. I am Murray Sagsveen, and I personally support this bill. I am not representing any church, synod, or commission.

I am the synod attorney for the Western North Dakota Synod, Evangelical Lutheran Church in America. Each summer, my brother and I visit cemeteries established by former Lutheran churches in western North Dakota to take aerial photos (with my drone) and document the care, condition, and ownership of the cemeteries.

When traveling across western North Dakota, we make every effort to stay in small town motels or B&Bs and to dine in small town restaurants. We are finding that, with every passing year, it is more difficult find a motel, B&B, or restaurant in small towns.

Also, when visiting small towns, we often observe abandoned commercial buildings on main street and abandoned homes in residential areas. Such buildings are an eyesore, are dangerous, and detract from the beauty of an otherwise charming community.

If Senate Bill 2097 is enacted, the State would be able to provide grants to replace abandoned buildings with new businesses or homes and provide open spaces for parks. The grants could also provide start-up money for new community businesses and nonprofits, such as B&Bs, restaurants, affordable housing, and grocery stores.

Accordingly, I urge this committee to vote a “do pass” recommendation on Senate Bill 2097.

Murray G. Sagsveen
1277 Eagle Crest Loop
Bismarck, ND 58503-8849
MGSagsveen@gmail.com
701-426-1905

Chairman Luick and Members of the Committee,

Thank you for the opportunity to speak on SB 2097. My name is Leslie Bieber. I currently sit on the North Dakota Community Foundation Board as a representative of education from the northwest. I am the Superintendent of Alexander School District in Alexander, ND. I am here to express my opposition to SB 2097 as currently written, while also voicing support for money going to the rural communities as I come from a city with a population of fewer than one thousand individuals. I am in opposition of unnecessary duplication with the existing resources and systems provided by the NDCF.

The North Dakota Community Foundation has already established a proven and effective framework for administering and supporting community-focused initiatives. The duplication of these efforts as proposed in SB 2097 creates inefficiencies and redirects valuable resources that could be better utilized in addressing unmet needs within our communities.

Instead of replicating what is already in place, I encourage the committee to consider amendments that focus on leveraging and strengthening the infrastructure and expertise of the North Dakota Community Foundation. By building on their existing systems, we can achieve the intent of this bill more effectively while avoiding redundancy.

I urge the committee to oppose SB 2097 ensuring a more streamlined and impactful use of resources for the benefit of North Dakota communities.

Thank you for your time and consideration. I will stand for any questions.



January 17, 2025

Senate Agriculture and Veterans Affairs Committee

SB 2097

Senator Luick, Chair

For the record, my name is Kory Peterson. I am appearing before you today on behalf of the North Dakota League of Cities, in full support of SB 2097.

This proposed bill provides incredible opportunities for rural North Dakota. Having been raised on a farm in North Dakota back in the 70's and 80's, I can remember some of the challenges we had back then with farming and local communities.

This bill provides an avenue for rural communities to work on essential services, help improve quality of life, and help address the housing shortage in our rural communities.

With communities needing to upgrade their aging infrastructure, this provides another avenue to help with the cost of replacement. For example, water and sewer systems have a usable life span and replacing/upgrading these systems have significant project costs.

Rural communities could use the funding for workforce development and retention. This is a huge concern throughout the state. This bill would allow an avenue for communities to work on a project to retain and attract talent to their communities.

Along with workforce issues, this bill would allow for communities to use these funds for childcare facilities, which the lack of is a known issue all over the state. Having access to a quality childcare facility is another way to help retain a workforce.

This bill has the potential to provide rural communities with the ability to improve concerns they are dealing with. The League of Cities fully supports SB2097.

Thank you.

Kory Peterson

To whom it may concern:

My name is Logan Staigle, I grew up in Center, North Dakota (581) and now reside in Turtle Lake, North Dakota (537). I am a business owner in Turtle Lake and am on the City of Turtle Lake's Economic Development Committee. This committee was recently formed, and we have worked as a group to put together a 5 year and a 10-year plan together for Turtle Lake. In the coming years we hope to rejuvenate and rebuild our main street and offer housing options for young families that are looking to be a part of our community.

Turtle Lake is an amazing small community. We have more amenities than most towns our size. We consist of a grocery store, drug store, hardware store, flower shop, 2 gas stations, 2 banks, coffee shop, insurance agency, insurance company, share exchange (thrift store), café, hospital, clinic, and multiple other small businesses. It is so nice to have these outlets, but it is getting more and more challenging for these businesses to keep their doors open.

In Turtle Lake we are facing multiple infrastructure issues with the businesses we have on Main Street. Most buildings on Main Street have been around since the town originated and are either deteriorating or are costing a small fortune to keep standing. With the SB 2097 this could help us help our businesses. With the rise in costs throughout the construction industry it is very difficult to rebuild or even renovate some of these spaces with the small amount of business that is done in these stores. Our community is very supportive but even with that our little businesses just can't sustain a \$800,000-\$1,000,000 building to keep operating.

The hope is to get some assistance for these businesses and with the help of their commitment we could possibly rebuild our community into the great community it once was. The SB 2097 would be a breath of fresh air to a community like ours and many more small towns in North Dakota just like the one that raised myself and many other North Dakota citizens. This state was built on rural communities, it is a shame to watch them slowly dwindle away. I ask to strongly consider approving this to help with the financial burden faced in these communities.

Thank you for your time on consideration of the matter! From your neighbors in Turtle Lake!



Senate Bill 2097 – Support
January 17, 2025
Senate Agriculture and Veterans Affairs
Janelle Moos, AARP ND- jmoos@aarpp.org

Chair Luick and Members of the House Government and Veterans Affairs Committee,

My name is Janelle Moos, Advocacy Director with AARP North Dakota. AARP is a nonpartisan, nonprofit, nationwide organization with nearly 38 million members. 83,000 of those members live in North Dakota.

North Dakota's population is aging. In 2020, 129,836 people in North Dakota were 65 and older, which was a 26% increase from 2010. Connecting with rural audiences is critical to AARP's local community engagement efforts. The dispersed population, vast needs, and operational complexities mean we need to be thoughtful about where and how we show up in communities.

AARP has made significant strides in how we engage rural communities. We have increased our local impact and visibility on access to broadband, disaster preparedness, fraud prevention, and other key issues that matter to rural audiences. Since 2017, roughly 40% of [AARP Community Challenge Grants](#) have been delivered in rural communities, with a total investment of \$7.1 million across 660 grants in rural areas, including 32 grants and \$283,486 throughout North Dakota.

There are a range of issues to work on in rural communities, however there are a few areas that are top priorities outlined in AARP's 2024 Rural Strategy Summary including:

- **Access to Health Care/Healthy Living:** Rural communities and the people who live there have inequities in access to quality health care. Rural communities represent two thirds of the shortage in primary care providers, the average rural person must drive two thirds longer to the hospital than a person in an urban area and rural hospitals are also facing financial crises, stretching this access challenge further. Telehealth can be a critical component to help increase access to providers
- **Broadband/High Speed Internet:** According to the FCC one in four people in rural areas do not have reliable internet access at a high speed. AARP has worked these issues through State and Local advocacy and federal efforts to increase access, improve affordability and more.

- Community Infrastructure (Transportation and Housing): On average a person will outlive their ability to drive by 10 years. This presents unique challenges in rural communities where there is lower service frequency and utilization of public transportation. In addition, rural towns have experienced increased prices in housing and constrained supply, along with aging housing stock.
- Fraud: Fraud is an important topic among our rural members and continues to be one of the top concerns and highest rated issues that our members engage on in rural areas.
- Disaster Preparedness and Response: Rural areas are at a disproportionate risk in experiencing and recovering from extreme weather events. This is due to a prevalence of events as well as a lack of resources and/or capacity to prepare and respond when disasters strike. AARP's work to help communities prepare for and recover from disasters can help us uniquely support rural places and our members who live there.

Connecting and investing in rural communities is critical. The rural endowment fund outlined in SB 2097, supports many of the same priorities AARP has, including improving the health, safety and independence of rural North Dakotans. We think this bill is an important step forward in helping older North Dakotans remain in their communities as they age, therefore, we urge you to support the bill.

Thank you.

Chairman Luick and members of the committee,

My name is Kristi Haugenoe, and I am the Executive Director of NW North Dakota Community Foundation. I am writing to express my strong support for Senate Bill 2097.

I have lived in Crosby for more than 35 years. Population 1,036. The establishment of a Rural Community Endowment Fund by the legislature will help ensure long-term sustainability as well as help business recruitment in our rural community. Like many small rural communities, there are many needs. Some of the needs in our community are housing, workforce development, infrastructure improvements, and strengthening our local economy. These needs often get put on hold or don't happen at all due to the lack of funding and the declining population.

Our small rural communities are the heart of North Dakota, and we want to keep it that way. We need your support. Please pass Senate Bill 2097.

Thank you for your time and consideration.

Kristi Haugenoe

Senator Tim Mathern
Senate District 11
Testimony for SB 2097

January 17, 2025

Agriculture and Veterans Affairs Committee
Chairman Luick and Committee Members,

My name is Tim Mathern, Senator from District 11. I am the prime sponsor of SB 2097. Though I represent our largest city, Fargo, in the legislature, my roots are in one of our smallest cities, Edgeley.

The proposed legislation establishes an endowment fund, and the earnings of the fund can provide grants to communities under 1000 population. The viability of our rural communities is important economically but more importantly to preserve the base of our value system. Rural North Dakota doesn't just grow corn and cattle. Hard work, self-resiliency, and cooperation with neighbors are values grown in rural North Dakota. We need more of these in our country. This bill supports this environment.

To those who question the appropriation, I remind you we gave \$50 million to one entity alone, the Teddy Roosevelt Presidential Library. This 50 serves hundreds of entities more. To those who question our overall budget I remind you we are in the best position we have ever been, noted not just from my 40 years of legislative service and seat on the Appropriations Committee, but also noted from the recent addresses of Governor Burgum and Governor Armstrong. All of you will be gone from the Legislature within 6 years. I encourage you to support this bill as your legacy example of stewarding our good fortune to create a bold initiative to preserve rural North Dakota forever. We are ripe to be bold and creative.

To those who say we already have organizations doing things to support rural North Dakota, I say support this bill as another tool to work with you to make a positive difference. We need more hands on the plow to prevent becoming the Buffalo Commons promoted by the famous Popper's scholarly article in 1987.

There are many here to testify to the details and I ask you to give them your attention.

I ask you for a Do Pass recommendation on SB 2097.

Thank you for your service to our state.



Contact:
Matt Perdue, Lobbyist
mperdue@ndfu.org | 701.641.3303

**Testimony of
Matt Perdue
North Dakota Farmers Union
Before the
Senate Agriculture and Veterans Affairs Committee
January 17, 2025**

Chairman Luick and members of the committee,

Thank you for the opportunity to testify on Senate Bill No. 2097. My name is Matt Perdue, and I am testifying on behalf of North Dakota Farmers Union's members. NDFU supports SB 2097.

During our most recent annual convention, our members adopted a list of priorities for this legislative session. Included in that list investments in childcare, rural food access, affordable housing, and rural economic development. Our members recognize that the future of agriculture is strongly connected to quality of life in rural communities. We strongly support investments in our rural communities.

SB 2097 establishes a Rural Community Endowment Fund to support communities with a population of fewer than 1,000 residents. Interest from the fund would be used to address housing, workforce, infrastructure, economic development and other community needs. The legislation requests a significant investment of \$50 million.

We recognize there are ongoing conversations about how to best invest in our rural communities. We do not have strong opinions on the best format or vehicle for these critical investments. We simply encourage the committee to focus on how we support rural North Dakota, not if we make that commitment.

We respectfully request a "Do Pass" recommendation on SB 2097. I will stand for any questions.

2025 SENATE STANDING COMMITTEE MINUTES

Agriculture and Veterans Affairs Committee

Fort Union Room, State Capitol

SB 2097
1/23/2025

A bill relating to the creation of a rural community endowment fund and a rural community endowment fund committee; to provide an appropriation for the rural community endowment fund; to provide for a transfer; and to provide for a report.

9:14 a.m. Chairman Luick opened the hearing.

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

Discussion Topics:

- Rural development council
- Appropriation concerns
- Other rural infrastructure bills
- Matching grant funds
- Economic development directors and grant writing ability
- Regional councils
- Investments, oversight, and accountability
- Smaller populations and larger towns

9:15 a.m. Senator Myrdal updated the committee on her findings on the funding and structure of this bill and answered committee questions.

9:26 a.m. Chairman Luick closed the hearing.

Audrey Oswald, Committee Clerk

2025 SENATE STANDING COMMITTEE MINUTES

Agriculture and Veterans Affairs Committee

Fort Union Room, State Capitol

SB 2097

2/7/2025

A bill relating to the creation of a rural community endowment fund and a rural community endowment fund committee; to provide an appropriation for the rural community endowment fund; to provide for a transfer; and to provide for a report.

2:47 p.m. Chairman Luick opened the hearing.

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

Discussion Topics:

- Additional rural funding bill
- Responsible appropriation
- Current funding and the ND Community Foundation

2:50 p.m. Senator Lemm moved a Do Not Pass.

2:50 p.m. Senator Myrdal seconded the motion.

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

Motion failed 2-4-0.

2:53 p.m. Senator Marcellais moved a Do Pass and Rerefer to Appropriations.

2:53 p.m. Senator Weston seconded the motion.

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

Motion passed 4-2-0.

2:54 p.m. Senator Marcellais will carry the bill.

2:54 p.m. Chairman Luick adjourned the meeting.

Audrey Oswald, Committee Clerk

REPORT OF STANDING COMMITTEE
SB 2097 ([25.0231.03000](#))

Agriculture and Veterans Affairs Committee (Sen. Luick, Chairman) recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (4 YEAS, 2 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). SB 2097 was rereferred to the **Appropriations Committee**. This bill does not affect workforce development.

2025 SENATE APPROPRIATIONS

SB 2097

2025 SENATE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Red River Room, State Capitol

SB 2097
2/12/2025

A BILL for an Act to create and enact a new section to chapter 54-60 of the North Dakota Century Code, relating to the creation of a rural community endowment fund and a rural community endowment fund committee; to provide an appropriation for the rural community endowment fund; to provide an appropriation to the department of commerce; to provide for a transfer; and to provide for a report.

3:02 p.m. Chairman Wanzek opened the meeting.

Members present: Chairman Wanzek, Vice-Chair Dwyer, Senator Burckhard, Senator Erbele, and Senator Sickler.

Discussion Topics:

- Rural communities / rural values
- Lack of sustainable funding sources
- Model: perpetual, self-sustaining
- Grant-making committee / process
- Local contributions

3:05 p.m. Senator Mathern, District 11, testified in favor.

3:09 p.m. Megan Langley, Founder and Executive Officer of Strengthen ND, testified in favor and submitted testimony #37476.

3:25 p.m. Sandra Larson, Engineer and Volunteer Grant Writer, City of Sheyenne, testified in favor.

3:30 p.m. Joanna Larson, City of Sheyenne, testified in favor.

3:31 p.m. Teran Doerr, Executive Director, Roosevelt Custer Regional Council, testified in favor.

3:43 p.m. Chairman Wanzek closed the meeting.

Carol Thompson, Committee Clerk

Chairman Wanzek and Members of the Committee,

I appreciate the opportunity to speak about SB 2097, a strategic and fiscally responsible investment in North Dakota's rural future. This bill establishes the Rural Community Endowment Fund, a \$50 million permanent fund designed to provide sustainable grantmaking to communities with populations under 1,000, ensuring long-term prosperity in the heart of our state.

