

Chair Lovas and members of SBARE,

Thank you for the opportunity to provide testimony on SBARE's priorities for the 2025 legislative session. My name is Matt Perdue, and I am the Government Relations Director for North Dakota Farmers Union. NDFU encourages SBARE to consider three key issues as you prepare your 2025 priorities:

- Carbon management research and extension;
- Enhancements to the Center for Agricultural Policy and Trade Studies; and
- General operating funds.

Carbon Management Research and Extension

Efforts to offset or reduce carbon emissions are impacting food and agricultural markets right now and will continue to do so. Those initiatives could create new opportunities for farmers and ranchers through carbon offset and carbon inset markets. North Dakota producers have a long track record of excellent stewardship and are especially well-positioned to capture those opportunities. However, it is clear that farmers and ranchers need more objective, science-based information to help them decide whether to participate in carbon or sustainability programs.

In a poll conducted by the Trust in Food Initiative, 93% of farmers reported being aware of carbon markets, but only 3% were participating.¹ In a 2023 study by Bushel, 60% of farmers said they don't have enough information to decide whether to participate in a sustainability or carbon program.² NDSU could fill that void by providing sound research and education that producers can trust and rely on.

During the 2023 legislative session, NDFU supported SBARE's request for a Climate-Smart Agriculture initiative at the Ag Experiment Station and for an Extension carbon credit specialist during. Unfortunately, we fell short on those requests. We encourage SBARE to continue to pursue investments in carbon research and extension, so our producers have the resources they need to make informed decisions for their operations.

Center for Agricultural Policy and Trade Studies

NDFU supports the request from the Center for Agricultural Policy and Trade Studies to expand its research. Agricultural policy and international trade have pronounced impacts on our producers' markets. Investing in the CAPTS center will strengthen North Dakota agriculture's ability to navigate the complexities of global, federal, and state policies and markets.

¹ Urban, C. & Cole, A. S. (2022, Oct.). *Ready or Not? Ag Carbon Markets and U.S. Farmers*. Farm Journal. Retrieved from https://www.trustinfood.com/wp-content/uploads/2022/10/2359_TIF_Carbon-Markets_DM13_LR.pdf.

² Bushel. (2023). *State of the Farm 2023 Report*. Retrieved from <https://bushelfarm.com/2023-state-of-the-farm/>.

CAPTS is requesting three positions that together would provide a dedicated team focused on agricultural policy and trade:

1. An Agricultural Policy Analyst to inform policymakers, agribusinesses, farmers and ranchers about the impact of policy changes and market conditions;
2. A Markets and Trade Analyst to enhance the competitiveness of North Dakota agriculture through comprehensive agricultural trade and policy analysis; and
3. An Economic Impact/Contribution Specialist to provide transparent analyses that facilitates systematic and thoughtful debates on public policy issues.

Operating Budgets

During the last two legislative sessions, the state legislature has made important investments in major infrastructure projects at NDSU and the AES. The Peltier Complex and the Ag Field Lab Facility will bolster NDSU's ability to provide cutting edge research and improve farmers' and ranchers' access to markets. Those projects will improve NDSU's ability to recruit and retain researchers, faculty and Extension professionals.

As the new facilities are constructed, it is equally important that NDSU has adequate operating resources. We encourage SBARE to prioritize requests for operating funds for facility maintenance and employee compensation.

Conclusion

Thank you for the opportunity to provide this testimony. We appreciate all of SBARE's work to support North Dakota's farmers and ranchers. I am happy to answer any questions.

