



FOR YOUTH DEVELOPMENT®  
FOR HEALTHY LIVING  
FOR SOCIAL RESPONSIBILITY

March 12, 2025

Re: SB 2282

**Chairman Headland and Members of the House Finance & Taxation Committee,**

My name is Bill Bauman and I serve as CEO of the Missouri Valley Family YMCA here in Bismarck. Thank you for the opportunity to testify in support of Senate Bill 2282 on behalf of the North Dakota Alliance of YMCAs.

Child Care Impacts

As North Dakota's largest child care provider, YMCAs serve over 3,200 children in licensed facilities across Bismarck, Grand Forks, and Fargo. Child care is essential to family economic stability and North Dakota's workforce, with 78% of families having both parents working outside the home.

Offering child care-related benefits helps attract and retain talent, which is crucial in a competitive job market. For families, accessible and affordable childcare is essential, allowing parents to participate fully in the workforce. This participation not only enhances family income but also contributes significantly to the broader economy.

Child Care Incentives

Last biennium, the state made historic investments in child care, including support for working families struggling with costs to infrastructure and quality-related grants through the Department of Health and Human Services. Unique programs like the child care worker benefit program have helped YMCAs recruit and retain staff. However, providers still face financial strain, especially in infant and toddler classrooms (ages 0-3), where tuition alone does not cover costs.

As the legislature evaluates the 2023 child care package, there is a clear opportunity to further involve and incentivize the business community to support local child care offerings, benefiting the state's workforce.

Many of our donor partners have contributed to the YMCA's child care infrastructure, including lease costs, staff support, and operations. Specifically in Bismarck, Sanford Health, CHI St. Alexius, and Basin Electric Power Cooperative, partnered with the YMCA to expanded access to infant, toddler, and preschool care, through the Youth Development Center (YDC) North location—for their employees and the community.

We believe those contributions should be recognized, and we would argue, incentivized by the state to encourage broader participation in similar child care partnerships.

### Amendment Request

We would like to request your consideration for an amendment that would expand the scope of the child care contribution credit to include capital contributions made by individuals for the development and support of child care infrastructure.

1. The total credit available with respect to each qualifying employee is equal to thirty percent of the taxpayer's aggregate child care contributions toward:
  - a. Child care costs of qualified employees paid during the taxable year in which the credit is claimed;
  - b. Costs related to the construction, renovation, or improvement of child care facilities;**
  - c. Lease or rental payments for properties used as child care centers;**
  - d. Purchase of equipment or materials essential for the operation of child care facilities; and**
  - e. Financial contributions reserved for securing individual child care slots in a facility for employees or the community.**
2. The credit must be claimed for the taxable year in which the child care contributions are made.

We believe a tax credit incentive encompassing these components would engage more corporate partners and more employers working to recruit and retain workforce, and build a healthier ecosystem for the child care providers in the state.

Thank you for your consideration as we work together to address an issue with a direct impact on workforce development in North Dakota.

Thank you,

### **Alliance of North Dakota YMCAs**

Bill Bauman  
Missouri Valley Family YMCA  
Bismarck

Bob McWilliams  
Altru Family YMCA  
Grand Forks

Nick Gray  
Minot Family YMCA / Triangle Y Camp  
Minot

Steve Smith  
YMCA of the Northern Sky  
Fargo

# THE HIDDEN FOUNDATION OF OUR ECONOMY

## CHILD CARE



**Affordable and enriching child care is the hidden foundation of North Dakota's economy.**

Without it, parents' ability to work outside of the home is dramatically limited. Preschoolers enter the classroom at an academic disadvantage, which widens the opportunity gap. And without it, elementary students spend out-of-school hours lacking structure, guidance and positive role models.

**With your help, we can address these challenges and build future generations of North Dakotans from a solid foundation.**

### THE CHALLENGE IN NORTH DAKOTA

#### 2nd Highest Labor Force

Participation Rate in the United States,\*\* making it **a struggle to recruit and retain skilled workers**. Workers who are caring for our most precious possessions: our children.

#### \$354 Million Lost

Amount North Dakota's economy loses annually due to child care challenges.\*

#### Two-Generation Workforce

Childcare is a two-generation workforce issue—crucial for our workforce of today and workforce of tomorrow. Only qualified, caring people help build this next workforce. Not machines, animals or Ai.

#### Childcare Barrier

New residents to the state can help North Dakota thrive. However, childcare is often the barrier that stands between success and stagnation. Additional funding can help bring workforce solutions.

### THE Y FUELS NORTH DAKOTA'S ECONOMY

#### 2,113 Employed

Individuals by North Dakota YMCAs. YMCAs are also often the **first employers of young people and build strong, positive work ethics**.

#### \$25,477,591 Paid

Wages and benefits paid to employees by North Dakota YMCAs.

## THE Y'S IMPACT IN NORTH DAKOTA



### 3,230 Children

were enrolled in YMCA licensed childcare centers statewide including 124 infants, 198 toddlers, kindergarten readiness, and school age.



### 29,555 Youth

participated in out-of-school-time activities at the Y that focus on holistically fostering the physical, social and emotional development of kids.



### \$1.7 Million Scholarship

helped support kids and families from economically disadvantaged backgrounds participate in North Dakota YMCA programs and activities.



### 20,000+ Meals

served in rural communities to children 18 and under during the summer. Plus 7,000 meals in Fargo to low income areas during the summer.



### A SOUND INVESTMENT

There is no other non-profit like the YMCA. By investing in North Dakota's YMCAs and Child Care, you are helping to secure the future of our economy and workforce. Here's how:

- ▶ Enhanced curriculum in Y programs to meet future ND workforce demand
- ▶ Additional YMCA child care staff to increase capacity
- ▶ More efficient recruitment of employees such as faster and more accurate background checks
- ▶ Upgraded practices, equipment and facilities to ensure safety and health of children and staff

*I am very thankful for everything that the YMCA has done for me and Kalani. Because of the Y, I didn't have to choose between rent and childcare. I have no doubt that Kalani will be ready for school thanks to all of the help from the Y.*

*- Nicole, Kalani's mother*

We also provide: • Emergency Child Care for Essential Workers • Youth Sports & Enrichment • Meals & Food Distribution • Senior Wellness & Socializing • New American Support • Water Safety & Swimming Lessons • Adaptive Programming • Cancer Survivor Wellness • And So Much More!

### ALLIANCE OF NORTH DAKOTA YMCAs

**BISMARCK** - Missouri Valley Family YMCA  
1608 N Washington St | [bismarckymca.org](http://bismarckymca.org)

**FARGO** - YMCA of the Northern Sky  
400 1st Ave S & 4243 19th Ave S  
[ymcanorthernsky.org](http://ymcanorthernsky.org)

**GRAND FORKS** - Grand Forks YMCA Family Center  
215 N 7th St, Grand Forks | [gfyymca.org](http://gfyymca.org)

**MINOT** - YMCA of Minot North Dakota  
3515 16th St SW | [ymcaminot.org](http://ymcaminot.org)