SB 2097: A Strategic Investment in Rural North Dakota

- **Endowment Structure:** The principal of the Rural Community Endowment Fund is **permanent and untouchable**. Only earnings from the investment will be distributed for grantmaking, ensuring that this fund will provide lasting benefits year after year.
- **Immediate Support for Rural Communities:** While the endowment grows, \$5 million will be available immediately to start grantmaking efforts, jumpstarting rural development projects that would otherwise be left unfunded.
- **Responsible Oversight:** The fund will be managed by the **State Investment Board**, with a **nine-member, State-appointed grantmaking and advisory committee** overseeing distributions. A proven, state-based grantmaker will ensure funds are allocated effectively.
- **No Match Required:** Unlike many grant programs that require local matching dollars, SB 2097 ensures that even our smallest communities can access much-needed resources without additional financial strain.

The Need: North Dakota's Rural Population Deserves Long-Term Investment North Dakota's smallest communities are the backbone of our state, yet they often lack sustainable funding sources. There are **228,621 North Dakotans**—nearly **30% of our state's total population of 783,926**—who live in communities with fewer than 1,000 residents. SB 2097 provides a permanent solution to support these vital, yet often overlooked, rural communities.

How an Endowment Fund Works: Long-Term Impact, Not a One-Time Expense An endowment is **not an expense—it is an investment**. The principal remains intact forever, generating income that is reinvested into our communities. Assuming a **7% investment return**, **1.5% investment fees**, and a **4.5% distribution rate**, after 20 years, the Rural Community Endowment Fund will have:

- **Distributed over \$50 million** to rural communities,
- **Grown the fund to over \$60 million**, ensuring even greater impact for future generations.

This model ensures **perpetual, self-sustaining support** for North Dakota's rural communities without adding to the state's long-term financial obligations.

Key Benefits of SB 2097

- 1. Not a One-Time Expenditure – A Permanent Endowment** SB 2097 establishes a self-sustaining fund that will **generate grantmaking opportunities forever**, rather than being limited to a single budget cycle.
- 2. Diversifies North Dakota's Investment Portfolio** Instead of spending tax dollars once, SB 2097 reallocates State funds into an **investment vehicle that ensures continuous returns**, dedicated solely to rural development.
- 3. A Responsible, Strategic Use of State Resources** This is **not a new budget line item** or an added financial burden. It is a **more efficient use of existing State dollars**, ensuring long-term growth while maintaining fiscal responsibility.
- 4. Ensures Rural North Dakota's Financial Independence** SB 2097 eliminates the need for piecemeal, short-term appropriations, replacing them with a **permanent, reliable funding source** for rural communities.
- 5. Protects State Funds While Maximizing Impact** The endowment model **preserves the State's capital** while using investment earnings to support rural growth—a **fiscally conservative, forward-thinking approach**.

Conclusion: A Fiscally Responsible Commitment to Rural North Dakota

SB 2097 is **not a cost—it is an investment** in the people and communities that define our state's identity. By committing to this permanent endowment, North Dakota is ensuring that its smallest communities have the resources they need to thrive **now and for generations to come**.

I respectfully urge your support of SB 2097 as a **responsible, long-term investment** in our rural future, without increasing ongoing expenditures.

Thank you for your time and consideration.

Sincerely,

Megan Langley
Strengthen ND
(701) 303-0840
megan@strengthennd.com

2025 SENATE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Red River Room, State Capitol

SB 2097
2/14/2025

A BILL for an Act to create and enact a new section to chapter 54-60 of the North Dakota Century Code, relating to the creation of a rural community endowment fund and a rural community endowment fund committee; to provide an appropriation for the rural community endowment fund; to provide an appropriation to the department of commerce; to provide for a transfer; and to provide for a report.

10:44 a.m. Chairman Wanzek opened the hearing.

Members present: Chairman Wanzek, Vice-Chair Dwyer, Senator Burckhard, and Senator Sickler. Absent: Senator Erbele.

Discussion Topics:

- Change endowment amount
- Rural area needs

10:48 a.m. Senator Wanzek testified and submitted testimony #37732.

11:02 a.m. Senator Dwyer moved to Amend SB 2097 to reduce the 50 million to five million and to eliminate section three and look to SB 2390 as the granting vehicle.

11:04 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	A
Senator Jonathan Sickler	Y

Motion passed 4-0-1

11:06 a.m. Senator Dwyer moved a Do Pass as Amended for SB 2097.

11:06 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	A
Senator Jonathan Sickler	Y

Motion passed 4-0-1

Senator Burckhard will carry the bill.

11:09 a.m. Chairman Wanzek closed the meeting.

Carol Thompson, Committee Clerk

Flexible Funding for Small Towns: Comparison SB 2390 and SB 2097

February 2, 2025

[SB 2390 - Overview | North Dakota Legislative Branch](#) [SB 2097 - Overview | North Dakota Legislative Branch](#)

The first hearing is scheduled for Friday, February 7 at 11:15 a.m. before Senate Agriculture and Veterans Affairs Committee. Voting on SB 2097 has been held to hear SB 2390 and compare endowment vs. challenge grant and delivery mechanisms.

	SB 2390 Rural Catalyst / Challenge Grant	SB 2097 Rural Endowment Fund
Appropriation	<p>\$30 million</p> <p>Expected to be a four-year program providing grants ranging from \$10,000 to \$5 million. Will result in portfolio of statewide impacts and understanding of rural needs to later justify the need for an endowment fund. Responsive to a broad range of locally defined needs.</p>	<p>\$55 million</p> <p>Endowment would produce approximately \$2.5 million annually with up to \$250,000 for administration. If appropriations is reduced, less funding would be available annually.</p>
Delivery mechanism	<p>Integrates the eight regional councils – the state’s system to “<i>establish a consistent, comprehensive statewide policy for planning, economic development, program operations, coordination, and related cooperative activities of the state and local governmental units ...</i>” (NDCC 54.40.1)</p> <p>The regional councils are the boots on the ground supporting grassroots efforts as well as leading regional initiatives around workforce, housing, entrepreneurship. The regional councils are led by 202 local officials and community leaders from every county in the state. Each council has an average of 2.5 staff.</p> <p>HB 1524 also calls for state funding to enable more regional development staff, enabling higher impacts in small towns.</p>	<p>Provides an unnamed single nonprofit, presumably Strengthen ND, which does not have a statewide system or presence.</p>
Project development support and grant writing	<p>The regional councils have a 50-year history of “finding the money”. Experts in federal, state, regional, local, private funding – often linking multiple sources into one project.</p> <p>Regional Councils are experts in project development, grant writing, loan packaging, and more to individuals, communities,</p>	<p>Limited experience in public grant writing and stacking multiple sources of funds in a single project to solve root issues or achieve a maximum impact.</p>

	businesses, and established new programs by developing over 1,410 applications in the past five years yielding \$365 million in funds.	
Serves rural communities <div> <div>Total # Cities</div> <div>355</div> </div> <div> <div>Cities 5-1,000</div> <div>304</div> </div> <div> <div>Cities 1,001-8500</div> <div>40</div> </div> <div> <div>Cities 8,501+</div> <div>9</div> </div> <p>Note: Approximately half of the cities under 1,000 are under 100 people</p>	<p>Cities under 8,500</p> <p>The “Under 1,000 population” arbitrarily leaves out several small towns with slightly larger communities with comparable levels of resources. These slightly larger communities similarly lack flexible funding in key areas.</p> <p>Between 2019 and 2023, the RCs assisted with 1,410 successful funding applications, nearly half communities under 1,000 were impacted by these projects.</p>	<p>Cities under 1,000</p> <p>Limiting to communities under 1,000 creates a “missing middle” whereby other rural community of a slightly larger size with similar issues and resources levels do not have access.</p>
Grant management system	<p>The regional councils are experts in grant management and accountability and subjected to federal single audits annually.</p> <p>The regional councils have 50 years' experience in managing programs that have received federal, state, regional, local, and private funds and therefore apply prudent management practices that satisfy the smallest projects to the large, complex systems.</p> <p>The regional councils have also provided fiscal sponsorship and management for volunteer groups working to improve their community and require prudent fiscal management.</p> <p>This system and expertise would ensure accountability and accuracy in reporting.</p>	Limited experience in managing public funds.
How will funds be used?	Small towns often need help where there are no other sources available and/or funding requirements are a barrier for small-scale projects.	Has proposed to address broad large-scale complex issues such as public infrastructure and housing – duplicating other state program proposals and/or seeking to match state dollars with state dollars.

	<p>The Catalyst Fund proposes flexible funding for quality-of-life amenities, community and economic development, healthcare and education enhancements.</p> <p>There are other bills that address complex, costly issues such as housing and infrastructure and a growing awareness for the need for rural set asides with rural-friendly program rules – much due to input and advocacy by the regional councils.</p>	Demonstrates limited expertise in these areas or other available funding programs.
Leverage: Opportunity to incentivize philanthropy	<p>There is private wealth in ND.</p> <p>As a \$2 state grant matching \$1 nonstate funds, it requires more local conversations and planning as well as strengthening local ability to connect with local givers.</p> <p>The challenge grant would be a tool to leverage a portion of the \$380B generational wealth transfer (2005 ND Wealth Transfer Study and expectedly much greater today) and provide local opportunities for donor-advised investments and increasing giving to local and regional projects and initiatives.</p>	Does not consider system approach and fails to take advantage to leverage philanthropy.
“Skin in the game”	<p>The challenge grant requires match.</p> <p>Match would be flexible and waivable on a case-by-case basis. Match can be cash or in-kind donations or hours.</p> <p>Proposed projects can be opportunities to support boarder community building.</p>	Assumes no match is possible.
Grant Committee	<p>Grassroots appointments by integrating regional councils to appoint two rural people from each of the eight regions = 16 rural residents.</p> <p>A grassroots approach strengthened with a legislator, Governor (or designee) as chair, and Commerce Department.</p> <p>This approach will serve as an educational tool on rural needs, the gaps in the system, how funding could be leveraged well for larger projects, and demonstrate the need for the program.</p>	<p>Led by a single nonprofit without a statewide system.</p> <p>Commissioner + nine rural residents appointed by the Commissioner.</p>

2025 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2097
2/17/2025

A BILL for an Act to create and enact a new section to chapter 54-60 of the North Dakota Century Code, relating to the creation of a rural community endowment fund and a rural community endowment fund committee; to provide an appropriation for the rural community endowment fund; to provide an appropriation to the department of commerce; to provide for a transfer; and to provide for a report.

3:49 p.m. Chairman Bekkedahl opened the hearing.

Members Present: Chairman Bekkedahl, Vice-Chairman Erbele, and Senators Burckhard, Cleary, Conley, Davison, Dever, Dwyer, Magrum, Mathern, Schaible, Sorvaag, Thomas, Wanzek.

Members Absent: Senators Meyer, Sickler.

Discussion Topics:

- Reasons for Establishment of Endowment Fund
- Regional Councils

3:50 p.m. Senator Burckhard introduced the bill.

3:51 p.m. Senator Burckhard moved amendment LC 25.0231.03001, testimony #37919.

3:51 p.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	N
Senator Tim Mathern	N
Senator Scott Meyer	A
Senator Donald Schaible	Y
Senator Jonathan Sickler	A
Senator Ronald Sorvaag	Y
Senator Paul J. Thomas	Y
Senator Terry M. Wanzek	Y

Motion Passed 12-2-2.

3:59 p.m. Senator Burckhard moved a Do Pass as Amended.

3:59 p.m. Senator Wanzek seconded the motion.

Senators	Vote
Senator Brad Bekkedahl	Y
Senator Robert Erbele	Y
Senator Randy A. Burckhard	Y
Senator Sean Cleary	N
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	A
Senator Donald Schaible	Y
Senator Jonathan Sickler	A
Senator Ronald Sorvaag	Y
Senator Paul J. Thomas	Y
Senator Terry M. Wanzek	Y

Motion Passed 13-1-2.

Senator Burckhard will carry the bill.

4:01 p.m. Chairman Bekkedahl adjourned the meeting.

Elizabeth Reiten, Committee Clerk

February 14, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

SENATE BILL NO. 2097

Introduced by

Senators Mathern, Wanzek

Representative Brandenburg

2-17-25

JB 1083

1 A BILL for an Act to create and enact a new section to chapter 54-60 of the North Dakota
2 Century Code, relating to the creation of a rural community endowment fund and a rural
3 community endowment fund committee; to provide an appropriation for the rural community
4 endowment fund; ~~to provide an appropriation to the department of commerce;~~ to provide for a
5 transfer; and to provide for a report.

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

7 **SECTION 1.** A new section to chapter 54-60 of the North Dakota Century Code is created
8 and enacted as follows:

9 **Rural community endowment fund - Rural community endowment fund committee -**

10 **Purpose - Limitations - Report.**

- 11 1. There is created in the state treasury a special fund known as the rural community
12 endowment fund, which is a permanent endowment fund under the administration of
13 the department.
- 14 2. The rural community endowment fund consists of any moneys transferred to the fund
15 by the legislative assembly and any gifts, donations, or bequests received by the
16 department for purposes identified in this section. The principal of the fund may not be
17 expended. The department shall determine if any gifts, donations, or bequests
18 provided for deposit in the fund are considered permanent in nature and to be

- 1 dedicated as principal of the fund in perpetuity or for a term of years, in which case
2 only the income earned as a result of the investment of those funds may be expended.
- 3 3. Investment of the rural community endowment fund must be under the supervision of
4 the state investment board in accordance with chapter 21-10. Interest earned on
5 moneys in the fund must be credited to the fund, which may be spent by the
6 department, pursuant to legislative appropriations, for providing grants in accordance
7 with this section to rural communities in the state to support, create, or improve local
8 housing, workforce, business recruitment and commerce, infrastructure, or other
9 community needs. Funding may not be provided for operating funds of a local entity.
- 10 4. The commissioner shall appoint a rural community endowment fund committee
11 consisting of the commissioner, nine individuals residing in rural communities, and a
12 representative of a nonprofit organization dedicated to supporting housing initiatives,
13 social and cultural events, and small businesses in rural communities of the state. Of
14 the nine individuals residing in rural communities, five individuals must be appointed
15 for a term of two years and four individuals must be appointed for an initial term of
16 one year. Thereafter, the four individuals must be appointed for two-year terms. Terms
17 shall commence on September first of the year of appointment. The commissioner
18 shall serve as the chairman of the committee.
- 19 5. The rural community endowment fund committee shall award grants from the rural
20 community endowment fund. When awarding grants from the fund, the committee
21 shall prioritize projects that support the long-term prosperity, independence, safety,
22 health, and quality of life of rural communities and their citizens. The committee shall
23 determine funding application and evaluation processes, including grant award
24 amounts and recipients, priority of projects, and evaluation criteria of approved
25 projects.
- 26 6. The department shall contract with a nonprofit organization dedicated to supporting
27 housing initiatives, social and cultural events, and small businesses in rural
28 communities in the state to assist the department in administering the rural community
29 endowment fund and provide recommendations to the rural community endowment
30 fund committee related to funding, awards, projects, and other purposes. The

department may expend up to ten percent of funding available for distribution in the rural community endowment fund for costs of administering the program.

7. For purposes of this section, "rural community" means a city with a population of fewer than one thousand individuals as determined by the most recent decennial census.

8. Before July first of each year, the department shall report to the legislative management regarding the status of the rural community endowment fund, use of funding, and program results. The department shall provide an additional status report to each appropriations committee during regular legislative sessions.

