

March 8, 2023

RE: HB 1018 TESTIMONY ON APPROPRIATIONS FOR WORKFORCE ATTRACTION

Chairman Wanzek and Members of the Senate Appropriations Committee:

My name is David Farnsworth, recently retired Manager of North Dakota Power Generation and Engineering for Great River Energy, and also Industry Chair for North Dakota's Workforce Development Council. The Workforce Development Council, required by Federal law and State Statute consists of majority Private Industry leaders in key industries located throughout the State. The Council also contains a number of key players involved in Workforce such as Senate and House representation, Economic Development, Organized Labor, Commerce, Job Service, K-12, and Higher Education.

In addition to providing oversight and coordination of various Federal and State workforce funds and requirements, the Workforce Development Council is tasked with providing strategic workforce recommendations to the Governor and Legislature that the Council feels could have the greatest impact on solving our critical workforce issues and growing our economy. One of the core pillars of the Council's recommendations is the "recruitment and retention" of workers.

As you are well aware, North Dakota suffers from a severe shortage of workers in nearly all industry sectors and all areas of the state. With more than 30,000 open jobs and one of the highest labor participation rates in the nation, North Dakota does not have the ability to produce enough workers internally to fill the demand. This inability to have a sufficient workforce impedes our ability to attract new businesses to the state and grow our economy. It should be noted that post-pandemic all the other states in the nation are also suffering from a shortage of qualified workers, and many states have launched aggressive campaigns to attract workers to their states.

From the Workforce Development Council's Report of Recommendations, I would like to highlight a few sentences regarding the attraction of new residents to our State to fill our workforce needs: *"Effective talent attraction and retention initiatives are comprehensive and may include contracted marketing and talent attraction services, partnership with local leaders and employers, grants for local*

talent attraction and retention programs, staff to support a robust initiative that effectively recruits new North Dakotans, and more. This multi-faceted approach requires significant investment by the state and by industry partners.”

Currently the Department of Commerce is administering “Find the Good Life in North Dakota,” a talent attraction initiative that includes a system for generating and tracking leads and connecting them with community leaders and employers. It is critical that talent attraction initiatives are data driven and trackable to demonstrate the impact of the state’s investment. The request of \$24 million by Commerce for talent attraction, while a significant ask, is crucial in attracting new workers and their families to our state in order to fill the great need for skilled workers and realize North Dakota’s economic potential.

In your deliberations of House Bill 1018, I highly recommend full funding for the talent attraction request. I view it as a critical component toward addressing the significant Workforce shortages we are experiencing in North Dakota.

Thank you for your consideration,

David E. Farnsworth
Bismarck, North Dakota