

Mr. Chairman and members of the Committee, my name is Andrea Pfennig, and I am the Vice President of Government Affairs for the Greater North Dakota Chamber. GNDC is North Dakota's largest statewide business advocacy organization, with membership represented by small and large businesses, local chambers, and trade and industry associations across the state. We stand in **opposition of Section 2** of House Bill 1284.

In our 2024 ND Economics and Employer Survey of our membership, when asked to name one thing state government could do to help your business, the top answer was to make healthcare more affordable.

Last fall, the Insurance Commissioner approved small group insurance premium increases between 6.3% and 15.3% for the 2025 plan year. Healthcare and prescription drug coverage mandates, when applied to the private sector, increase business burdens and costs. These increases leave employers with hard decisions when it comes to compensation packages. Do they continue offering employer-sponsored health insurance or do they provide cost of living raises to help employees pay for rent and groceries?

If this bill were only applicable to state employees, we would not have an issue. We will be the first to say that employers should have autonomy in developing compensation packages. However, this bill specifically includes a requirement for PERS to draft a bill for the next legislative session that would apply this to the private sector.

As drafted, rather than making healthcare more affordable, this would lead to increased costs for businesses by shifting them to the employer. It's important to note that there are at least five other bills this session proposing mandates that either would be applied to the private sector or would require a bill to apply them to the private sector in the next session. These costs add up, and they don't go away.

When considering a healthcare mandate that could be applied to the private sector, we ask that the committee also consider the benefits of a free market economy and the importance of a policy framework that enables that system, and our businesses, to thrive. We hope you will oppose this bill.