SECTION 2. APPROPRIATION - TRANSFER TO RURAL COMMUNITY ENDOWMENT

FUND. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of ~~\$50,000,000~~ \$5,000,000, which the office of management and budget shall transfer to the rural community endowment fund, during the biennium beginning July 1, 2025, and ending June 30, 2027.

~~**SECTION 3. APPROPRIATION - DEPARTMENT OF COMMERCE - RURAL COMMUNITY ENDOWMENT GRANTS.** There is appropriated out of any moneys in the rural community endowment fund in the state treasury, not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary, to the department of commerce for the purpose of awarding rural community endowment grants and for administering the program in accordance with provisions of section 1 of this Act, for the biennium beginning July 1, 2025, and ending June 30, 2027.~~

**REPORT OF STANDING COMMITTEE
SB 2097**

Appropriations Committee (Sen. Bekkedahl, Chairman) recommends **AMENDMENTS** ([25.0231.03001](#)) and when so amended, recommends **DO PASS** (13 YEAS, 1 NAY, 2 ABSENT OR EXCUSED AND NOT VOTING). SB 2097 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

25.0231.03001
Title.

Prepared by the Legislative Council
staff for Senate Appropriations -
Government Operations Division
Committee

February 14, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

SENATE BILL NO. 2097

Introduced by

Senators Mathern, Wanzek

Representative Brandenburg

1 A BILL for an Act to create and enact a new section to chapter 54-60 of the North Dakota
2 Century Code, relating to the creation of a rural community endowment fund and a rural
3 community endowment fund committee; to provide an appropriation for the rural community
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5 transfer; and to provide for a report.

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17 expended. The department shall determine if any gifts, donations, or bequests
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- 1 dedicated as principal of the fund in perpetuity or for a term of years, in which case
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- 3 3. Investment of the rural community endowment fund must be under the supervision of
4 the state investment board in accordance with chapter 21-10. Interest earned on
5 moneys in the fund must be credited to the fund, which may be spent by the
6 department, pursuant to legislative appropriations, for providing grants in accordance
7 with this section to rural communities in the state to support, create, or improve local
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16 one year. Thereafter, the four individuals must be appointed for two-year terms. Terms
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22 health, and quality of life of rural communities and their citizens. The committee shall
23 determine funding application and evaluation processes, including grant award
24 amounts and recipients, priority of projects, and evaluation criteria of approved
25 projects.
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27 housing initiatives, social and cultural events, and small businesses in rural
28 communities in the state to assist the department in administering the rural community
29 endowment fund and provide recommendations to the rural community endowment
30 fund committee related to funding, awards, projects, and other purposes. The

1 department may expend up to ten percent of funding available for distribution in the
2 rural community endowment fund for costs of administering the program.

3 7. For purposes of this section, "rural community" means a city with a population of fewer
4 than one thousand individuals as determined by the most recent decennial census.

5 8. Before July first of each year, the department shall report to the legislative
6 management regarding the status of the rural community endowment fund, use of
7 funding, and program results. The department shall provide an additional status report
8 to each appropriations committee during regular legislative sessions.

9 **SECTION 2. APPROPRIATION - TRANSFER TO RURAL COMMUNITY ENDOWMENT**

10 **FUND.** There is appropriated out of any moneys in the general fund in the state treasury, not
11 otherwise appropriated, the sum of ~~\$50,000,000~~\$5,000,000, which the office of management
12 and budget shall transfer to the rural community endowment fund, during the biennium
13 beginning July 1, 2025, and ending June 30, 2027.

14 ~~—SECTION 3. APPROPRIATION - DEPARTMENT OF COMMERCE - RURAL COMMUNITY~~
15 ~~ENDOWMENT GRANTS. There is appropriated out of any moneys in the rural community~~
16 ~~endowment fund in the state treasury, not otherwise appropriated, the sum of \$5,000,000, or so~~
17 ~~much of the sum as may be necessary, to the department of commerce for the purpose of~~
18 ~~awarding rural community endowment grants and for administering the program in accordance~~
19 ~~with provisions of section 1 of this Act, for the biennium beginning July 1, 2025, and ending~~
20 ~~June 30, 2027.~~

2025 HOUSE POLITICAL SUBDIVISIONS

SB 2097

2025 HOUSE STANDING COMMITTEE MINUTES

Political Subdivisions Committee Room JW327B, State Capitol

SB 2097
3/7/2025

Relating to the creation of a rural community endowment fund and a rural community endowment fund committee; to provide an appropriation for the rural community endowment fund; to provide for a transfer; and to provide for a report.

8:58 a.m. Chairman Longmuir opened the hearing.

Members Present: Chairman Longmuir, Vice-Chairman Fegley, Vice-Chairman Jonas, Representatives Bolinske, Davis, Hager, Hatlestad, Heilman, Klemin, Motschenbacher, Toman, Warrey

Members Absent: Representative Ostlie

Discussion Topics:

- North Dakota grant programs
- Effectiveness of state and federal funded tax and grant programs

8:59 a.m. Representative Mike Brandenburg, North Dakota Representative for District 28, introduced the bill.

9:08 a.m. Senator Tim Mathern, North Dakota Senator for District 11, testified in favor and provided testimony #39526.

9:16 a.m. Senator Terry Wanzek, North Dakota Senator for District 29, testified in favor.

9:21 a.m. Megan Langley, Executive Director of Strengthen ND, testified in favor and provided testimony #39455, #39528.

9:29 a.m. Dawn Mandt, Executive Director of North Dakota Association of Regional Councils, testified in favor and provided testimony #39410.

9:44 a.m. Kenny Rogers, Chairman of the Strengthen North Dakota Board, testified in favor and provided testimony #39537.

9:53 a.m. Teran Doerr, Economic Development Association of North Dakota, testified in favor and provided testimony #39370.

9:56 a.m. Dannielle Mickelson, Director Economic Development at Rolla Job Development Authority, testified in favor.

10:02 a.m. Kory Peterson, North Dakota League of Cities, testified in favor and provided testimony #39417.

10:06 a.m. Matt Perdue, Government Relations Director of North Dakota Farmers Union, testified in favor and provided testimony #39500.

Additional written testimony:

Melissa Hauer, General Counsel for North Dakota Hospital Association, submitted testimony in favor #39062

Sandra Larson, Volunteer, submitted testimony in favor #39078

Ann Fritz, Bismarck, North Dakota, submitted testimony in favor #39115

Janelle Moos, Associate State Director Advocacy for AARP ND, submitted testimony in favor #39209

Patti Larson, Community Development Volunteer for Sheyenne GRIT, submitted testimony in favor #39379

Sandra Tibke, Executive Director of Foundation for a Healthy North Dakota, submitted testimony in favor #39400

Thomas Graner, Pastor at St. Francis Xavier Catholic Church, submitted testimony in favor #39428

Rachel Laqua, President of North Dakota Planning Association, submitted testimony in favor #39453

Ellen Huber, Rural Development Director of North Dakota Association of Rural Electric Cooperatives, submitted testimony in favor #39516

10:09 a.m. Chairman Longmuir closed the hearing.

Wyatt Armstrong, Committee Clerk



2025 SB 2097
House Political Subdivisions Committee
Representative Donald Longmuir, Chairman
March 7, 2025

Chairman Longmuir and members of the House Political Subdivisions Committee, I am Melissa Hauer, General Counsel/VP of the North Dakota Hospital Association (NDHA). I testify in support of Senate Bill 2097 and ask that you give the bill a **Do Pass** recommendation.

Hospitals support the creation of a rural community endowment fund for rural communities in our state to support, create, or improve local housing, workforce, business recruitment and commerce, infrastructure, or other community needs. We especially appreciate that the bill prioritizes projects that support the long-term prosperity, independence, safety, health, and quality of life of rural communities and their citizens.

In rural communities, hospitals are especially important to the long-term health and economic viability of a community. Hospitals provide crucial access to health care services like emergency and primary care and also are often the primary employer and economic driver for the area, generating jobs and supporting local businesses by providing essential medical services that might not be available otherwise. This presence includes benefits like improved access to health care, economic stability, and community health initiatives addressing social determinants of health like housing and nutrition.

The bill provides that funds are available for rural communities with a population of fewer than one thousand individuals. There are a number of hospitals located in cities of that size. We envision that the funds could be used creatively by these communities to drive positive change in areas such as workforce development, affordable housing, and increasing childcare options – all of which are critical to hospitals and other businesses to attract workforce in order to operate and provide services. Investing in such critical infrastructure could also stimulate economic development through the indirect effects of such investment and resulting growth in rural communities. An endowment fund such as

the one in the bill would ensure that funds are available for rural community development into the future. We see this fund as being able to support creative, locally developed, tailored investment in the health of entire rural communities.

In summary, we thank you for your support of the rural areas of our state and ask that you give the bill a **Do Pass** recommendation. Thank you.

Respectfully Submitted,

Melissa Hauer, General Counsel/VP
North Dakota Hospital Association

Dear Chairman and members of the committee.

My name is Sandra Larson, and I am proud to be from Sheyenne, a town of 178 people in District 14. As an engineer, I spend my limited free time volunteering as a grant writer for Sheyenne. I am strongly in favor of SB 2097 and am asking for you to please consider a do pass.

SB 2097 is great because it's a **one-time appropriation to create a self-sustaining endowment**. If you invest these existing state funds, they will grow over time and always be there. Rural communities need this reliable source of funding.

This endowment fund is one of a kind. Recent rural grants through the Department of Commerce have been offered to cities of 10,000 or less. Towns like Sheyenne are competing against cities like Devils Lake, who have paid grant writers. SB 2097 levels the playing field. The **no match** requirement is a huge benefit. My whole life I've watched volunteers put in hours working fundraisers, dinners, and bake sales, only to raise a few hundred dollars at a time. Grants with match requirements just aren't accessible. With a grant committee made up of rural folks and legislators, there will be fair **oversight**.

In rural ND, we know how to stretch a dollar and support our local businesses. Sheyenne was the recipient of a grant where 93% of the funds went to carpenters, contractors, and businesses located in Eddy County.

Sheyenne is a success story where one grant brought down roadblocks and gave us momentum. Our community is on the path to revitalization. The SB 2097 endowment fund will make this possible for communities across the state.

Thank you for supporting rural North Dakota.

Sincerely,

Sandra Larson
701-399-6203
sandrajlarsen7@gmail.com
Sheyenne, ND 58374

March 5, 2025

Representative Chairman Longmuir, Vice Chair Representative Fegley and members of the House Political Subdivision Committee,

My name is Ann Fritz and I am a resident of Bismarck. Last month, I watched the testimony and discussion around SB 2097 in the Senate with interest. I now am pleased to see that this bill has moved to the House. **I urge you to recommend a DO PASS for SB 2097. The small towns and communities themselves have testified in favor of this bill.** This bill is not duplicative funding nor is it too broad - it addresses gaps in the current system, providing an endowment fund that will provide grantmaking dollars for the backbone communities in North Dakota.

For me, even though I live in Bismarck, my husband and I like to travel throughout the state, camping, hiking, biking and being tourists in our great state. I have realized that what benefits rural communities' benefits **all** of us. To know that the small communities can continue to improve their roads, get the help they need for clean water and the ability and expertise to ensure garbage and wastes are treated properly, have a cafe, a city park, and other amenities that the community desires - this speaks well for the entire state.

Thank you for your careful consideration of this bill, and all the bills that are before the House Political Subdivision Committee. I really do appreciate it.

With Gratitude,

Ann Fritz

Bismarck, ND



Senate Bill 2097 – Support
March 7, 2025
House Political Subdivisions
Janelle Moos, AARP ND- jmoos@aarp.org

Chair Longmuir and Members of the House Government and Veterans Affairs Committee,

My name is Janelle Moos, Advocacy Director with AARP North Dakota. AARP is a nonpartisan, nonprofit, nationwide organization with nearly 38 million members. 83,000 of those members live in North Dakota.

North Dakota's population is aging. In 2020, 129,836 people in North Dakota were 65 and older, which was a 26% increase from 2010. Connecting with rural audiences is critical to AARP's local community engagement efforts. The dispersed population, vast needs, and operational complexities mean we need to be thoughtful about where and how we show up in communities.

AARP has made significant strides in how we engage rural communities. We have increased our local impact and visibility on access to broadband, disaster preparedness, fraud prevention, and other key issues that matter to rural audiences. Since 2017, roughly 40% of [AARP Community Challenge Grants](#) have been delivered in rural communities, with a total investment of \$7.1 million across 660 grants in rural areas, including 32 grants and \$283,486 throughout North Dakota.

There are a range of issues to work on in rural communities, however there are a few areas that are top priorities outlined in AARP's 2024 Rural Strategy Summary including:

- **Access to Health Care/Healthy Living:** Rural communities and the people who live there have inequities in access to quality health care. Rural communities represent two thirds of the shortage in primary care providers, the average rural person must drive two thirds longer to the hospital than a person in an urban area and rural hospitals are also facing financial crises, stretching this access challenge further. Telehealth can be a critical component to help increase access to providers
- **Broadband/High Speed Internet:** According to the FCC one in four people in rural areas do not have reliable internet access at a high speed. AARP has worked these issues through State and Local advocacy and federal efforts to increase access, improve affordability and more.

- Community Infrastructure (Transportation and Housing): On average a person will outlive their ability to drive by 10 years. This presents unique challenges in rural communities where there is lower service frequency and utilization of public transportation. In addition, rural towns have experienced increased prices in housing and constrained supply, along with aging housing stock.
- Fraud: Fraud is an important topic among our rural members and continues to be one of the top concerns and highest rated issues that our members engage on in rural areas.
- Disaster Preparedness and Response: Rural areas are at a disproportionate risk in experiencing and recovering from extreme weather events. This is due to a prevalence of events as well as a lack of resources and/or capacity to prepare and respond when disasters strike. AARP's work to help communities prepare for and recover from disasters can help us uniquely support rural places and our members who live there.

Connecting and investing in rural communities is critical. The rural endowment fund outlined in SB 2097, supports many of the same priorities AARP has, including improving the health, safety and independence of rural North Dakotans. We think this bill is an important step forward in helping older North Dakotans remain in their communities as they age, therefore, we urge you to support the bill.

Thank you.



PO Box 1091 • Bismarck, ND 58502

701-355-4458 • www.ednd.org

Testimony of Teran Doerr
Economic Development Association of North Dakota
In Support of SB 2097
March 7, 2025

Chairman Longmuir and Members of the Committee,

My name is Teran Doerr, and I serve as the Executive Director of Roosevelt Custer Regional Council. I also have the privilege of serving as President of the Economic Development Association of North Dakota (EDND), which represents economic development professionals across our state who are committed to strengthening communities, growing our economy, and improving the quality of life in North Dakota.

First, I want to express my appreciation for the legislature's ongoing efforts to support rural communities this session. The rural set-asides and funding initiatives being considered demonstrate a strong commitment to ensuring the long-term sustainability of our small towns. SB 2097 is a critical step toward addressing the financial challenges many rural communities face.

However, while we fully support the intent of SB 2097, we believe it can be strengthened with targeted amendments.

Expand the Definition of Eligible Communities – The bill currently limits eligibility to communities with a population of fewer than 1,000 residents. While we recognize the importance of prioritizing the smallest communities, this threshold is too restrictive. Communities with populations of up to 5,000 or even 8,500 residents face many of the same challenges, struggling to maintain schools, hospitals, workforce housing, and infrastructure. This could be amended in Section 1, subsection 7. Given that this fund is designed to be a long-term endowment, limiting eligibility in this way may hinder its overall effectiveness in sustaining rural North Dakota. We understand that many of these communities do not have paid economic development or chamber staff, but even in communities over the threshold, these staff members wear multiple hats, often representing multiple communities.

