

SBARE Session December 12, 2023

Comments of the North Dakota Wheat Commission

Good morning, my name is Neal Fisher, I am the Administrator of the North Dakota Wheat Commission.

Thank you for the opportunity to appear before you today.

The NDWC has tremendous respect for SBARE, the process, and the achievements accomplished through agricultural research programs since the creation of SBARE more than 25 years ago. We should also acknowledge that North Dakota agricultural interests were very pleased with outcomes of the 2023 Legislative Session. Research and infrastructure priorities included in successful legislation provide positive direction, funding and opportunities for all of North Dakota Agriculture.

North Dakota's wheat producers invest more than \$1.5 million per year in wheat research conducted here at North Dakota State University. The level of producer investment has ratcheted upward as other sources of traditional funding have slowed or in some instances suffered reductions.

Producer checkoff investment currently represents about 15 percent of total annual expenditures in wheat related research projects conducted at NDSU. Other commodity groups have similar research arrangements in place. These leveraged partnerships allow producers to have 'skin in the game' and provide a sense of ownership and pride in the results generated by these time proven programs.

“Research Matters”

Agriculture is one of North Dakota’s greatest assets and as such, is one of the largest generators of new wealth in our great state.

The ROI on agricultural research as you know is impressive, estimated at a rate of 25 to 1.

“Results Also Matter”

North Dakota, Iowa, and Kansas consistently rank as the top three states in principle crop planted area nationally, each of which account for 24-25 million acres of what USDA considers ‘principle crops’ every year.

In terms of actual value or what is often referred to as ‘Farm Gate Value’, North Dakota agriculture currently generates an average annual value, (simply price X production) of about \$10 Billion, based on USDA (NASS) annual commodity production and price calculations. Annual values have become more stable over the past decade and have grown to higher levels than perhaps ever before in our state’s history, projecting an image of growth, progress, diversification and unprecedented ‘Resiliency’. In addition, robust farm program payments including crop insurance indemnities actually boosted the total ‘annual cash value’ to nearly \$13.5 Billion in 2022-23, and raising the total estimated annual ‘total economic impact’ of North Dakota Agriculture to a new record of \$40.5 Billion.

Four main pillars: wheat, soybeans, corn, and livestock, account for nearly 80 percent of total value; and a dozen or more high value specialty crops make up the remaining 20 percent. A high level of enterprise diversification adds to the resiliency and dependability of our primary industry today, something our fathers and grandfathers could have only wished for.

“ Model for Global Food Security”

‘Food Security’, one of the many important benefits of robust agricultural research, is very closely linked to ‘National Security’, which makes the efforts of everyone in this room all the more important in our world today.

Thank you for your leadership in Legislative Initiatives accomplished in recent sessions of the North Dakota Legislative Assemblies; these are truly game-changing developments for North Dakota agriculture and every citizen of our great state. All offer opportunities to attract world class students, faculty and research and development funding, while retaining the excellent programs and talent currently committed to the institution, our producers and the industry.

- 1) Dalrymple Greenhouse Complex – World Class Facility
- 2) Peltier Complex – will increase quality analysis, product development, promotional and marketing opportunities for all of North Dakota Agriculture – opens spring 2024; recent gains in Federal funding – RAPP – enhancements to USDA/FAS-MAP/FMD will expand Commodity Group market development programs and build on past and current success (\$1.3 Billion – five year USDA program – announced Oct 22, 2023)
- 3) Waldron/Field Labs Project – long sought and critically Important updates
- 4) Engineering and Computational Sciences – Precision Agriculture, also a potential game-changer

NDWC ‘Priority’ Topics for Consideration - 2025: (Not Ranked)

--Continue support for existing SBARE Priority List: i.e., “Next up priorities” on existing list

* Trade and Agricultural Policy Center—NDSU Agribusiness and Applied Economics – Trade, like research, has propelled US and North Dakota agriculture to continually higher levels of productivity and industry growth for decades – Greater emphasis on Trade Policy and success in world markets is very timely in the current global trade environment, and less stable geopolitical situation – US is being replaced as world leader on several fronts, corn, wheat soybeans - Longstanding US Agricultural Trade Surplus challenged in 2023-2024 – US Agriculture, the only sector of the US economy to consistently register an annual trade surplus – for decades, establishing a new record of \$191 Billion in 2022-23, now threatened by rising value of Ag imports and slumping US presence in world trade arena due in part to a weakened US trade agenda.

* Big Data Initiative – potential for incorporation of AI technologies – Growing producer/industry interest

- * Operating Budgets – Essential for growth and continued success
- * Precision Agriculture – Exciting Opportunities, Increased Efficiency, Productivity and may help satisfy some of the growing demand for/or expectations of often vague global ‘Sustainability Goals’

Ongoing/Continuing Issues and Stakeholder Concerns/Notes:

--Soil Fertility Issues: Basic Issues of Production, Soil Health, Growing Awareness of Soil Alkalinity and Loss of Productivity. Low pH soils and aluminum toxicity issues are also present in our production area. Rapidly rising cost of inputs and Declining availability are currently pressing the issue with greater urgency. Unbiased analysis of biologicals in the production process increasingly sought.

--Interest is growing rapidly in Precision Application Technology and exciting new technologies in Seed Placement and Nitrogen/Nutrient Efficiency. (Affects all agricultural enterprises)

--Bacterial Leaf Streak (BLS) – Wheat and Barley – Effective resistance and treatment remain elusive

--Wheat/Barley Scab (Fusarium Head Blight) remains an ongoing threat, even though tremendous progress has been made through effective research efforts, greatly enhanced by programs such as the US Wheat and Barley Scab Initiative.

--Operating Funds: Ongoing but increasingly important issue. Key Scientists and Technician Teams are the heart of these important research programs. (Team Experience is extremely valuable and Critical to Success) Goals: ‘Pay the People’ and provide appropriate operating resources.

--Retention of Top Caliber Scientists/Faculty: Other institutions recruiting our talent. Consider further expansion of incentive programs: Endowed Chairs; Endowed Professorships; Distinguished Professors. Perhaps other incentives necessary to retain our best and brightest. Foundations and Commodity Groups are increasingly involved in these efforts at other top, research institutions.

Thank you again for this opportunity.

If you have questions I will try to answer them.