



Senate Industry, Business, and Labor

Testimony Opposed to SB 2203

Chairman Klein and Members of the Committee, my name is Mike Krumwiede appearing on behalf of the American Council of Engineering Companies in opposition of SB 2203. The American Council of Engineering Companies of North Dakota (ACEC/ND) is a nonprofit, voluntary, self-governing organization which represents 29 member firms and nearly 1500 employees.

Engineering companies in North Dakota believe the current rate system already seems to be working due to the very low rates that are below the national average and the fact that the reserve fund is well over it's current target.

ACEC member firms do employ seasonal workforces in the form of field technicians. This bill could result in a large surcharge just for having to utilize a seasonal workforce. And we all know how important seasonal workforce is to the state of North Dakota.

This bill also provides for another wrinkle which is positive rate employers could end up paying this surcharge even more often because it's based on using 150% of the previous years contributions. In lot's of cases that could be a fee that is assessed to small business just for having to lay off one person.

Overall, SB 2203 feels like a large tax increase on businesses in North Dakota in the form of an unemployment surcharge.

For these reasons we ask for a DO NOT PASS recommendation on SB 2203 and I'm happy to answer any questions as I am able.