Preserve SB 2097 as a Rural Endowment Fund Without Establishing a Separate Structure - SB 2097 and SB 2390, the Rural Catalyst Grant Program, complement each other by addressing both the long-term financial sustainability of rural communities and immediate funding needs for projects. SB 2097 provides a permanent funding source that ensures rural communities have access to sustained investment over time, while SB 2390 offers a framework for distributing project-specific grants in areas like workforce, economic development, and community enhancement.

Rather than creating a new board and administrative structure, the funding from SB 2097 should be managed within existing state and regional structures that are already equipped to administer rural investments. This could be amended in Section 1, subsections 5 and 6. This approach avoids duplication, reduces administrative overhead, and ensures funding is deployed efficiently. By aligning SB 2097 with established mechanisms, we can create a cohesive strategy that strengthens rural North Dakota without adding unnecessary complexity.

Implement a Matching Requirement – To ensure projects have strong local buy-in and are well-developed, we support adding a matching funds requirement. While we recognize that smaller communities may struggle with cash matches, in-kind contributions should be considered as an alternative. This could be amended in Section 1, subsection 5 or 6. Additionally, flexibility should be granted to allow waivers in specific cases where community support is evident but financial contributions may be difficult.

I urge the committee to consider these changes to strengthen SB 2097 and ensure that more rural communities have access to the resources they need for long-term success. Thank you for your time and for your dedication to rural North Dakota. I am happy to answer any questions you may have.

SB 2097

House Political Subdivisions Committee

Chairman Longmuir, and committee members,

I'm Patti Larson, Community volunteer from Sheyenne ND. I'm excited about the growth opportunity we are experiencing after a couple of housing projects, that truly have restored hope in our town! I support SB 2097.

Do you like to work with people who are civic minded, well rounded, creative problem solvers, with a strong work ethic?

Do you value efficient use of infrastructure already in place?

Do you appreciate a high return on investment?

These are 3 good reasons why you should vote yes on SB2097 to put our money in an endowment fund for rural communities across the state.

Volunteers and community leaders are willing to do the work if you create a reliable funding source, so money is available when needs arise.

Please invest in us, we will prove you right!

Patti Larson

Sheyenne ND A great place to live, work, and raise our family.

**SB 2097****House Political Subdivisions****March 7th, 2025 | 9:00 a.m.**

Good morning, Chairman Longmuir of the Political Subdivisions Committee. My name is Sandy Tibke. On behalf of the Foundation for a Healthy North Dakota, I am writing to express our strong support for Senate Bill No. 2097, establishing a Rural Community Endowment Fund to support North Dakota's rural communities.

The Foundation for a Healthy North Dakota is dedicated to improving the health and well-being of all North Dakotans, with a particular focus on underserved rural areas. We believe that thriving rural communities are essential to the overall health of our state, and SB 2097 represents a significant investment in ensuring the long-term prosperity of these vital communities.

We are particularly supportive of the following aspects of the bill:

- The creation of a permanent endowment fund that will provide sustainable support for rural communities with populations under 1,000 residents
- The focus on critical needs, including housing, workforce development, business recruitment, infrastructure, and other community needs
- The establishment of a diverse committee to oversee grant awards, ensuring that funding decisions are made with input from rural community residents
- Partnering with nonprofit organizations that have expertise in rural community development

Rural communities in North Dakota face unique challenges, including aging infrastructure, limited housing options, healthcare access issues, and workforce shortages. The Rural Community Endowment Fund would provide a dedicated source of funding to address these challenges and help rural communities build capacity for long-term sustainability.

We believe that the \$5,000,000 appropriation proposed in this bill represents a wise investment in our state's future. By establishing a permanent endowment, the impact of these funds will be multiplied over time, creating lasting benefits for generations of North Dakotans.

The Foundation for a Healthy North Dakota stands ready to collaborate with the state and other partners to ensure the success of this important initiative. We urge you to support Senate Bill No. 2097 and make this critical investment in the health and vitality of our rural communities.



Testimony of Dawn Mandt

Support of SB 2097 – With Amendments

To the House Political Subdivisions Committee

Friday, March 7, 2025

Good morning Rep. Longmuir and members of the Committee. My name is Dawn Mandt, and I live in Grafton. I'm the executive director of the Red River Regional Council and have been working in rural development in North Dakota since 1992. I also serve as chair of the ND Association of Regional Councils, which has helped communities across the state for 50 years.

In the mid-1970s, the legislature called for the establishment of eight regional councils to provide a cohesive planning and development approach statewide and tackle challenges that extend beyond individual communities. Regional councils are experts in securing funding and supporting local and regional projects and are the backbone of rural development.

In the past five years, we have ...

- Helped communities, businesses, and volunteers with 1,410 funding requests that secured nearly **\$365 million** for projects.
 - These projects include childcare centers, new housing and fixing older homes, business expansion, grocery stores, infrastructure improvements, and launched regional rural workforce and tourism initiatives.
 - Our work has impacted **every county** in North Dakota, especially in small towns with half of the cities under 1,000 as beneficiaries of our recent efforts.
- Convened nearly 6,000 people at 411 public forums and planning sessions – discussing the future of our regions.
- Created 55 development plans.
- Our impact report is attached to this testimony for your reference.

We have our fingers on the pulse of rural North Dakota.

We see firsthand the unmet needs of rural communities, especially when funding doesn't align with local projects. To help, we proposed **SB 2390 – the Rural Catalyst Challenge Grant Program**, which would match **\$2 in state funds for every \$1 in local funds** to improve quality of life in communities under 8,500 people. The Senate reduced our original request of **\$30 million to \$5 million** but supported the program's structure. This bill is before your committee next week.

We also support creating a **rural community endowment fund** that can grow over time.

For **SB 2097**, we suggest the following amendments:

1. Raising the eligible population limit from **1,000 to 5,000 or 8,500** to avoid leaving out 41 mid-sized rural communities such as Stanley, Casselton, Rolla, Washburn, Mayville, New Rockford, and Park River.
 - i) The 1,000-person threshold creates **“missing middle”** with slightly larger populations and very similar needs and abilities without access to this pool.
 - ii) These 1,000+ person cities are often home to many of the healthcare, grocery, childcare, and other basic services the smaller towns rely upon.
 - iii) Half of the 307 cities under 1,000 are less than 100 people.
2. Removing Sections 4, 5, and 6, as grantmaking which was removed from SB 2097 by the Senate with favor for **SB 2390** for this purpose.

SB 2390 is a pilot program to show the **impact of flexible rural funding in address current and future needs**. We ask for your support in making it a reality.

Thank you!

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

REGIONAL COUNCILS *Sparking development, strengthening community.*

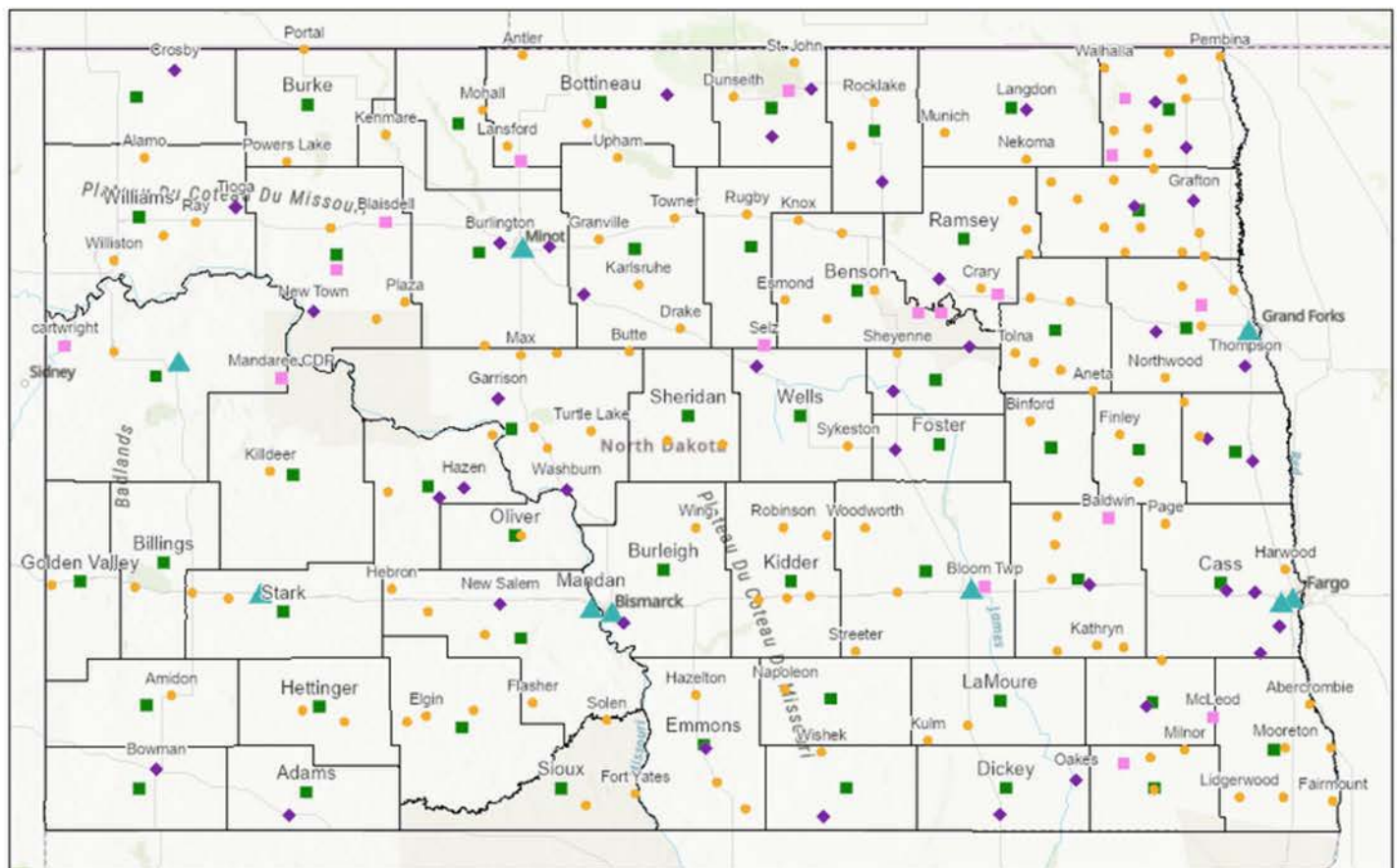
REGIONAL COUNCILS ARE A CORNERSTONE OF THE STATE'S ECONOMIC RENAISSANCE AND COMMUNITY REVITALIZATION. HERE'S A GLIMPSE INTO THE TRANSFORMATIVE IMPACT



- 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

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**

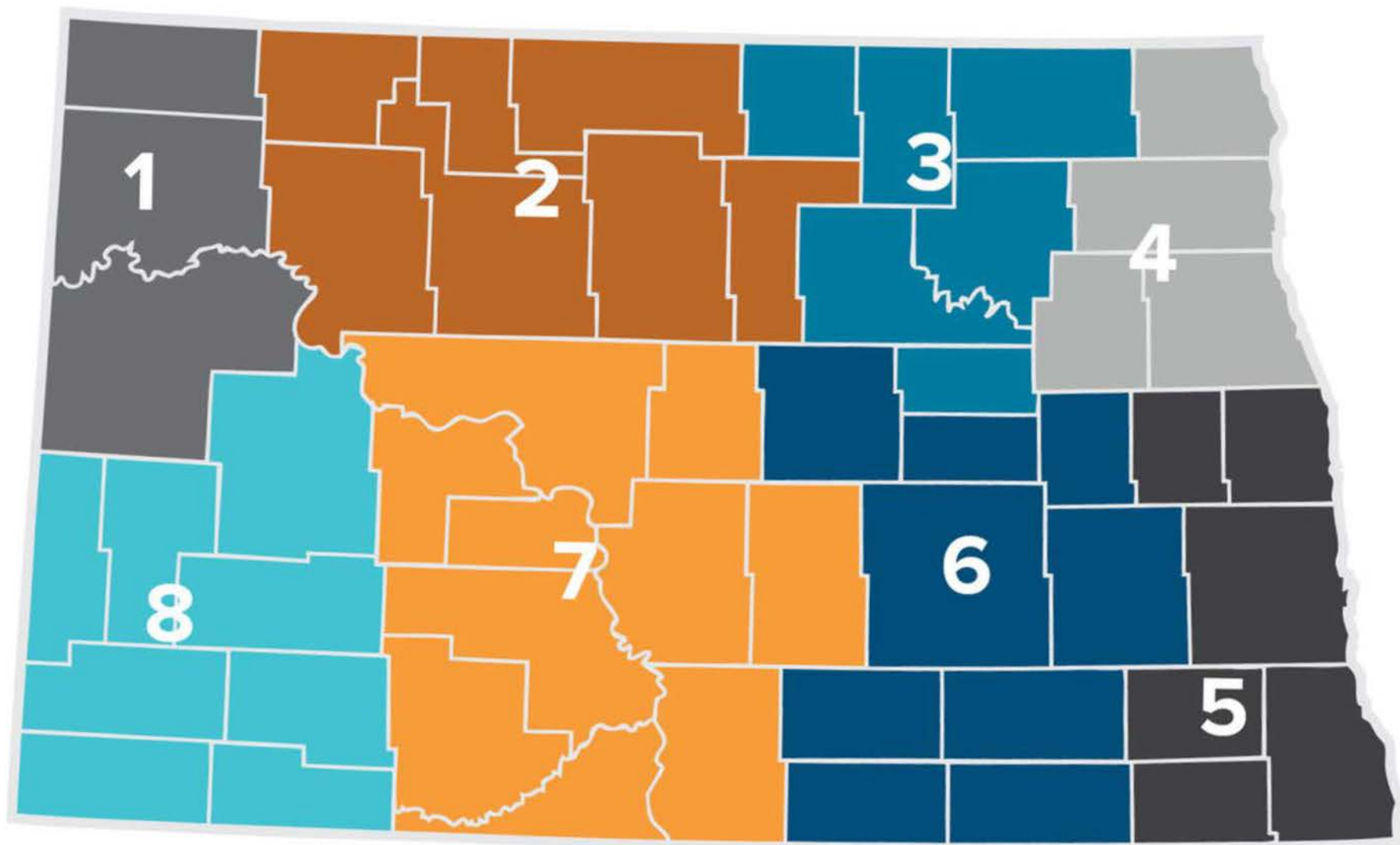
REGIONAL COUNCILS REVOLUTIONIZING RURAL COMMUNITIES

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



March 7, 2025

House Political Subdivisions

SB 2097

Representative Longmuir, Chair

For the record, my name is Kory Peterson. I am appearing before you today on behalf of the North Dakota League of Cities, in full support of SB 2097.

This proposed bill provides incredible opportunities for rural North Dakota. Having been raised on a farm in North Dakota back in the 70's and 80's, I can remember some of the challenges we had back then with farming and local communities.

This bill provides an avenue for rural communities to work on essential services, help improve quality of life, and help address the housing shortage in our rural communities.

With communities needing to upgrade their aging infrastructure, this provides another avenue to help with the cost of replacement. For example, water and sewer systems have a usable life span and replacing/upgrading these systems have significant project costs.

