



THE CHAMBER
FARGO MOORHEAD WEST FARGO

Letter of Support – SB 2018

Wednesday, January 15th, 2025

Chairman Wanzek and Members of the Senate Appropriations Committee – Government Operations Division,

For the record, my name is Cale Dunwoody, and I have the distinct pleasure of serving as the Vice President of Public Policy for the Fargo Moorhead West Fargo Chamber of Commerce (FMWF Chamber). On behalf of our over 1,700 members, I respectfully offer testimony in support of Senate Bill 2018.

At the FMWF Chamber, our mission is to protect and promote business, inspire individuals, cultivate communities, and influence action. Our members continue to express concerns centered around the availability of high-quality, skilled workers and a strong workforce pipeline. While the shortage gap across the United States is narrowing, North Dakota remains one of the most severe states when it comes to workforce challenges. The U.S. Chamber estimates that there are approximately only 30 available workers for every 100 open jobs, compared to the national statistic of 83 available workers for every 100 open jobs.

As of November of 2024, North Dakota's Labor Force Participation rate trends well above the national average at 68.9% (the national average is 62.8%) and Unemployment rates are amongst the lowest in that nation at 2.4%. This low unemployment rate, coupled with a high labor force participation rate, suggests that most individuals who are able and willing to work are already employed, amplifying the challenge for employers seeking to fill open positions.

These challenges themselves are not unique to our state, every state in the nation is competing to attract, acclimate, retain, and develop workforce. To compete on a nationally and globally, North Dakota must remain committed to identifying and funding creative and multi-pronged solutions to addressing this crisis. We applaud the legislature's commitment to establishing and investing in key workforce programs, like the Regional Workforce Impact Program (RWIP), Operation Intern, Automate ND, targeted training grants, and others. These programs have demonstrated success by creating creative workforce solutions that allow communities and businesses across North Dakota to develop and/or access programs to meet the specific needs of their community and industry.

Operation intern is a critical program with high demand and strong outcomes. The purpose of this program is to expand the number of internships, work experience, and apprenticeship positions throughout the state by providing matching funds that can be used for items needed for the intern/apprentice (i.e. wages, tools, equipment, training, and tuition reimbursements). During the last biennium, the legislature appropriated \$1,006,896 to this program and the entire biennium's funding was fully committed within 24 hours of opening the application process. We know that these valuable experiences lead to employment, making them one of the most effective workforce attraction and retention tools. The National Association of College and Employers (NACE) stated in their 2024 Internship and Co-op Report that retention rates for hires with internal internship experience is 71.4% after one year. This demonstrates the effectiveness of internship programs in fostering affinity and long-term employment relationships, which highlights the importance of significantly increasing the funding of this program to help provide an important solution to our workforce crisis. Through increasing this funding, we could enhance the retention and attraction of young talent in our state, creating meaningful connections and opportunities for industries and businesses.

The RWIP program is a vital initiative that addresses North Dakota's ongoing workforce challenges through a regionally tailored and collaborative approach. The program's ability to tailor solutions to the unique needs of each



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region has made it highly effective. Communities have the flexibility to identify their most pressing workforce challenges and use RWIP resources to address them directly. Since its inception, the program has allocated approximately \$27.5 million to support innovative workforce solutions across the state. These funds have proven effective by launching training initiatives, expanded childcare access for working families, enhanced recruitment and retention strategies, and strengthening career pathway programs in critical industries such as healthcare, education, manufacturing, and agriculture. Within our community this funding has provided the opportunity to develop a sustainable model for acclimating and retaining top talent that has resulted in several relocations of top talent to our region and will provide for many more in the future. Additionally, through this funding we have been able to develop an innovative externship experience (EDventures) that provides secondary educators and influencers the opportunity to immerse into career experiences through visiting more than 10 businesses through this week-long experience. These 70 educators and influencers have translated their new understanding of career pathways into curriculum and relationship for their students – raising awareness and understanding of the many opportunities right here in North Dakota. As workforce shortages persist and evolve, it is essential to sustain and expand programs like RWIP. Continued funding will allow communities to build on their progress, scale successful initiatives, and innovatively address new challenges as they arise.

Automate ND is a forward-thinking initiative that addresses the evolving needs of North Dakota’s economy by fostering the adoption of automation and advanced technologies across industries. By supporting businesses in integrating automation, this program not only enhances productivity and competitiveness but also addresses the persistent workforce shortages that many sectors face. Since its inception, Automate ND has provided essential resources, including grants, technical assistance, and training opportunities, enabling businesses to implement automation solutions. These investments have been critical for industries such as manufacturing, agriculture, and energy, which are foundational to North Dakota’s economy. Automate ND is also vital for positioning North Dakota as a leader in technological innovation. By incentivizing the adoption of cutting-edge solutions, the program attracts new investments and strengthens the state’s reputation as a hub for advanced industries. Looking ahead, continued support for Automate ND will enable businesses to scale their automation efforts, drive economic growth, and ensure that North Dakota remains competitive in an increasingly technology-driven world. By addressing labor shortages and boosting efficiency, this initiative represents an investment in the long-term success of our state’s economy.

As the Legislative Assembly considers this budget, we would encourage continued and enhanced strategic investments into key programs like Operation Intern, RWIP, and Automate ND, underscoring the importance of internship experiences, regional-based solutions that recognize the unique challenge and opportunities of different regions, and the evolving technological innovation needs to drive our economy

Thank you for your attention to this matter and your commitment to North Dakota.

Sincerely,

Cale Dunwoody
Vice President of Public Policy
Fargo Moorhead West Fargo Chamber of Commerce