

North Dakota Stockmen's Association
Testimony to the State Board of Agricultural Research and Education
December 2021

Good morning, Chairman Lovas and State Board of Agricultural Research and Education members. My name is Elizabeth Neshem, and I am representing the 92-year-old North Dakota Stockmen's Association, which is comprised of more than 3,100 cattle ranching families from across this state.

As you know, the cattle industry is one of the economic pillars of North Dakota, contributing more than \$1 billion in cash receipts each year, with a multiplier three to four times that. In order for the livestock industry and the broader agriculture industry to continue to thrive, we also need to continue to invest in ag research and education, which has a significant return on investment to our entire state.

We are grateful for SBARE's longtime support of beef-related efforts. We were pleased to see the budget restoration and big data initiatives secured during the 2021 legislative session, as well as the livestock-related capital improvement projects advance following action in the special session. While not an SBARE-ranked project, the impending Agricultural Products Development Center, with its state-of-the-art crop and meats labs and Northern Crops Institute components, was also a significant accomplishment over the past year and will serve the education and research needs of our industry for many years to come.

Thank you for this opportunity to give you a quick snapshot of the state's beef industry and to share a few ideas to help it thrive in the future.

I don't need to tell you that this has been a difficult year for most of our state's cattle ranchers. Coming from a semi-arid state like North Dakota, our producers are certainly akin to drought, but the drought of 2021 was a record-breaker – shattering records we never wanted to break: the earliest onset of D4 conditions, the largest extent of D1, 2, 3 and 4 in history, and the highest drought severity

and coverage index ever. Poor grazing conditions, crop and hay production limited choices for our ranchers and posed challenges – from sourcing expense and often far-away feed to navigating feed sources that also were coupled with challenges like high nitrates. We appreciate Extension’s work in disseminating information to help producers make decisions about their operations during this weather disaster.

As many of you know, one of the Stockmen’s Association’s responsibilities is administration of our state’s brand inspection program. As such, we tally the inspections of cattle, horses and mules throughout our state and at the border markets, where we maintain North Dakota inspectors. Those numbers have been significant this year. In fact, as of Sept. 30, we have seen a more than 19 percent increase in inspections year over year. When you look at the auction market inspections alone, there’s a 26 percent increase, and those increased numbers come from almost exclusively cattle.

To break that down further, in the first nine months of the year, we’ve inspected more than 148,000 cows alone. Our five-year average for an entire year runs at about 179,000. That means we are already at about the 90th percentile of our average at only $\frac{3}{4}$ the way through the year. It’s not in just one pocket of the state either. We have seen increased marketings at all but two barns this year — with the largest percentage per-head market increase at 67 percent year-over-year. Thankfully, many areas of state received some late-season moisture, which will help in the recovery of rangeland, stock dams and, hopefully, herd restoration. The significance of this drought, though, cannot be understated and will likely be felt for a long time, so continued support and resources related to range, soil and water health, alternative feedstuffs and alternative marketing strategies should continue to be a priority for our research and Extension efforts.

An exceptionally dry 2021, preceded by the market volatility and supply chain disruptions of 2020 and a super-saturated 2019, all contributed to farm stress in our state. Sadly, the agricultural suicide rate is 3.5 times higher than that of the general population. Human capital is the most important component of our

state's farms and ranches and providing the support our people need should be a top priority. We were pleased to see this as a focal point in Extension's Building Resilient Communities and People initiative.

Extension's other three proposed initiatives also directly relate to our policy and mission at the NDSA. Obviously, Expanding and Protecting Livestock is at the core of what we aim to do as an association. Leveraging resources at the newly erected Bill Bowman Veterinary Diagnostic Laboratory and supporting integrated livestock management at NDSU Research Extension Centers across North Dakota will help us accomplish that. The VDL was a popular testing site for drought-related samples this year and the need for continued support and timely results are critical for livestock producers and their veterinarians to receive diagnoses and develop action plans related to them.