Rural communities could use the funding for workforce development and retention. This is a huge concern throughout the state. This bill would allow an avenue for communities to work on a project to retain and attract talent to their communities.

Along with workforce issues, this bill would allow for communities to use these funds for childcare facilities, which the lack of is a known issue all over the state. Having access to a quality childcare facility is another way to help retain a workforce.

This bill has the potential to provide rural communities with the ability to improve the concerns they are dealing with. The League of Cities fully supports SB2097.

Thank you.

Kory Peterson

March 6, 2025

Members of the Political Subdivisions Committee of the North Dakota House of Representatives

What dreams do you have for your time as a legislator? Whether they be modest or grand, I'm glad you have the opportunity to dream. I hope other legislators who will pass judgement on Senate Bill 2097 will take a moment to reflect on their dreams as well.

As a lifelong resident of North Dakota, a graduate of Garrison High School and the University of North Dakota, I urge you to support this legislation that will invite rural communities to pursue their dreams. As a rural priest-pastor, currently serving Catholic parishes in McClusky, Drake, and Anamoose, I see too many dreams die too quickly in our small communities, when we dare to dream at all.

The opportunity provided by the proposed Rural Community Endowment Fund can spread the power of dreams and hope across small communities around the state. Financial challenges are too often the hurdle that so many of us can't get past to put forth the effort to work to make our dreams a reality.

Portions of North Dakota are enjoying a prosperity not experienced in many years. Our larger communities are busting at the seams, those in the Bakken region have benefitted immensely from local philanthropy while they have dealt with the challenges of development. It's time to share a little of the prosperity with more of our small rural communities. A modest fund to support the dreams of small towns would be an act of hope on your part as our lawmakers and overseers of North Dakota's financial resources.

I see the kinds of ideas the Busch Foundation is advancing through the work of Stengthen ND. I've been on the receiving end of a couple of their grants. I've met with other grant recipients and the energy in the room as we discuss our projects, challenges, and opportunities is inspiring. And some things are getting accomplished! I hope the State of North Dakota will promote that kind of hope among our rural communities. The Rural Community Endowment Fund can support that hope. I encourage you to support passage SB 2097 creating the Rural Community Endowment Fund.

Rev. Thomas M. Graner, Pastor
St. Francis Xavier Catholic Church, Anamoose, ND
St. Margaret Mary Catholic Church, Drake, ND
Holy Family Catholic Church, McClusky, ND



**NORTH DAKOTA
PLANNING ASSOCIATION**
Serving North Dakota since 1973

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March 7, 2025
 Committee Hearing: SB 2097
 House Political Subdivisions Committee

Representative Longmuir and committee members:

The North Dakota Planning Association is writing in support of Senate Bill 2097. This bill would provide valuable funding to the rural communities of the state. Planning is often underfunded in our rural 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. SB2097 would provide funding to those rural communities to help them 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).

Most of our rural communities are not looking for handouts for extraneous work - and would probably prefer not to use grants - but still don't have the cash on hand to do more than occasionally grade or repair a street. A fund such as this could help replace cracked water lines and sinking streets, while also providing incentives to retain existing businesses which provide services to our smaller communities. Because the needs of our rural communities 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.

As planners who work and live in rural communities, we understand these needs better than most and we strongly urge a DO PASS recommendation.

Please let me know if we can be of any assistance or provide additional information.

North Dakota Planning Association Board
 Rachel Laqua, AICP
 President

Testimony of Megan Langley
Before the House Political Subdivisions Committee
Chairman Longmuir and Members of the Committee
March 7, 2025

Chairman Longmuir and members of the committee,

My name is Megan Langley, and I am here today to respectfully urge a “do pass” recommendation for SB 2097. I come before you not only as the Executive Director of Strengthen ND but as someone who has lived and worked in rural North Dakota my entire life. I grew up as a farm and ranch kid in Eddy County, and I now live outside the small town of Souris in Bottineau County, a community of just 50 people, where we are investing in redeveloping a long-vacant bank building into a community asset. My work has taken me into rural towns across this state, advocating for their needs and ensuring their voices are heard at the state and federal levels.

About Strengthen ND

Strengthen ND was founded in 2015 with a mission to empower rural communities through capacity building, grantmaking, and technical assistance. We have a statewide presence, having worked in over 150 communities since 2015. Currently, we have nearly 100 people deployed across our state in Strengthen ND staff positions and AmeriCorps positions. Our team has direct experience in setting up and managing endowment funds, operating community foundations, and overseeing private foundation, family trust, and corporate giving programs. We are the experts in identifying and assessing private, federal, and state-based return on investment in rural communities in North Dakota. **We know rural North Dakota.** We know its needs. We know its resources. We know its potential.

Importantly, we also recognize that nearly all communities in North Dakota—whether they are rural and frontier, mid-size rural communities between 1,000 and 10,000, or part of North Dakota’s big four cities—are under-resourced. We understand that additional resources are needed across the board to support the future of our state. However, we also know that we can make a significant and transformative difference in the future trajectories of communities of less than 1,000 through the establishment of the Rural Community Endowment Fund. We are in no way interested in pitting communities against each other based on their size, nor are we interested in pitting pieces of rural legislation against one another. **Our goal is simple: to ensure that North Dakota’s smallest communities have the dedicated resources they need to thrive.**

The History and Purpose of SB 2097

SB 2097 is the product of over a decade's worth of conversations with rural community leaders across North Dakota. For over 15 years, I have worked in philanthropy and community development, and time and time again, I have received calls from rural communities in need of funding for projects—whether for infrastructure, economic development, housing, or community quality of life. **And time and time again, there was nowhere to refer them.** The resources they needed simply did not exist.

Out of this frustration, we began working closely with rural community members and elected officials to craft SB 2097. This effort began in earnest in September 2024, when we spent nearly three months collaborating with stakeholders to design a bill that would address the long-standing funding gap for rural communities.

SB 2097 is a strategic and fiscally responsible investment in the future of rural North Dakota. This bill establishes the Rural Community Endowment Fund, a permanent endowment that will provide sustainable grantmaking to communities with populations under 1,000.

Originally introduced with a \$50 million endowment fund and an additional \$5 million for immediate grantmaking, amendments have since reduced the fund to \$5 million and removed the immediate grantmaking component. While we continue to advocate for long-term commitments to rural North Dakota, the core principle remains: this is a permanent investment in our state's smallest communities, ensuring they have the resources needed to thrive for generations.

Why SB 2097 is Structured for Long-Term Success

SB 2097 is designed as an endowment, meaning the principal will remain untouched, and only the earnings will be used for grantmaking. This structure ensures:

- **Perpetual Support** – Unlike one-time appropriations, this fund will continuously generate resources for rural North Dakota, year after year.
- **Fiscally Responsible Growth** – Assuming a 7% investment return, 1.5% investment fees, and a 4.5% distribution rate, the Rural Community Endowment Fund will have invested \$50 million into rural communities over 20 years while growing to over \$60 million, creating even greater impact over time.
- **No Growing Government** – Rather than adding to state bureaucracy, SB 2097 ensures funding is managed through a competitive Request for Proposal (RFP) process, selecting the best-qualified entity to administer grants. If performance falters, a new entity can be chosen, ensuring accountability and effectiveness.

Meeting the Needs of Rural Communities

The need for SB 2097 is not hypothetical—it is urgent. Rural communities face substantial barriers, including:

- Limited access to flexible funding for critical infrastructure, housing, and workforce needs.
- Lack of match funding for state and federal grants, making it difficult for communities to secure outside resources.
- Capacity constraints, as most towns under 1,000 residents do not have a full-time JDA, EDA, or Chamber Director to lead local economic development efforts.

Over 100 communities have expressed their support of this fund because they understand what's at stake. From Sheyenne and Munich working to revitalize housing stock to Finley and Turtle Lake focusing on economic development, these towns know that investment today will shape their futures for decades to come.

Additionally, many communities have already outlined specific projects that would directly benefit from SB 2097 funding:

- **Arthur, Argusville, Erie, Gardner, Grandin, Hunter** – Small towns seeking to modernize community resources, innovatively partner to meet health and wellness needs, and strengthen their local economies.
- **Sheyenne, Fort Totten, Glenburn, Tuttle, Bowbells, Edgeley** – Communities focused on revitalizing housing stock and improving local food access and livability.
- **Underwood, Hoople, Robinson, New England, Turtle Lake** – Areas aiming to attract residents and businesses through strategic investments.
- **Rhame, Munich, Aneta, Wing, Towner, Donnybrook** – Towns working to address food deserts, outdated infrastructure, and economic diversification.

These communities represent just a fraction of those that stand to benefit. The demand for flexible, accessible funding is widespread, and **SB 2097 is the vehicle to meet it.**

Conclusion

Rural North Dakota is the backbone of our state. SB 2097 is a commitment to its longevity. It is not a cost—it is an investment in the people and communities that define our state's identity. By creating a permanent, self-sustaining funding source, we are ensuring that these communities can continue to grow and prosper without needing continuous state appropriations.

I urge you to pass SB 2097 and give North Dakota's rural communities the tools they need to thrive.

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



Contact:
Matt Perdue, Lobbyist
mperdue@ndfu.org | 701.641.3303

**Testimony of
Matt Perdue
North Dakota Farmers Union
In support of SB 2097
House Political Subdivisions Committee
March 7, 2025**

Chairman Longmuir and members of the committee,

Thank you for the opportunity to testify on Senate Bill No. 2097. My name is Matt Perdue, and I am testifying on behalf of North Dakota Farmers Union's members. NDFU supports SB 2097.

During our most recent annual convention, our members adopted a list of priorities for this legislative session. Included in that list investments in childcare, rural food access, affordable housing, and rural economic development. Our members recognize that the future of agriculture is strongly connected to quality of life in rural communities. We strongly support investments in our rural communities.

SB 2097 establishes a Rural Community Endowment Fund to support communities with a population of fewer than 1,000 residents. Interest from the fund would be used to address housing, workforce, infrastructure, economic development and other community needs. The bill establishes an endowment, meaning the earnings from the endowment would be available for grants for rural projects in the 2027-29 biennium and thereafter.

SB 2097 is one of two rural development bills passed by the Senate. The other bill is SB 2390, which would establish a Rural Catalyst program. In their current forms, each bill would receive an appropriation of \$5 million. NDFU encourages the committee to consider pulling the best features of each proposal into a single, unified bill that delivers the maximum benefit for rural communities. As the committee does so, we think it is important for a portion of funds to target communities with a population of 1,500 or less.

Thank you for your consideration of my testimony. I will stand for any questions.



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



ND
Living

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Fax: 701.663.3745 www.ndarec.com

March 7, 2025

To: North Dakota House Political Subdivisions Committee
From: Ellen Huber, NDAREC Rural Development Director
RE: **Support of Senate Bill 2097**

Chairman Longmuir and members of the House Political Subdivisions Committee,

On behalf of the North Dakota Association of Rural Electric Cooperatives (NDAREC) and its members, I express support for Senate Bill (SB) 2097. Our association represents 17 electric distribution cooperatives and five generation and transmission cooperatives. For decades, we have operated a leading rural development center, leveraging more than \$700 million to provide financial and technical assistance for business enterprises and community development projects — 91% of which remain operational. These efforts enhance rural health care, childcare, food access, housing, and emergency services.

While we have made impacts for rural people and rural places, finding capital and financial assistance for projects in small towns is a growing challenge. The proposed rural community endowment fund is step forward. We are also aware of Senate Bill 2390, which proposes a rural catalyst committee and grant program. We embrace pulling the best features of each proposal into one bill.

SB2097 provides grants to communities of fewer than 1,000, encompassing 303 cities. The ceiling for SB2390 is a maximum 8,500 in population with at least 50% of funding after expenses to be allocated to communities under population 1,000. With either bill, increasing this threshold to 1,500 could better assure help to 20 more communities. A listing of the most recent U.S. Census estimates is attached.

Our priority is ensuring transparency, efficiency and effectiveness, regardless of administration. We will introduce communities to new resources as part of our technical assistance and outreach efforts. Electric co-ops, through their board members and staff, link us to many needs throughout the state.

Funding for rural development will support essential community projects to maintain livable rural communities, populations and the workforce required to match the opportunities before us. Many of these opportunities exist due to past investments in infrastructure, development and ideas. Concepts such as these lead to long-term prosperity and growth. This fund could be transformational and provide long-lasting economic and social impacts for generations to come.

NDAREC urges a “Do Pass” recommendation on SB 2097.

