

Testimony In Favor of HB1168
Kristin R. Hedger
Senior Vice President for Business Development
and Government Relations
Killdeer Mountain Manufacturing Inc.
For The Senate Finance and Taxation Committee
March 7, 2023

Chairman Kannianen and Members of the Senate Finance and Taxation Committee,
My name is Kristin Hedger. I am a senior vice president for business development and government relations for Killdeer Mountain Manufacturing Inc. We make parts for civilian and military aircraft. We have manufacturing facilities in Killdeer, Dickinson, and Hettinger in western North Dakota, which employ about 420 people in North Dakota.

We are a family-owned business that was founded more than 30 years ago by Don and Patricia Hedger to provide jobs in western North Dakota.

I regret not being able to testify in person at today's hearing, as I am on business travel this week.

I am writing in support of House Bill 1168, which would provide a nonrefundable North Dakota income tax credit for machinery and equipment that is used to automate a manufacturing process.

The Legislature has approved tax credits similar to this one in previous years and attached a "sunset clause" to the legislation. As I understand it, this bill would not have a sunset clause on the credit. This would be a superior approach and would allow for better business planning for manufacturers like ourselves.

Let me give you an example of how this tax credit would benefit North Dakota. We at KMM often need to invest in wire-cutting equipment. I am talking about large and sophisticated machines that can cost \$600,000 or more. They allow for more precise and efficient manufacturing of the parts we make. This modern cutting equipment saves time and cuts down on waste.

Because we are able to improve our cutting process in this way, we are able to hire more employees to do what we call the "heavy touch" assembly that follows the wire cutting. This helps us to increase the number of jobs we offer, raise our wages, and give our employees an even better quality of life.

Please recommend a "Do Pass" for HB1168 and help provide better jobs and wages in our state.

Thank you.