



March 6, 2023

Chairman Sen. Jordan L. Kannianen  
Senate Finance and Taxation Committee  
Testimony in support of House Bill 1168

Chairman Sen. Kannianen and members of the Senate Finance and Taxation Committee,

At last check, the North Dakota Labor Market Information Center reported that there are nearly 10 online job openings for every one resume. That represents a dire workforce shortage across the state. In region 1 alone, that ratio is about 8:1. In a number of talks with employers in the region regarding solutions aimed at easing this workforce shortage, automation has been on the table.

North Dakota legislators are uniquely positioned to help advance efforts to increase automation, at least for several industries within the state: manufacturing and agriculture. The former is a growing industry, with total output growing from \$4.16 billion in 2019 to \$4.63 billion in 2021. While tax credits have existed within that time frame, high demand has not allowed companies to reap the full benefits. The aforementioned numbers also indicate that a favorable return on investment may be expected on the tax credit proposed in HB 1168.

Aside from its implications on the workforce issue, the ability to automate is also expected to increase safety, efficiency, and competitiveness within these industries. In western North Dakota especially, manufacturing is also an important piece of the area's robust energy industry. Additionally, successfully implementing this program could potentially open the door for others to expand automation to address workforce issues, allow current employees to upskill, and further increase output and revenue.

For the reasons listed above, the Williston Area Chamber of Commerce urges a "do pass" recommendation for HB 1168. Thank you so much for your time and consideration. Please do not hesitate to reach out with any questions.

Sincerely,

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