Annual Estimates of the Resident Population for Incorporated Places in North Dakota: April 1, 2020 to July 1, 2023						
Geographic Area	April 1, 2020 Estimates Base	Population Estimate (as of July 1)				
		2020	2021	2022	2023	
Fargo city, North Dakota	125,952	125,986	129,575	131,444	133,188	
Bismarck city, North Dakota	73,626	73,745	74,082	74,536	75,092	
Grand Forks city, North Dakota	59,169	59,142	58,724	58,694	58,921	
Minot city, North Dakota	48,385	48,384	48,084	47,689	47,373	
West Fargo city, North Dakota	38,632	38,895	39,461	39,980	40,400	
Williston city, North Dakota	29,169	29,317	27,358	26,931	27,706	
Dickinson city, North Dakota	25,674	25,809	25,168	24,916	25,130	
Mandan city, North Dakota	24,186	24,214	24,401	24,478	24,586	
Jamestown city, North Dakota	15,847	15,811	15,815	15,755	15,691	
Wahpeton city, North Dakota	8,016	8,016	7,998	8,013	8,000	
Devils Lake city, North Dakota	7,183	7,164	7,209	7,157	7,135	
Valley City city, North Dakota	6,582	6,582	6,567	6,563	6,551	
Watford City city, North Dakota	6,217	6,250	5,871	5,881	6,020	
Horace city, North Dakota	3,206	3,249	3,462	4,269	5,643	
Lincoln city, North Dakota	4,258	4,271	4,331	4,362	4,426	
Grafton city, North Dakota	4,171	4,157	4,138	4,126	4,059	
Beulah city, North Dakota	3,058	3,056	3,049	3,043	3,034	
New Town city, North Dakota	2,768	2,771	2,727	2,634	2,725	
Casselton city, North Dakota	2,479	2,478	2,459	2,462	2,472	
Rugby city, North Dakota	2,510	2,501	2,470	2,465	2,446	
Hazen city, North Dakota	2,280	2,278	2,275	2,278	2,276	
Stanley city, North Dakota	2,352	2,347	2,269	2,183	2,184	
Lisbon city, North Dakota	2,202	2,199	2,196	2,185	2,173	
Bottineau city, North Dakota	2,191	2,193	2,220	2,186	2,171	
Tioga city, North Dakota	2,206	2,218	2,068	2,039	2,097	
Carrington city, North Dakota	2,081	2,077	2,054	2,052	2,009	
Langdon city, North Dakota	1,906	1,897	1,886	1,851	1,847	
Mayville city, North Dakota	1,847	1,846	1,828	1,816	1,805	
Oakes city, North Dakota	1,797	1,786	1,756	1,770	1,764	
Hillsboro city, North Dakota	1,649	1,648	1,660	1,652	1,641	
Harvey city, North Dakota	1,648	1,641	1,613	1,620	1,600	
Garrison city, North Dakota	1,468	1,466	1,472	1,471	1,464	
Mapleton city, North Dakota	1,320	1,330	1,369	1,398	1,435	
Surrey city, North Dakota	1,355	1,357	1,364	1,389	1,417	
Bowman city, North Dakota	1,469	1,463	1,425	1,427	1,411	
Park River city, North Dakota	1,422	1,418	1,416	1,406	1,385	
New Rockford city, North Dakota	1,360	1,350	1,348	1,334	1,310	
Burlington city, North Dakota	1,288	1,287	1,283	1,291	1,306	
Washburn city, North Dakota	1,299	1,295	1,297	1,293	1,283	
Larimore city, North Dakota	1,258	1,256	1,239	1,224	1,224	
Cavalier city, North Dakota	1,252	1,251	1,239	1,239	1,223	
Rolla city, North Dakota	1,217	1,218	1,201	1,181	1,165	
Ellendale city, North Dakota	1,123	1,117	1,099	1,101	1,093	
Thompson city, North Dakota	1,098	1,096	1,084	1,067	1,069	
Cando city, North Dakota	1,121	1,112	1,097	1,063	1,047	
Velva city, North Dakota	1,096	1,092	1,065	1,062	1,046	
Linton city, North Dakota	1,068	1,064	1,058	1,055	1,045	
Hettinger city, North Dakota	1,069	1,063	1,048	1,030	1,043	
Crosby city, North Dakota	1,068	1,073	1,060	1,052	1,036	
New Salem city, North Dakota	974	980	1,006	1,025	1,027	
Kindred city, North Dakota	926	930	961	994	1,024	
Beach city, North Dakota	979	974	989	979	972	
Belfield city, North Dakota	995	999	974	962	969	
Cooperstown city, North Dakota	983	979	975	962	961	
Northwood city, North Dakota	980	979	957	947	950	
Hankinson city, North Dakota	919	918	920	920	918	
Gwinner city, North Dakota	927	926	929	923	916	
Kenmare city, North Dakota	956	955	939	925	914	
Killdeer city, North Dakota	937	938	915	904	908	
Parshall city, North Dakota	945	946	928	892	898	
Walhalla city, North Dakota	895	892	897	892	880	
Enderlin city, North Dakota	881	879	867	862	856	
Reile's Acres city, North Dakota	704	715	804	838	841	
Wishek city, North Dakota	860	853	857	844	841	
Harwood city, North Dakota	795	797	806	819	827	
Hebron city, North Dakota	798	798	796	790	788	
Underwood city, North Dakota	788	786	787	782	774	
LaMoure city, North Dakota	761	762	759	757	760	
Napoleon city, North Dakota	752	756	745	733	745	
Drayton city, North Dakota	758	757	748	744	735	
Glen Ullin city, North Dakota	735	733	730	726	725	
Ray city, North Dakota	740	748	704	697	723	
Wilton city, North Dakota	721	720	719	713	714	
Hatton city, North Dakota	717	715	714	708	702	
Mohall city, North Dakota	699	696	688	680	689	
Lakota city, North Dakota	685	680	695	685	685	
New England city, North Dakota	695	691	679	674	676	
Richardton city, North Dakota	691	694	675	668	671	
Steele city, North Dakota	665	663	656	664	652	
Mott city, North Dakota	655	650	639	636	637	
Milnor city, North Dakota	625	620	620	617	614	
Dunseith city, North Dakota	637	637	630	619	611	
Minto city, North Dakota	620	618	616	617	609	
Ashley city, North Dakota	612	608	602	604	602	
Lidgerwood city, North Dakota	599	598	599	594	593	
Center city, North Dakota	589	586	588	581	581	
Portland city, North Dakota	583	582	579	578	577	
Edgeley city, North Dakota	575	577	573	571	576	
Turtle Lake city, North Dakota	542	540	543	541	537	
Elgin city, North Dakota	543	540	544	525	519	
Pembina city, North Dakota	512	511	505	503	497	
Forman city, North Dakota	514	510	506	497	494	
Argusville city, North Dakota	482	484	481	476	474	
Berthold city, North Dakota	487	487	479	472	467	
Rolette city, North Dakota	484	484	478	468	462	
Towner city, North Dakota	481	479	471	464	458	
Fessenden city, North Dakota	464	462	453	457	452	
Wyndmere city, North Dakota	451	450	449	450	448	
Emerado city, North Dakota	444	443	442	439	441	

Annual Estimates of the Resident Population for Incorporated Places in North Dakota: April 1, 2020 to July 1, 2023					
Leeds city, North Dakota	442	440	426	425	423
Glenburn city, North Dakota	404	402	400	400	403
South Heart city, North Dakota	394	398	397	396	403
Finley city, North Dakota	400	399	400	394	391
Maddock city, North Dakota	400	399	388	386	384
McVillie city, North Dakota	392	389	393	381	379
Powers Lake city, North Dakota	389	388	381	375	375
Westhope city, North Dakota	380	381	382	377	374
Oxbow city, North Dakota	377	376	374	373	371
Manvel city, North Dakota	376	378	373	368	369
Kulm city, North Dakota	368	369	365	365	366
Strasburg city, North Dakota	382	380	368	366	364
Stanton city, North Dakota	366	366	365	362	362
Buxton city, North Dakota	349	348	350	351	349
Neche city, North Dakota	347	346	343	342	338
Fairmount city, North Dakota	341	341	341	337	336
Hunter city, North Dakota	334	333	331	328	327
Arthur city, North Dakota	327	326	324	325	324
Max city, North Dakota	329	328	329	327	323
McClusky city, North Dakota	324	322	320	325	319
St. John city, North Dakota	324	324	320	315	313
St. Thomas city, North Dakota	320	319	317	315	312
Alexander city, North Dakota	318	319	298	298	307
Sawyer city, North Dakota	323	323	318	311	307
Bowbells city, North Dakota	294	293	288	285	285
Gackle city, North Dakota	284	286	283	278	282
Drake city, North Dakota	291	290	285	280	277
Hope city, North Dakota	272	272	275	278	277
Tower City city, North Dakota	268	267	266	271	275
Arnegard city, North Dakota	283	284	266	266	272
Gladstone city, North Dakota	269	270	265	270	271
Reynolds city, North Dakota	274	273	272	269	268
Walcott city, North Dakota	264	264	267	267	268
Medina city, North Dakota	270	269	270	267	265
Michigan City city, North Dakota	262	260	266	260	259
Abercrombie city, North Dakota	248	248	252	255	258
Davenport city, North Dakota	255	254	256	255	254
Scranton city, North Dakota	259	258	251	250	248
Hoople city, North Dakota	250	249	248	248	244
Leonard city, North Dakota	248	247	246	245	244
Carson city, North Dakota	253	251	252	244	240
Gilby city, North Dakota	244	244	240	239	240
Aneta city, North Dakota	238	236	239	237	237
Lansford city, North Dakota	237	237	239	236	235
Halliday city, North Dakota	238	238	231	228	230
Dunn Center city, North Dakota	227	227	225	225	227
Granville city, North Dakota	234	233	231	228	225
Taylor city, North Dakota	231	232	226	223	224
Zap city, North Dakota	227	227	227	226	224
Riverdale city, North Dakota	221	221	223	223	223
Hazeltown city, North Dakota	224	223	221	221	219
Anamoose city, North Dakota	225	224	222	220	217
Flasher city, North Dakota	218	217	217	215	215
Grenora city, North Dakota	221	224	209	207	214
Tappen city, North Dakota	216	215	212	214	211
New Leipzig city, North Dakota	217	216	217	211	207
Plaza city, North Dakota	213	212	209	202	204
Colfax city, North Dakota	168	168	179	192	202
Fordville city, North Dakota	207	206	206	205	202
Grandin city, North Dakota	186	186	189	195	195
Edinburg city, North Dakota	199	198	198	199	194
Frontier city, North Dakota	196	196	194	194	193
Page city, North Dakota	192	192	190	190	189
Sherwood city, North Dakota	188	187	187	186	189
Buffalo city, North Dakota	193	193	191	191	188
Golden Valley city, North Dakota	190	190	190	189	188
Minnewaukan city, North Dakota	193	192	187	188	187
Munich city, North Dakota	195	194	192	187	186
Des Lacs city, North Dakota	189	189	186	185	183
Sheyenne city, North Dakota	184	182	183	182	178
Wimbledon city, North Dakota	180	180	179	177	176
Mooreton city, North Dakota	175	175	175	174	173
Fort Yates city, North Dakota	178	177	171	168	166
Regent city, North Dakota	172	171	168	167	166
Litchville city, North Dakota	170	170	167	166	165
Binford city, North Dakota	168	167	167	163	163
Sanborn city, North Dakota	163	163	162	161	162
Rutland city, North Dakota	164	163	163	163	160
Petersburg city, North Dakota	161	160	163	161	159
Rhame city, North Dakota	163	162	158	158	156
Medora city, North Dakota	117	115	118	125	155
Christine city, North Dakota	150	152	150	151	151
Willow City city, North Dakota	151	151	152	150	149
Streeter city, North Dakota	150	149	150	148	148
Kensal city, North Dakota	149	148	149	147	147
Makoti city, North Dakota	151	151	149	146	145
Bowdon city, North Dakota	139	138	136	137	139
Carpio city, North Dakota	144	144	142	139	138
Edmore city, North Dakota	141	140	140	139	138
Lignite city, North Dakota	140	139	137	136	136
Noonan city, North Dakota	137	138	137	136	134
Columbus city, North Dakota	136	136	133	132	131
Tolna city, North Dakota	133	132	133	132	131
Wing city, North Dakota	134	135	133	132	131
Upham city, North Dakota	136	135	133	132	130
Pick City city, North Dakota	124	124	126	128	128
Gardner city, North Dakota	129	129	128	127	127
Mercer city, North Dakota	89	90	101	113	125
Marion city, North Dakota	123	124	121	121	124
Reeder city, North Dakota	127	126	125	123	124
Hannafor city, North Dakota	127	126	124	123	123

Annual Estimates of the Resident Population for Incorporated Places in North Dakota: April 1, 2020 to July 1, 2023					
Adams city, North Dakota	125	124	124	124	122
Palermo city, North Dakota	127	126	126	121	122
Portal city, North Dakota	123	123	121	119	119
Selfridge city, North Dakota	127	126	122	120	118
Crary city, North Dakota	114	113	113	112	112
Galesburg city, North Dakota	115	115	114	114	112
Crystal city, North Dakota	114	114	113	112	111
Forest River city, North Dakota	108	107	107	113	111
Goodrich city, North Dakota	111	110	110	112	110
Wildrose city, North Dakota	113	114	107	105	110
Oriska city, North Dakota	110	110	109	108	108
Lankin city, North Dakota	105	105	104	104	103
Osnabrock city, North Dakota	106	105	105	103	103
Ryder city, North Dakota	108	108	106	105	103
Bisbee city, North Dakota	107	106	106	101	100
Sykeston city, North Dakota	103	102	100	100	99
Almont city, North Dakota	96	96	97	96	98
Fort Ransom city, North Dakota	95	95	100	101	98
Starkweather city, North Dakota	99	99	98	98	97
Glenfield city, North Dakota	95	94	96	96	95
Marmarth city, North Dakota	100	99	98	96	95
Newburg city, North Dakota	95	95	96	94	94
Oberon city, North Dakota	97	96	94	94	93
Sheldon city, North Dakota	95	95	95	94	93
White Earth city, North Dakota	100	99	97	93	93
Spiritwood Lake city, North Dakota	92	91	92	91	92
Deering city, North Dakota	94	93	92	91	90
Fingal city, North Dakota	94	94	93	93	90
Rocklake city, North Dakota	95	94	94	91	90
Ross city, North Dakota	93	93	91	88	90
Douglas city, North Dakota	93	93	91	90	89
Esmond city, North Dakota	92	91	89	89	88
Pisek city, North Dakota	89	89	88	88	87
Dodge city, North Dakota	88	88	86	86	86
Maxbass city, North Dakota	87	87	88	86	86
Montpelier city, North Dakota	87	87	87	86	86
Golva city, North Dakota	82	81	84	85	85
Karlsruhe city, North Dakota	89	88	87	86	85
Sharon city, North Dakota	88	88	89	86	85
Amenia city, North Dakota	85	85	84	84	84
Buchanan city, North Dakota	85	85	85	84	84
Lehr city, North Dakota	83	82	83	82	82
Zeeland city, North Dakota	84	83	83	83	82
Epping city, North Dakota	82	83	78	77	79
Dwight city, North Dakota	79	79	79	79	78
Dazey city, North Dakota	77	77	77	76	75
Dawson city, North Dakota	75	74	74	74	73
Donnybrook city, North Dakota	76	76	75	74	73
Pekin city, North Dakota	72	71	73	72	72
Cogswell city, North Dakota	72	71	71	71	70
Butte city, North Dakota	68	68	68	69	68
Havana city, North Dakota	68	67	67	69	68
Mantador city, North Dakota	69	69	69	69	68
Mountain city, North Dakota	81	81	71	68	68
Benedict city, North Dakota	65	65	65	66	66
Coleharbor city, North Dakota	58	59	61	63	65
Hague city, North Dakota	67	67	66	66	65
Solen city, North Dakota	70	70	67	66	65
Kathryn city, North Dakota	65	65	65	64	64
Jud city, North Dakota	64	64	64	62	63
McHenry city, North Dakota	63	63	64	64	63
Sentinel Butte city, North Dakota	62	61	64	64	63
Cleveland city, North Dakota	55	55	58	59	61
Flaxton city, North Dakota	63	63	62	61	61
Martin city, North Dakota	62	62	61	62	61
Balta city, North Dakota	62	62	61	61	60
Hurdsfield city, North Dakota	63	63	62	61	60
Pettibone city, North Dakota	59	59	58	58	58
Tuttle city, North Dakota	59	59	58	58	58
Verona city, North Dakota	58	58	58	58	58
Fullerton city, North Dakota	58	57	57	57	57
North River city, North Dakota	57	57	57	56	56
Prairie Rose city, North Dakota	56	56	56	55	55
Alamo city, North Dakota	54	54	52	51	53
Briarwood city, North Dakota	54	54	54	53	53
Grace City city, North Dakota	53	53	52	54	53
Great Bend city, North Dakota	52	52	52	52	51
Dickey city, North Dakota	46	46	46	49	50
Warwick city, North Dakota	52	52	50	50	50
Bathgate city, North Dakota	49	49	49	48	48
Nome city, North Dakota	51	51	51	50	48
Rogers city, North Dakota	49	49	49	48	48
Woodworth city, North Dakota	46	46	46	45	45
Pingree city, North Dakota	42	42	42	43	43
Voltaire city, North Dakota	45	45	44	44	43
Wolfford city, North Dakota	44	44	43	43	43
Barney city, North Dakota	41	41	41	41	42
Hamilton city, North Dakota	43	43	43	42	42
Niagara city, North Dakota	43	43	42	42	42
Tolley city, North Dakota	42	42	42	41	42
Alice city, North Dakota	42	42	42	41	41
Milton city, North Dakota	42	42	41	41	40
Souris city, North Dakota	39	39	39	39	39
Cayuga city, North Dakota	39	39	39	38	38
Forbes city, North Dakota	39	39	38	38	38
Fredonia city, North Dakota	38	38	38	37	38
Landa city, North Dakota	38	38	38	38	38
Courtenay city, North Dakota	38	38	38	38	37
Inkster city, North Dakota	38	38	37	37	37
Robinson city, North Dakota	36	36	35	36	35
Regan city, North Dakota	35	35	35	34	34

