

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 **support** of Senate Bill 2282.

Labor availability has been identified as the top business concern facing companies in North Dakota. In our 2024 ND Economics and Employer Survey of our membership:

- 70% of respondents indicated they were having trouble hiring employees.
- 69% of respondents indicated that childcare was an issue for their organization.
- 65% of respondents indicated support for a tax incentive to companies that assist with childcare for employees.

The Working Parents Child Care Relief Program, which resulted from the last legislative session was a positive step in addressing childcare issues and worked well for some of our members. However, there were also some challenges with the program.

- The established income thresholds for eligibility excluded some employees.
- Age limitations were a challenge as only ages 0-3 qualify.
- Companies with a large number of employees may find it administratively burdensome.
- The defined contribution amounts limit flexibility. For example, at the inception of the program employers were required to provide \$300/month/employee. Currently there is an additional \$150/month/employee option.

By providing this as an additional option, companies will have more flexibility in developing incentive packages that benefit employees and fit their organization. We would encourage the committee to consider amending the bill to increase the percentage from 30% to 50%.

We feel that this could be a valuable resource in addressing workforce shortages. Thank you for your consideration.