STATE SENATE LEGISLATION

SENATE BILL 2228

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Many North Dakotans live in “food deserts,” and [Senate Bill 2228](https://ndlegis.gov/assembly/69-2025/regular/bill-overview/bo2228.html?bill_year=2025&bill_number=2228) seeks to help curb this problem by giving one-time sustainability grants to preserve or reopen rural grocery stores.

Food deserts are defined as areas where a resident must travel 10 or more miles for fresh or perishable foods.

Sen. Janne Myrdal, R-Edinburg, said the legislation is similar to a bill the Legislature approved two years ago as a rural grocery assistance pilot program. It needs to continue, she said.

“In small towns across the state, losing a grocery store doesn’t just mean driving a little further for food. It means losing a gathering place, an anchor business and a major economic driver,” said Laura Lacher, director of the Economic Development Association of North Dakota.

“Rural grocery stores are the backbone of small communities in providing access to fresh and nutritious food and supporting local economies,” said Parrell Grossman, a spokesman for the North Dakota Soybean Growers Association. When communities have grocery stores it allows people to remain in the communities they love, he said.

Ellen Huber, rural development director of the North Dakota Association of Rural Electric Cooperatives, said the most common challenge the association faces is keeping grocery stores open.

“Since 2014, North Dakota has lost 47 rural grocery stores, leaving only 90. This trend, coupled with a shrinking grocery supply puts many communities at risk of becoming food deserts,” Huber said. “Local stores are vital lifelines.”

When rural grocery stores close, residents must travel to a larger city for food. Many North Dakota communities have raised funds to keep their local grocery store open, and gas stations have begun selling produce and other food items.

The community of Casselton has been working with grocers for years to try to build a grocery store. Casselton is about 23 miles west of Fargo on Interstate 94, and many developers believe it is too close to Fargo to justify a local store.

“In response to Casselton having no grocery store, local gas stations have expanded their food section, but at a higher cost than a grocery store could offer,” said Angela Kolden, editor of the Cass County Reporter.

After the only grocery store in Michigan closed in 2008, the Red River Regional Council, which is based in Grafton and serves northeastern North Dakota, developed a private-public partnership business model that allowed the local Job Development Authority to buy the store and lease it to a private owner. Using community funds and grants, the organization replaced coolers and other equipment. The council continues to repeat this business model in other small towns, said Dawn Mandt, its executive director.

The council received two grants from the pilot program the Legislature approved two years ago, one of which was used to support the only grocery store in Crystal. It closed in 2023, but a local booster club was able to use local fundraising and grant money to buy the store and keep it open, Mandt said.

In south-central North Dakota, Beverly Voller, the volunteer president of the Hazelton Development Corp., said more than 25% of the city’s population is at least 65 years old. Many elderly residents do not want to drive to buy groceries or struggle with traveling and walking around larger stores, she said.

“But this issue is not unique to Hazelton — it affects every small community in North Dakota,” Voller said.

The legislation puts the state Department of Commerce in charge of the grant program and says it has to support existing rural grocery stores before awarding grants to reopen a store in a community without one. The money may not be used for food processing or offsite preparation for a rural grocery store.

A Senate vote on the grant legislation is pending.

The North Dakota Newspaper Association hires an intern and mentor each legislative session to supplement coverage for North Dakota newspapers, through a grant from the [*NDNA Education Foundation*](https://ndna.com/education-foundation/).

Bill 2228

E IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA: SECTION 1. APPROPRIATION - DEPARTMENT OF COMMERCE - RURAL GROCERY STORE SUSTAINABILITY AND FOOD ACCESS EXPANSION PILOT GRANTS - ONE-TIME FUNDING. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $1,000,000, or so much of the sum as may be necessary, to the department of commerce for the purpose of establishing a pilot program to provide grants for the preservation of rural grocery stores and increasing the availability of food access in the state, for the biennium beginning July 1, 2023, and ending June 30, 2025. The department of commerce shall establish guidelines to award funding under this section. This funding is considered a one-time funding item.

BISMARCK, ND ([KXNET](https://www.kxnet.com/news/local-news/senate-bill-to-provide-grant-funding-to-small-town-grocery-stores/(opens%20in%20a%20new%20tab))) — If passed Senate Bill 2228, would look to provide $1 million in grants to help rural grocery stores stay open and improve food access to those that live in sparsely populated areas.

The bill would give the Department of Commerce management of the program and set the rules for awarding grants. Priority for grants would go to existing rural grocery stores before funding new stores or potentially reopening closed ones.

Parrell Grossman with the North Dakota Soybean Growers Association says that grocery stores are a big resource for rural communities that can often be taken for granted by those who live in a city.

“In Bismarck for instance, in most grocery stores I can choose from ten selections of milk, breads, ice creams, and vegetables, and so forth. I can also select from several over-the-counter cold medicines for my grandchildren when the pharmacies are closed, rural communities are and would be grateful just to have a grocery store,” said Grossman.

Development Director for the North Dakota Association of Rural Electric Cooperatives, Ellen Huber, agrees.

[**ICE impersonator removes inmate from Williston jail**](https://www.kxnet.com/news/local-news/ice-impersonator-removes-inmate-from-williston-jail/?ipid=promo-link-block1)

“Grocery stores are essential to small-town survival just as much as water, emergency services, and healthcare to attract people to communities. They need access to healthy, affordable food. Some rural residents are traveling 100 or 200 a day to buy groceries at a big box store,” Huber added.

Huber says that the funds from the state that this bill would supply are very important as North Dakota has continued to lose those small-town grocery stores.

“Since 2014, North Dakota has lost 47 rural grocery stores, leaving only 90. This trend, coupled with the shrinking grocery supply now limited to only large distribution warehouses in Fargo, Grand Forks, and Billings, Montana puts many communities at risk of being food deserts,” said Huber.

However, Huber says that if this bill were to pass, it could create real change in the state.

“All of this can lay the groundwork for real solutions, feasibility studies, while not flashy, are essential when making informed decisions and reducing investment risk, the rad co-op launched in 2021 in Walsh County exemplifies how strategic planning can turn dreams into reality and help secure additional funding for lift-off,” said Huber.

Currently, the bill is waiting for approval in the Senate Agriculture and Veterans Affairs Committee.