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House Bill 1608

Testimony of Brady Pelton

House Industry, Business, and Labor Committee

February 5, 2025

Chairman Warrey and members of the Committee, my name is Brady Pelton, vice president of the North Dakota Petroleum Council ("NDPC"). The North Dakota Petroleum Council represents more than 550 companies involved in all aspects of the oil and gas industry, including oil and gas production, refining, pipeline development, transportation, mineral leasing, consulting, legal work, and oilfield service activities in North Dakota, South Dakota, and the Rocky Mountain region. I appear before you today in opposition to House Bill 1608.

While we respect and support religious freedom, this bill imposes significant burdens on employers and will undoubtedly have unintended economic and operational consequences that outweigh its intended benefits. House Bill 1608, as currently written, creates undue hardship for businesses, particularly in industries where continuous operation is essential. Mandating that employers accommodate religious leave without considering the impact on operations could result in significant financial burdens. Businesses, particularly small ones, may be forced to hire additional staff or pay overtime to cover shifts, increasing labor costs. This could put undue strain on employers already facing workforce shortages and economic uncertainties.

Certain industries, such as oil and gas, rely on round-the-clock staffing. Guaranteeing leave without exception will likely create serious gaps in service, jeopardizing efficiency, safety, and production. Employers need flexibility to balance operational needs with employee accommodations.

Title VII of the Civil Rights Act already requires employers to provide reasonable religious accommodations unless they create an undue hardship. This existing framework strikes a balance between protecting religious rights and maintaining business operations. This piece of legislation goes beyond these established protections and removes critical flexibility for employers.

The bill's broad language does not account for the diversity of religious practices. Instead of a one-size-fits-all mandate, businesses should be allowed to work with employees to identify reasonable accommodations, such as shift-swapping, alternative scheduling, or personal leave policies that align with operational needs.

Granting mandatory leave for religious observances could lead to perceived inequities among employees. Non-religious employees may feel disadvantaged if they are required to work less desirable shifts or take on additional responsibilities. Without clear definitions or guidelines, some employees may claim religious exemptions for personal convenience rather than sincere belief. This could lead to workplace morale issues, scheduling conflicts, and decreased productivity.

Finally, the bill does not clearly define what constitutes a "recognized religious holiday," making it difficult for employers to determine compliance. Given the wide range of religious beliefs and observances, employers may face legal uncertainty and increased administrative burdens. House Bill 1608 could open the door to costly legal disputes as employers navigate compliance while maintaining fair and consistent workplace policies.

While we respect the intent of House Bill 1608 in seeking to accommodate religious observance, the bill as drafted places substantial burdens on employers, disrupts workplace operations, and creates significant legal and practical challenges. A more balanced approach – one that considers both employer and employee needs – would be preferable. We urge the committee to reject House Bill 1608 with a **Do Not Pass recommendation** and instead explore solutions that maintain existing legal protections while preserving workplace flexibility.

Thank you, and I would be happy to answer any questions.