



Letter of Support – SB 2018

Monday, March 17th, 2025

Chairman Nathe and Members of the House Appropriations Committee – Education and Environment Division,

For the record, my name is Cale Dunwoody, Vice President of Public Policy for the Fargo Moorhead West Fargo Chamber of Commerce (FMWF Chamber). On behalf of our 1,700 members, I respectfully offer testimony in support of Senate Bill 2018, relating to key workforce programs.

At the FMWF Chamber, our mission is to promote business, inspire individuals, cultivate communities, and influence action. Our members are deeply concerned about the availability of skilled workers and the strength of North Dakota's workforce pipeline. While the national labor shortage is improving, North Dakota remains one of the states with the most severe challenges. The U.S. Chamber reports just 30 available workers for every 100 open jobs in North Dakota, compared to the national average of 83 workers per 100 jobs.

As of November 2024, North Dakota's labor force participation rate is 68.9%, significantly higher than the national average of 62.8%. Our unemployment rate is among the lowest in the nation at 2.4%. This low level of unemployment, combined with high participation, suggests most individuals willing to work are already employed, exacerbating the workforce shortage.

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 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. It expands internships, work experiences, and apprenticeships by providing matching funds for wages, tools, equipment, training, and tuition. These valuable, hands-on 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. Just this February, the Department of Commerce opened their application window for this program and the application window closed within one business day. While these vital funds were awarded to support 168 interns at 45 businesses, a significant waitlist of an additional 63 applicants remains – equating to 198 internships. For these reasons, we support increasing the funding for this critical program, to enhance the career exploration and retention of young talent in our state, create meaningful connections and opportunities for industries and businesses, and strengthen the state's workforce pipeline.

RWIP 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 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



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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 talent that has resulted in several relocations of highly skilled 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 necessary 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 encourage increased strategic investments in programs like Operation Intern, RWIP, and Automate ND. These initiatives are crucial to attracting talent, addressing regional workforce needs, and driving economic growth through technological innovation.

Thank you for your attention and commitment to North Dakota business community.

Sincerely,

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