North Dakota Soybean Growers Association
1555 43rd Street South, Suite 103, Fargo, ND 58103
(701) 640-5215 | www.ndsoygrowers.com

Value-Added Agricultural Economic incentives, particularly the Soybean & Canola Crush Tax Credit.

Key Points:

- Value-Added Agricultural Processing Incentives are critical to attracting new wealth opportunities to North Dakota
- North Dakota folks have worked hard for over a decade to attract Value-Added Soybean Processing to North Dakota
- Value-added Economic Incentives are "OPEN" for Business Signs
- The recent creation of North Dakota Soybean Processing, LLC

Creation of new wealth is the key to "growing" North Dakota's economic future.

New wealth "grows" our state. We need only to look to the recent new wealth created in North Dakota's oil industry. We are no longer a population loss state. Our Gross Domestic Product has increased. Average annual incomes have risen, along with many more positive outcomes.

Both the Legislative and Executive branches of government have played critical a role in this growth by creating North Dakota's "positive business climate." The economic development incentives this committee is reviewing, and others, have an important role in continuing the positive business climate for our future prosperity. Successful value-added opportunities in our agricultural sector "grows" new wealth here at home. The value-added agricultural commodity economic development incentives you are reviewing are critical to attracting investment potential.

North Dakota's soybean industry is loaded with value-added potential. Total production has grown from thousands of bushels per year to millions. The average yield in North Dakota over the last five years is over 180 million bushels per year. 95% of these are exported, and others create new wealth with them. Whether they are hometown producers, out of state investors, or a combination of both, we have quality soybeans available for creating new jobs and economic activities in North Dakota.

The value-added agricultural economic development incentives you are reviewing are critical to attracting the investments that create the new wealth opportunities in our state.

Some will say, "They were going to build anyway." Certainly in some instances that is true. **Our experience**, as recent as this last year, is that North Dakota has been in the running for value-added soybean processing several times . . . that ended up in other states. So, **"They are going to build it anyway" does not mean they will build it in North Dakota!**

Some will say, "If the incentives have not been used, they are not needed." **We could not disagree more!** Targeted economic development incentives signal that a community, state, region or country is seeking particular value-added investments. They serve as flashing "OPEN" signs, inviting investments.

Other states have "OPEN" signs are rooted in economic development incentives. Competition for soybean value-added opportunities are intense. The growing recognition of North Dakota's positive business climate has been a component of our hope that the first soybean processing plant would root in North Dakota soon.

Many factors are considered when looking at the economics of initial business creation or business expansion, but investors must know we are "OPEN" before they look to us. Recently we have had a couple of hard looks and the last one appears to have real potential with the formal structuring of a North Dakota soybean processing steering committee. They have formed **North Dakota Soybean Processing, LLC** to explore potential value-added processing locations in North Dakota. Its formation has us believing that our goal of having our first value-added soybean process facility in North Dakota is close at hand.

The North Dakota Soybean Value-Added Processing "OPEN" sign is doing its job. We need to keep it on and flashing, attracting investment opportunity and creating new wealth for North Dakota's citizens!

Scott Rising
NDSGA Legislative Director
Scott.rising@ndsoygrowers.com
Cell 701.527.1073