Empty store shelves and supply distribution struggles sparked even more interest in local processing. That was coupled with added processing capacity in the state, resulting from CARES Act grants that allowed facilities to expand and diversify. We encourage SBARE to prioritize opportunities to support food processing efforts, particularly for value-added food products, and help diversify marketing options for livestock producers and feeders. These are components we believe fit within the Increasing Food Security initiative.

In order to make some of these endeavors possible – and sustainable – we need a competent workforce ready to take on the tasks and produce the food the world relies upon. But, check the front window at about any Main Street business or farm and ranch and you will likely see a "Help Wanted" sign. Our nation is in the midst of a workforce crisis, with far more jobs than people seeking to fill them. Rural communities need to mentor, retain and recruit qualified workers and time is of the essence. This was a discuss point at our recent convention and the source of two resolutions in our policy book. We appreciate Extension's Growing a Stronger Workforce emphasis and believe it could be helpful in addressing this problem.

Along with filling workforce vacancies and gaps, our industry must also be more proactive in preparing for the generational transfer of agricultural operations, especially considering the aging population of the farm and ranch community, the fact that less than 40 percent of small business owners have a succession plan in place and that there are impending tax changes that leave even more questions for families as they work to maintain legacy operations and carry them into the future. This initiative could also work to help develop tools to help with the generational transfer of family businesses. This would be a benefit to the entire state, because maintaining stability amongst our industry pillars impacts every North Dakota citizen.

Another concern that we have heard about a lot is over Palmer amaranth and the destructive nature of this highly prolific, herbicide-resistant, invasive weed. Unfortunately, this problematic weed that has been known to wipe out crops and acres upon acres in its path has made its debut in many counties across North Dakota in recent times and is difficult at best to keep under wraps. Palmer amaranth was a major topic and policy item at our convention. "Old friends" like wormwood and leafy spurge are also perennial problems and North Dakota's cattle producers agree that added emphasis on the whole noxious weed complex would be beneficial to the entire state. We urge SBARE and all related authorities to put eradication and control efforts on their priority lists.

Also at our convention and through other member input scoping opportunities, we have heard that producers are looking for real-world, common-sense information, research and programming that they can easily adapt to their operations and that will make, save or return dollars to their pockets. Ideas that have been shared include more work on feedstuffs to maintain cattle gut health and colostrum quality; alternative fly, lice and other insect controls to improve animal welfare and feed efficiencies; feeding research on crop residue diets and cost comparisons on rations using alternatives, especially those presented in a drought situation like we are experiencing this year; data on the best, most cost-effective strategies to stockpile crop byproducts in the summer and yield the

least amount of waste; and finding an alternative to traditional net wrap that protects forage quality, yet is biodegradable and addresses the challenge that producers now face with death loss from occasional ingestion.

Included with my testimony is a copy of the NDSA's newly released policy resolutions book. As you peruse the book, you will notice a host of resolutions testifying to the value of ag research and Extension to our industry and calling for continued investment in each.

One new resolution also speaks to the value of 4-H. As the state's and nation's largest research-based youth development program, 4-H offers age-appropriate, hands-on learning projects and activities in areas such as agriculture, science, engineering, technology, citizenship, leadership, communication, healthy living and outdoor living and fulfills the mission of "clearer thinking, greater loyalty, larger service and healthy living." Research has shown that youth who participate in 4-H excel in school and the sciences, make more healthful choices and are committed to improving their communities and can help bring the solutions to many of the challenges our industry faces. Our resolution calls on local school districts to recognize the value of the youth organization and abandon policies that count students absent when they participate in 4-H activities and contests. This, in our view, is an unnecessary disincentive for participation, and we invite SBARE to help our organization encourage this change in the legislative package it prepares.

Thank you for the opportunity to share these ideas with you. We appreciate your consideration of them and your continued support of North Dakota agriculture. Our organization looks forward to working with you as you develop the priorities for the upcoming biennium.