

## Testimony of Nathan Schneider Economic Development Association of North Dakota In Support of HB 1168 House Finance and Taxation Committee January 9, 2023

Chairman Headland and members of the House Finance and Taxation Committee:

I'm Nathan Schneider, vice president of the Bismarck Mandan Chamber EDC and an Economic Development Association of North Dakota (EDND) board member. On behalf of EDND, I would like to express our support of HB 1168, which reauthorizes a 21st century manufacturing workforce incentive.

EDND represents more than 80 state organizations on the front line of economic development efforts in North Dakota. The organization's primary purpose is to promote the creation of new wealth throughout North Dakota, develop more vibrant communities and improve quality of life.

Workforce availability is the most significant challenge facing North Dakota businesses, limiting the growth potential of the state's economy. EDND supports the development of workforce attraction, development and retention strategies that address the needs of the state's companies. As of November 2022, North Dakota had an unemployment rate of 1.9 percent, and workforce is high on the priority list for businesses of every size.

Similar previous credit incentives to support automation has a long history in North Dakota, dating back to 2009. The credit was designed to support North Dakota manufacturing companies that invest in technology to automate the manufacturing process. The program has been successful in helping North Dakota manufacturers gain market share and increase their competitiveness through automation. It has been widely used by North Dakota manufacturers, including Aldevron, John Deere, Bobcat and Doosan, Baker Boy, Cloverdale, Dakota Turbines, Killdeer Mountain Manufacturing, Peterson Farms Seed, Pivotal Edge, Precision Ag, Remington Seeds, Steffes Corporation and WCCO Belting, which have spoken on the importance of the credit.

This incentive is important to primary sector businesses challenged to recruit and retain a skilled workforce while remaining competitive nationally and internationally. Investment in innovative