Annual Estimates of the Resident Population for Incorporated Places in North Dakota: April 1, 2020 to July 1, 2023					
Ardoch city, North Dakota	32	32	32	33	33
Alsen city, North Dakota	33	33	33	32	32
Springbrook city, North Dakota	32	32	30	31	32
Brocket city, North Dakota	32	32	32	31	31
Canton City (Hensel) city, North Dakota	32	32	32	32	31
Berlin city, North Dakota	30	30	30	30	30
Egeland city, North Dakota	32	32	32	31	30
Nekoma city, North Dakota	31	31	31	30	30
Brinsmade city, North Dakota	30	30	29	29	29
Clifford city, North Dakota	29	29	29	29	29
Fortuna city, North Dakota	30	30	30	30	29
Monango city, North Dakota	30	30	29	29	29
Fairdale city, North Dakota	28	28	28	28	27
Hampden city, North Dakota	28	28	28	28	27
Leith city, North Dakota	27	27	27	26	26
Luverne city, North Dakota	26	26	26	26	26
Kramer city, North Dakota	24	24	24	24	24
Leal city, North Dakota	24	24	24	24	24
Armidon city, North Dakota	24	24	23	23	23
Gardena city, North Dakota	23	23	23	23	23
Elliott city, North Dakota	22	22	22	22	22
Antler city, North Dakota	20	20	20	21	21
Cathay city, North Dakota	22	22	22	22	21
Knox city, North Dakota	21	21	20	20	20
Venturia city, North Dakota	20	20	20	20	20
Gascoyne city, North Dakota	20	20	19	19	19
Sibley city, North Dakota	19	19	19	19	19
Mylo city, North Dakota	19	19	19	18	18
Ambrose city, North Dakota	17	17	17	17	17
Braddock city, North Dakota	16	16	16	17	17
Lawton city, North Dakota	17	17	17	17	17
Ludden city, North Dakota	17	17	17	17	17
Pillsbury city, North Dakota	16	16	16	16	16
Sarles city, North Dakota	17	17	17	16	16
Balfour city, North Dakota	16	16	16	15	15
Bucyrus city, North Dakota	15	15	15	14	15
Hansboro city, North Dakota	16	16	16	15	15
Haynes city, North Dakota	15	15	15	15	15
Conway city, North Dakota	13	13	13	13	14
York city, North Dakota	14	14	14	14	14
Calvin city, North Dakota	14	14	14	13	13
Hamberg city, North Dakota	12	12	12	12	12
Ayr city, North Dakota	11	11	11	11	11
Bergen city, North Dakota	12	12	12	12	11
Grano city, North Dakota	10	10	10	10	10
Lorraine city, North Dakota	10	10	10	10	10
Overly city, North Dakota	10	10	10	10	10
Wales city, North Dakota	9	9	9	9	9
Kief city, North Dakota	8	8	8	8	8
Loma city, North Dakota	8	8	8	8	8
Hannah city, North Dakota	7	7	7	7	7
Calio city, North Dakota	5	5	5	5	5
Perth city, North Dakota	5	5	5	5	5
Ruso city, North Dakota	5	5	5	5	5
Vintage 2023 data products are associated with Data Management System projects P-6000042, P-7501659, and P-7527355. The U.S. Census Bureau reviewed these data products for unauthorized disclosure of confidential information and approved the disclosure avoidance practices applied to this release (CBDRB-FY24-0085).					
Note: The estimates are based on the 2020 Census and reflect changes to the April 1, 2020 population due to the Count Question Resolution and Post-Census Group Quarters Review programs, geographic program revisions, and the application of disclosure avoidance to protect confidentiality. For population estimates methodology statements, see https://www.census.gov/programs-surveys/popest/technical-documentation/methodology.html . All geographic boundaries for the 2023 population estimates series are as of January 1, 2023. For updates on Legal Boundary Change/Annexation Data, see https://www.census.gov/geographies/reference-files/time-series/geo/bas/annex.html . Additional information on these localities can be found in the Geographic Boundary Change Notes (see https://www.census.gov/programs-surveys/geography/technical-documentation/boundary-change-notes.html).					
Suggested Citation: Annual Estimates of the Resident Population for Incorporated Places in North Dakota: April 1, 2020 to July 1, 2023 (SUB-IP-EST2023-POP-38) Source: U.S. Census Bureau, Population Division Release Date: May 2024					

March 7, 2025

House Political Subdivisions Committee

Chairman **Longmuir** and Committee Members,

My name is Tim Mathern, Senator from District 11 and a sponsor of SB 2097. Though I represent our largest city, Fargo, in the legislature, my roots are in one of our smallest cities, Edgeley.

This bill establishes an endowment fund, and the earnings of the fund provide grants to communities under 1000 population. The viability of our rural communities is important economically but more importantly to preserve the base of our value system. Rural North Dakota doesn't just grow corn and cattle. Hard work, self-resiliency, and cooperation are values grown in rural North Dakota. We need more of these in our country. This bill supports this environment.

To those who question the appropriation, now only \$5 million, I remind you we made a \$50 million endowment to one entity alone, the Teddy Roosevelt Presidential Library. This rural endowment serves hundreds of entities. To those who question our overall budget I remind you we are in the best position we have ever been, noted not just for my 40 years of legislative service and seat on the Appropriations Committee, but also noted from the recent addresses of Governor Burgum and Governor Armstrong. All of you will be gone from the Legislature within 6 years. I encourage you to support this bill as your legacy of stewarding our good fortune to create a bold initiative to preserve rural North Dakota forever. We are ripe to be bold and creative.

To those who say we already have organizations doing things to support rural North Dakota, I say support this bill as another tool to make a positive difference. We need more hands on the plow to prevent becoming the Buffalo Commons promoted by the famous Popper's scholarly article in 1987.

There are others here to testify to the details and I ask you to give them your attention. I ask you to put \$45 million back into the bill and a Do Pass recommendation on SB 2097.

Thank you for your service to our state.

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

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

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

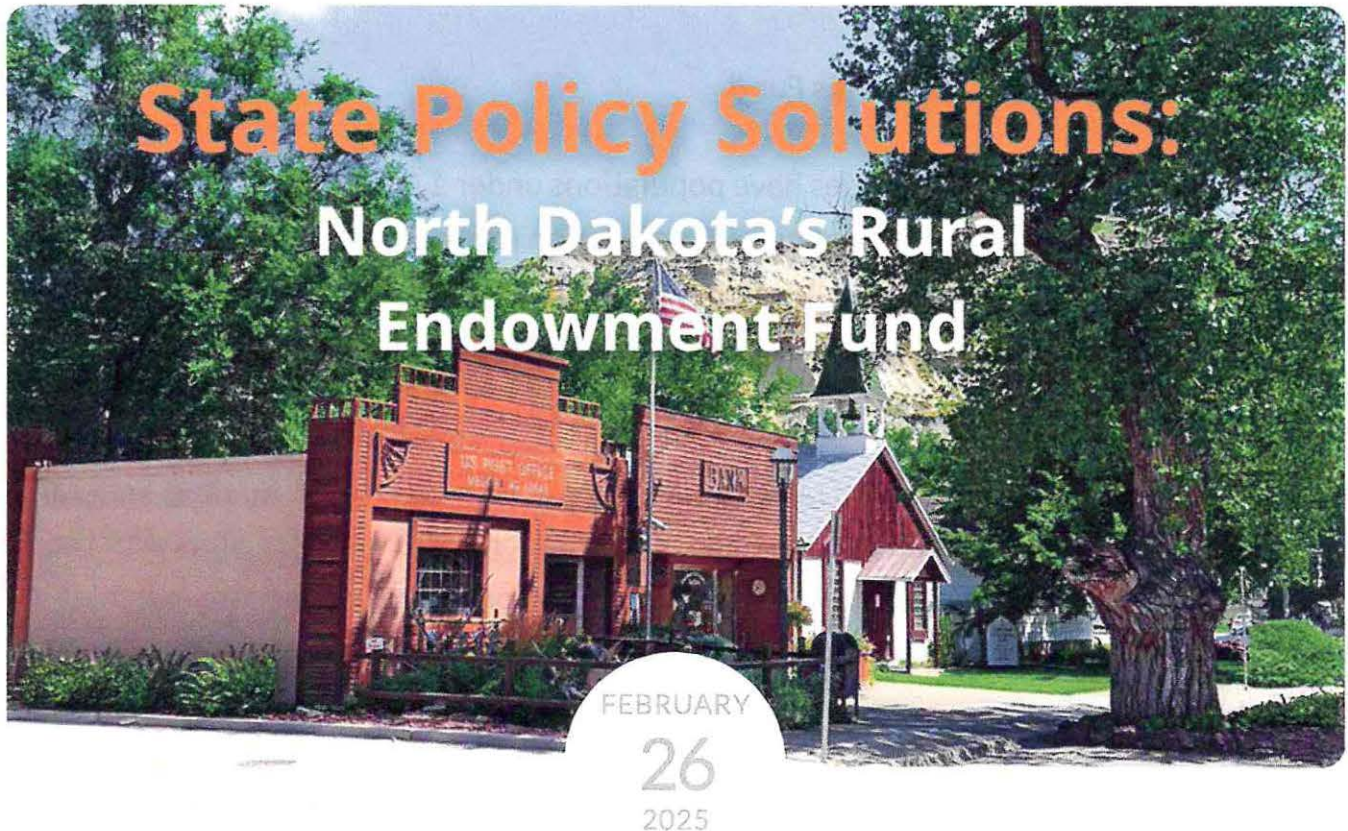
- **Rural communities under 1,000 people are often overlooked** – These communities struggle to access traditional funding streams for essential projects that maintain and enhance quality of life.
- **This endowment fund will support critical projects** – Potential investments include local childcare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

3) Non-Duplication: SB 2097 is Uniquely Positioned

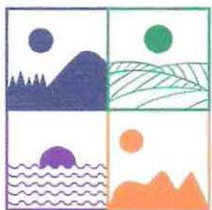
- **No other state has a fund like this** – SB 2097 is a first-of-its-kind initiative that directly addresses the sustainability of North Dakota's smallest communities.
- **It does not duplicate existing programs** – The endowment fund is designed to fill gaps, not replace or replicate current state,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

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

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



A Blueprint for Rural Prosperity: North



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[BEN RASMUSSEN](#) [Blog, State Policy](#)

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

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

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

Why Rural Communities Need This Fund

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

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

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

How SB 2097 Works

1. A Permanent, Self-Sustaining Model

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

2. Flexibility to Address Local Needs

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

3. Rural Governance at the Center

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

A National Model for Frontier Investment

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

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

Why This Matters Now

The cost of inaction is steep.

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

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

Beyond North Dakota: A Call to Action

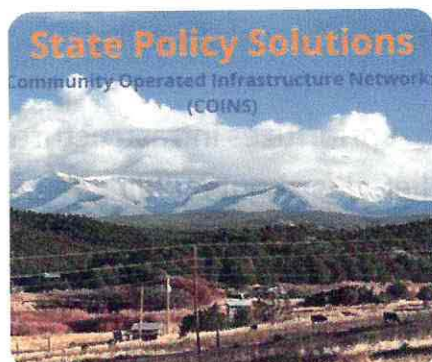
As the National Center for Frontier Communities, we believe SB 2097 is a model that could be replicated across frontier states. The fund proves that rural investment doesn't have to be complicated, bureaucratic, or dependent on urban priorities.

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

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

◀◀ A Bold Step for New Mexico's Frontier Communities

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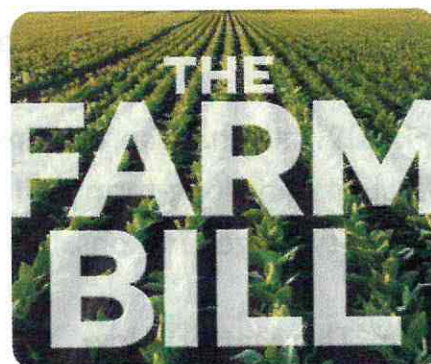
A Bold Step for New Mexico's Frontier Communities



Worlds Apart
Why Poverty Persists in Rural America
Cynthia M. Duncan
Foreword by Andrew Ross

BLOG

Revisiting Cynthia M Duncan's "Worlds Apart"

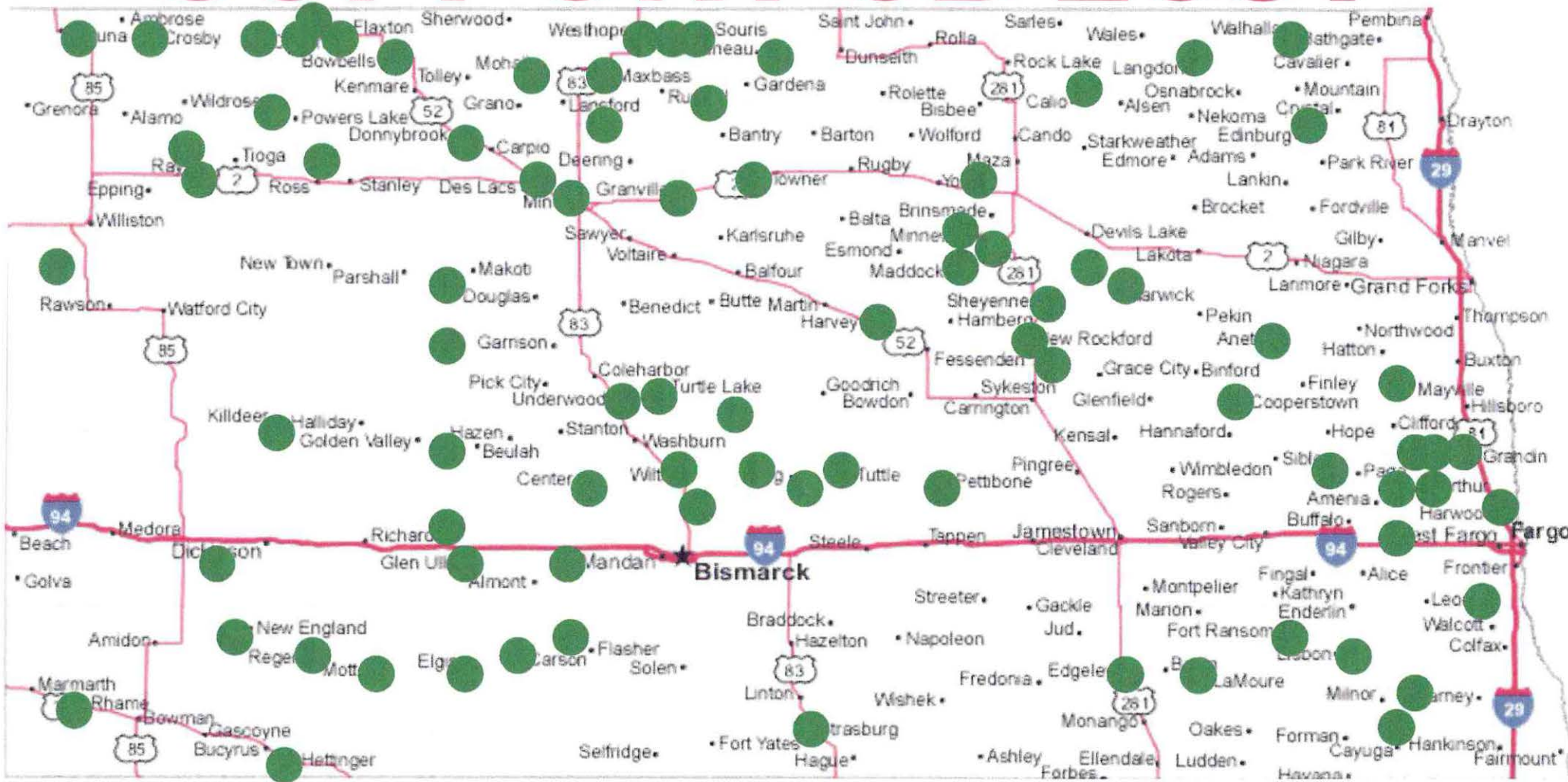


BLOG

Championing Frontier Communities: NCFC's Vision for a Transformative Farm Bill

SEARCH

SUPPORT SB 2097



To the ND House Political Subdivisions Chairman Donald Longmuir and fellow committee members

My name is Kenny Rogers, chairman of the Strengthen ND board. I am here to represent rural North Dakota. I still live on a farm and been a life long resident of Maxbass in Bottineau county. Educated at Maxbass, North Dakota School of Forestry and NDSU receiving both a bachelors and master degrees. I then went home to farm after getting burnt out from education (another story) . The date was 1972 and since that time until now I have watched rural ND die, schools close and consolidate, multiple businesses close, churches close, town councils and townships having a hard time finding people to serve among other things. Most of you know the story.

