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## Testimony of Matt Perdue North Dakota Farmers Union Before the House Industry, Business and Labor Committee March 7, 2023

Chairman Louser and members of the committee,

Thank you for the opportunity to submit testimony in support of Senate Bill No. 2301. My name is Matt Perdue, and I am submitting this testimony on behalf of North Dakota Farmers Union's members.

NDFU supports SB 2301, which establishes a childcare stabilization program to address childcare workforce shortages. NDFU's member-driven Policy & Action supports "significant investments or incentives to address the issue of quality affordable childcare" and identifies the lack of affordable childcare as a key workforce issue in the state. We believe SB 2301 takes important steps toward addressing the issue.

We appreciate the legislature's acknowledgment of North Dakota's childcare crisis. The shortage of affordable, quality childcare options is a challenge for all communities in our state, including rural communities. As you know, many farm families rely on off-farm employment for supplemental income, health insurance and other benefits. Over the last year, we have heard growing concerns from our member-families about their ability to secure or maintain off-farm jobs because of the lack of childcare in their communities.

The existing business model for childcare facilities is simply not sustainable in many rural communities. Despite childcare costs being near or above the limit of what many families can pay, childcare businesses operate on narrow margins. Childcare businesses simply do not earn enough profit to increase wages for their workers without putting the cost of childcare out of reach for many rural families. We believe SB 2301 helps address that challenge. We further encourage the legislature to look at other innovative ways to address our childcare crisis in the years ahead.

Thank you for your consideration. We respectfully request a "Do Pass" recommendation on SB 2301.