

**Greater North Dakota Chamber
SB 2203**

**Senate Industry, Business, and Labor Committee
February 9, 2021**



Mr. Chairman and members of the Senate Industry, Business, and Labor Committee, my name is Arik Spencer, President and CEO of the Greater North Dakota Chamber. GNDC is North Dakota's largest statewide business advocacy organization. Affiliated with the US Chamber of Commerce and the National Association of Manufacturers, we stand in opposition to Senate Bill 2203.

SB 2203 seeks to add a ten percent surcharge to businesses whose employees received fifty percent more than the employer paid into the Unemployment Insurance Trust Fund in any given year. While this proposal will reduce premiums for some employers, HB 2203 will negatively impact businesses already going through a difficult time. Since the beginning of the pandemic, businesses in various industries have had to make the difficult decision to lay off workers. According to the US Bureau of Labor Statistics, even now, as business restrictions are being further eased, North Dakota's unemployment rate is nearly double from the previous year. Just last May, North Dakota's unemployment rate was over 9%.

North Dakota businesses are not yet out of the woods. Our state's economy has not returned to pre-pandemic levels and given the uncertain future of employers in the hospitality, retail, personal service, and energy industries, now is not the time to add the burden of a surcharge. Today the Unemployment Insurance Trust Fund remains strong (due to the Emergency Commission/Budget Section allocation of CARES funds to Unemployment Insurance). The Unemployment Insurance Advisory Board has recommended that lawmakers should not alter North Dakota's unemployment insurance program. North Dakota prides itself on being business-friendly, SB 2203 is not friendly to any business enduring a difficult time.

Mr. Chairman, members of the Senate Industry, Business, and Labor Committee, thank you for the opportunity to comment. I urge you to reject SB 2203, and I would be happy to respond to any questions.



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