I now believe things are beginning to change. In a zoom meeting, I described Maxbass as on its last breath because it does not have a bar but we still have a post office, a very good construction business and a small church who now has some noise in it because of a number of young families. We were the only town in the last census in Bottineau county, to grow, 86 to 89, plus twins were born to a young family a couple days ago, so there is some hope in rural ND communities.

Now is the time to do something for rural ND, that is what Strengthen ND is all about, but we need your help. In most of our towns are a mix of elderly and young families. The demands of life do not give them the time to devote or the energy to do what it takes today to get there communities reinvigorated. They are busy trying to keep family and their town functioning. The answer is simple, they need HELP and that is what Strengthen ND does. We already have excellent working relationships with the Department of Agriculture and Department of Commerce with some current projects.

We thought, SB2097, was a good start but it got changed. I don't know what to think. I have worked for approximately 30 years with rural water, Garrison Diversion, NAWS, local and county townships and I spent 12 plus years working part time with the ND Ag Mediation Service trying to help distressed farm families to survive. I have made public comments that rural ND is dying and if it dies ND won't be the same state it is today an certainly not like our past. Today we are at a critical point in rural ND. Farms are getting larger and larger. Our smaller towns under 1000 population need to change and find new visions of how to address their problems and a future. When you look at all the problems over the US; we can see future growth for our communities because of the services that help individuals and business work from home, potential to produce most of their own food or to by quality food local and send their children to local schools or home school them. I believe in rural ND and it has a great future. Our state is expanding its city populations and we need to look seriously at growing rural ND. Much of this can be done by using existing utilities and attracting new pioneer type people seeking more safety and freedom.

We just need help with new ideas and some financing; that is why we thought that the original SB2097 was a very good ideal. My country boy math just seems that you should be able to fund this worth while project when you think about our ND history and what rural ND has contributed to our state. The majority of North Dakota's wealth comes from petroleum and agriculture, rural. This is a one time funding bill since the future funding will be provided to rural ND by the interest from the endowment fund.

Thank you and thank you for your service to rural North Dakota

Kenny Rogers

2025 HOUSE STANDING COMMITTEE MINUTES

Political Subdivisions Committee Room JW327B, State Capitol

SB 2097
3/27/2025

Relating to the creation of a rural community endowment fund and a rural community endowment fund committee; to provide an appropriation for the rural community endowment fund; to provide for a transfer; and to provide for a report.

3:00 p.m. Chairman Longmuir opened the hearing.

Members Present: Chairman Longmuir, Vice-Chairman Fegley, Representatives Bolinske, Hager, Hatlestad, Heilman, Klemin, Motschenbacher, Ostlie, Warrey

Members Absent: Vice-Chairman Jonas, Representatives Davis, Toman

Discussion Topics:

- Legislative deadlines

3:00 p.m. Committee discussion on potential amendments.

3:02 p.m. Chairman Longmuir closed the hearing.

Wyatt Armstrong, Committee Clerk

2025 HOUSE STANDING COMMITTEE MINUTES

Political Subdivisions Committee Room JW327B, State Capitol

SB 2097
3/28/2025

A BILL for an Act to create and enact a new section to chapter 54-60 of the North Dakota Century Code, relating to the creation of a rural community endowment fund and a rural community endowment fund committee; to provide an appropriation for the rural community endowment fund; to provide for a transfer; and to provide for a report.

9:19 a.m. Chairman Longmuir opened the hearing.

Members Present: Chairman Longmuir, Vice-Chairman Fegley, Representatives Bolinske, Hatlestad, Klemin, Motschenbacher, Ostlie, Toman, Warrey

Members Absent: Vice-Chairman Jonas, Representatives Davis, Hager, Heilman

Discussion Topics:

- Use of nonstate funds
- Committee action

9:20 a.m. Representative Motschenbacher proposed Amendment LC:25.0231.04002, testimony #44366.

9:24 a.m. Representative Motschenbacher moved to adopt Amendment LC:25.0231.04002, testimony #44366.

9:24 a.m. Representative Ostlie seconded the motion.

9:30 a.m. Representative Motschenbacher withdrew his motion.

9:30 a.m. Representative Motschenbacher moved to adopt Amendment LC:25.0231.04002, testimony #44366 and strike "from nonstate" from page 2 line 2 of the amendment.

9:31 a.m. Representative Ostlie seconded the motion.

Representatives	Vote
Representative Donald W. Longmuir	Y
Representative Clayton Fegley	Y
Representative Jim Jonas	A
Representative Macy Bolinske	Y
Representative Jayme Davis	A
Representative LaurieBeth Hager	A
Representative Patrick R. Hatlestad	Y
Representative Matthew Heilman	A
Representative Lawrence R. Klemin	Y

Representative Mike Motschenbacher	Y
Representative Mitch Ostlie	Y
Representative Nathan Toman	N
Representative Jonathan Warrey	Y

9:34 a.m. Motion passed 8-1-4

9:34 a.m. Representative Motschenbacher moved a Do Pass as Amended and rerefer to Appropriations.

9:34 a.m. Representative Ostlie seconded the motion.

Representatives	Vote
Representative Donald W. Longmuir	Y
Representative Clayton Fegley	Y
Representative Jim Jonas	A
Representative Macy Bolinske	N
Representative Jayme Davis	A
Representative LaurieBeth Hager	A
Representative Patrick R. Hatlestad	Y
Representative Matthew Heilman	A
Representative Lawrence R. Klemin	Y
Representative Mike Motschenbacher	Y
Representative Mitch Ostlie	Y
Representative Nathan Toman	N
Representative Jonathan Warrey	Y

9:35 a.m. Motion passed 7-2-4

9:36 a.m. Representative Motschenbacher will carry the bill.

9:36 a.m. Chairman Longmuir closed the hearing.

Wyatt Armstrong, Committee Clerk

March 28, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

VC 3/28/25
1 of 3

ENGROSSED SENATE BILL NO. 2097

Introduced by

Senators Mathern, Wanzek

Representative Brandenburg

1 A BILL for an Act to create and enact a new section to chapter 54-60 of the North Dakota
2 Century Code, relating to the creation of a rural community endowment fund and a rural
3 community endowment fund committee; to provide an appropriation for the rural community
4 endowment fund; to provide for a transfer; and to provide for a report.

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

6 **SECTION 1.** A new section to chapter 54-60 of the North Dakota Century Code is created
7 and enacted as follows:

8 **Rural community endowment fund - Rural community endowment fund committee -**

9 **Purpose - Limitations - Report.**

- 10 1. There is created in the state treasury a special fund known as the rural community
11 endowment fund, which is a permanent endowment fund under the administration of
12 the department.
- 13 2. The rural community endowment fund consists of any moneys transferred to the fund
14 by the legislative assembly and any gifts, donations, or bequests received by the
15 department for purposes identified in this section. The principal of the fund may not be
16 expended. The department shall determine if any gifts, donations, or bequests
17 provided for deposit in the fund are considered permanent in nature and to be
18 dedicated as principal of the fund in perpetuity or for a term of years, in which case
19 only the income earned as a result of the investment of those funds may be expended.
20 The department may not expend moneys from the rural community endowment fund

until the principal of the fund is at least ten million dollars, of which at least five million dollars must be derived from gifts, donations, bequests, or other funding from nonstate sources collected by the department for deposit in the fund. Funding directly from state sources may not be used unless appropriated by the legislature.

3. Investment of the rural community endowment fund must be under the supervision of the state investment board in accordance with chapter 21-10. ~~Interest~~ ~~earned~~ Investment earnings on moneys in the fund must be credited to the fund, which may be spent by the department, pursuant to legislative appropriations, for providing grants in accordance with this section to rural communities in the state to support, create, or improve local housing, workforce, business recruitment and commerce, infrastructure, or other community needs. Funding may not be provided for operating funds of a local entity.

4. The commissioner shall appoint a rural community endowment fund committee consisting of the commissioner, nine individuals residing in rural communities, and a representative of a nonprofit organization dedicated to supporting housing initiatives, ~~social and cultural events~~, and small businesses ~~in~~ that are critical to the vitality of rural communities ~~of~~ in the state. Of the nine individuals residing in rural communities, five individuals must be appointed for a term of two years and four individuals must be appointed for an initial term of one year. Thereafter, the four individuals must be appointed for two-year terms. Terms shall commence on September first of the year of appointment. The commissioner shall serve as the chairman of the committee.

5. The rural community endowment fund committee shall award grants from the rural community endowment fund. When awarding grants from the fund, the committee shall prioritize capital projects that support the long-term prosperity, independence, safety, health, and quality of life of rural communities and their citizens. The committee shall determine funding application and evaluation processes, including grant award amounts and recipients, priority of projects, and evaluation criteria of approved projects.

6. The department shall contract with a nonprofit organization dedicated to supporting housing initiatives, ~~social and cultural events~~, and small businesses of vital community importance in rural communities in the state to assist the department in administering

1 the rural community endowment fund and provide recommendations to the rural
2 community endowment fund committee related to funding, awards, projects, and other
3 purposes. The department may expend up to ten percent of funding available for
4 distribution in the rural community endowment fund for costs of administering the
5 program.

6 7. For purposes of this section, "rural community" means a city with a population of fewer
7 than one thousand two hundred individuals as determined by the most recent
8 decennial census.

9 8. Before July first of each year, the department shall report to the legislative
10 management regarding the status of the rural community endowment fund, use of
11 funding, and program results. The department shall provide an additional status report
12 to each appropriations committee during regular legislative sessions.

13 **SECTION 2. APPROPRIATION - TRANSFER TO RURAL COMMUNITY ENDOWMENT**

14 **FUND - ONE-TIME FUNDING.** There is appropriated out of any moneys in the general fund in
15 the state treasury, not otherwise appropriated, the sum of \$5,000,000, which the office of
16 management and budget shall transfer to the rural community endowment fund, during the
17 biennium beginning July 1, 2025, and ending June 30, 2027. The appropriation in this section is
18 considered a one-time funding item.

**REPORT OF STANDING COMMITTEE
ENGROSSED SB 2097**

Political Subdivisions Committee (Rep. Longmuir, Chairman) recommends **AMENDMENTS** ([25.0231.04003](#)) and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (7 YEAS, 2 NAYS, 4 ABSENT OR EXCUSED AND NOT VOTING). SB 2097 was placed on the Sixth order on the calendar.

25.0231.04002
Title.

Prepared by the Legislative Council
staff for Representative
Motschenbacher
March 27, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO FIRST ENGROSSMENT

ENGROSSED SENATE BILL NO. 2097

Introduced by

Senators Mathern, Wanzek

Representative Brandenburg

1 A BILL for an Act to create and enact a new section to chapter 54-60 of the North Dakota
2 Century Code, relating to the creation of a rural community endowment fund and a rural
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19 only the income earned as a result of the investment of those funds may be expended.
20 The department may not expend moneys from the rural community endowment fund

until the principal of the fund is at least ten million dollars, of which at least five million dollars must be derived from gifts, donations, bequests, or other funding from nonstate sources collected by the department for deposit in the fund.

3. Investment of the rural community endowment fund must be under the supervision of the state investment board in accordance with chapter 21-10. ~~Interest~~ earned investment earnings on moneys in the fund must be credited to the fund, which may be spent by the department, pursuant to legislative appropriations, for providing grants in accordance with this section to rural communities in the state to support, create, or improve local housing, workforce, business recruitment and commerce, infrastructure, or other community needs. Funding may not be provided for operating funds of a local entity.

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1 community endowment fund committee related to funding, awards, projects, and other
2 purposes. The department may expend up to ten percent of funding available for
3 distribution in the rural community endowment fund for costs of administering the
4 program.

5 7. For purposes of this section, "rural community" means a city with a population of fewer
6 than one thousand two hundred individuals as determined by the most recent
7 decennial census.

8 8. Before July first of each year, the department shall report to the legislative
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15 management and budget shall transfer to the rural community endowment fund, during the
16 biennium beginning July 1, 2025, and ending June 30, 2027. The appropriation in this section is
17 considered a one-time funding item.

2025 HOUSE APPROPRIATIONS

SB 2097

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

SB 2097
4/7/2025

A BILL for an Act to create and enact a new section to chapter 54-60 of the North Dakota Century Code, relating to the creation of a rural community endowment fund and a rural community endowment fund committee; to provide an appropriation for the rural community endowment fund; to provide for a transfer; and to provide for a report.

10:35 a.m. Chairman Vigesaa opened the meeting.

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

Members absent: Vice Chairman Kempenich, Representatives: Mitskog, J. Nelson

Discussion Topics:

- Rural Endowment Fund Committee
- Rural Community Sustainability
- Stanley Area Community Foundation

10:35 a.m. Representative Longmuir introduced the bill.

10:52 a.m. Chairman Vigesaa closed the meeting.

Krystal Eberle, Committee Clerk

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

SB 2097
4/11/2025

A BILL for an Act to create and enact a new section to chapter 54-60 of the North Dakota Century Code, relating to the creation of a rural community endowment fund and a rural community endowment fund committee; to provide an appropriation for the rural community endowment fund; to provide for a transfer; and to provide for a report.

9:30 a.m. Chairman Vigesaa opened the meeting.

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:

- Committee Action

9:37 a.m. Representative J. Nelson moved Do Not Pass.

9:37 a.m. Representative Kempenich seconded the motion.

9:37 a.m. Roll Call Vote

Representatives	Vote
Representative Don Vigesaa	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	Y
Representative Mike Berg	Y
Representative Glenn Bosch	Y
Representative Mike Brandenburg	Y
Representative Jay Fisher	Y
Representative Karla Rose Hanson	Y
Representative Scott Louser	Y
Representative Bob Martinson	AB
Representative Lisa Meier	Y
Representative Alisa Mitskog	Y
Representative David Monson	Y
Representative Eric J. Murphy	Y
Representative Mike Nathe	Y
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	Y

Representative Steve Swiontek	Y
Representative Scott Wagner	Y

9:37 a.m. Motion passed 22-0-1.

9:37 a.m. Representative J. Nelson will carry the bill.

9:38 a.m. Chairman Vigesaa closed the meeting.

Krystal Eberle, Committee Clerk

**REPORT OF STANDING COMMITTEE
ENGROSSED AND AMENDED SB 2097 ([25.0231.05000](#))**

Appropriations Committee (Rep. Vigesaa, Chairman) recommends **DO NOT PASS** (22 YEAS, 0 NAYS, 1 ABSENT OR EXCUSED AND NOT VOTING). Engrossed SB 2097, as amended, was placed on the Fourteenth order on the calendar.