

2023 HOUSE INDUSTRY, BUSINESS AND LABOR

HB 1460

2023 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee Room JW327C, State Capitol

HB 1460
1/30/2023

Relating to a paid family medical leave program and an income tax credit for contributions paid into the paid family medical leave fund on behalf of eligible employees; to provide an appropriation; to provide for a transfer; and to provide an effective date.

Chairman Louser called to order 9:00 AM

Members Present: Chairman Louser, Vice Chairman Ostlie, Representatives Boschee, Christy, Dakane, Johnson, Kasper, Koppelman, Ruby, Schauer, Thomas, Tveit, Wagner, Warrey.

Discussion Topics

- Program management
- Right to work
- FMLA eligible events
- Tax credits
- Leave programs
- Minimum thresholds
- Employers' costs

In favor:

Representative Karla Rose Hanson, District 44, Primary bill sponsor, # 17721

Landis Larson, President, North Dakota AFL-CIO, #17594

Kayla Schmidt, Interim Executive Director, North Dakota's Women's Network, # 17891

Janelle Moos, Associate State Director for Advocacy with AARP ND, #17539

Natalie Dvorak, General Pediatrician in Fargo/Moorhead area, #17603

Christina Sambor, ND Lobbyist, (did not sign in, did not give a title), no written testimony

Opposed:

Arik Spencer, Greater North Dakota Chamber (GNDC), #17892

Don Larson, representing the National Federation of Independent Business (NFIB) (no written testimony)

Mike Rud, ND Retail and Petroleum Marketers Association (no written testimony)

Additional written testimony:

Bree Langemo, #17545

Donene Feist, Director for Family Voices of North Dakota (FVND), #17710

Tara Brandner, Legislative Liaison, ND Nurse Practitioner Association (NDNPA), #17717

Chairman Louser adjourned the meeting 10:22 AM

Diane Lillis, Committee Clerk

2023 HOUSE STANDING COMMITTEE MINUTES

Industry, Business and Labor Committee Room JW327C, State Capitol

HB 1460
1/31/2023

Relating to a paid family medical leave program and an income tax credit for contributions paid into the paid family medical leave fund on behalf of eligible employees; to provide an appropriation; to provide for a transfer; and to provide an effective date.

Chairman Louser called to order 2:47 PM

Members Present: Chairman Louser, Vice Chairman Ostlie, Representatives Boschee, Christy, Dakane, Johnson, Kasper, Koppelman, Ruby, Schauer, Thomas, Tveit, Wagner, Warrey.

Discussion Topics:

- Work environment
- Small employer
- Bridge for families
- Neighboring states

Representative Ruby moved a do not pass.
Representative Thomas seconded.

Roll call vote:

Representatives	Vote
Representative Scott Louser	Y
Representative Mitch Ostlie	AB
Representative Josh Boschee	N
Representative Josh Christy	N
Representative Hamida Dakane	N
Representative Jorin Johnson	Y
Representative Jim Kasper	AB
Representative Ben Koppelman	Y
Representative Dan Ruby	Y
Representative Austen Schauer	N
Representative Paul J. Thomas	Y
Representative Bill Tveit	Y
Representative Scott Wagner	Y
Representative Jonathan Warrey	N

Motion passed 7-5-2

Representative Thomas will carry the bill.

House Industry, Business and Labor Committee

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Chairman Louser adjourned the meeting 3:08 PM

Diane Lillis, Committee Clerk

REPORT OF STANDING COMMITTEE

HB 1460: Industry, Business and Labor Committee (Rep. Louser, Chairman)
recommends **DO NOT PASS** (7 YEAS, 5 NAYS, 2 ABSENT AND NOT VOTING). HB
1460 was placed on the Eleventh order on the calendar.

TESTIMONY

HB 1460



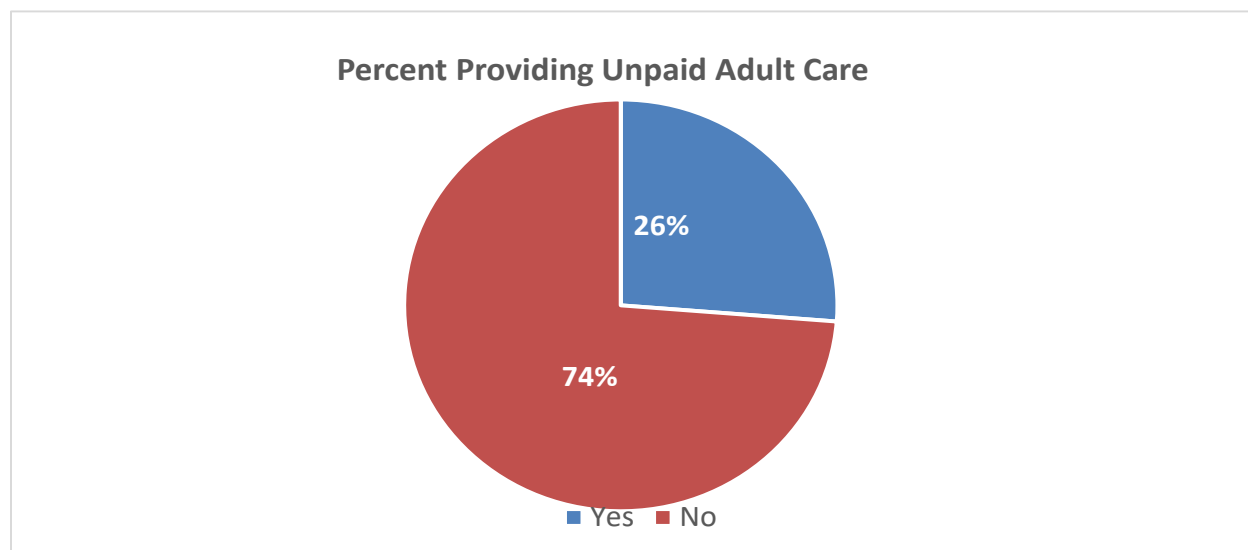
House Bill 1460
January 30, 2023
House Industry, Business and Labor Committee
Janelle Moos, AARP ND – jmoos@arp.org

Chairman Louser and Members of the House Industry, Business and Labor Committee, My name is Janelle Moos, Associate State Director for Advocacy with AARP North Dakota. We are here to provide support for House Bill 1460.

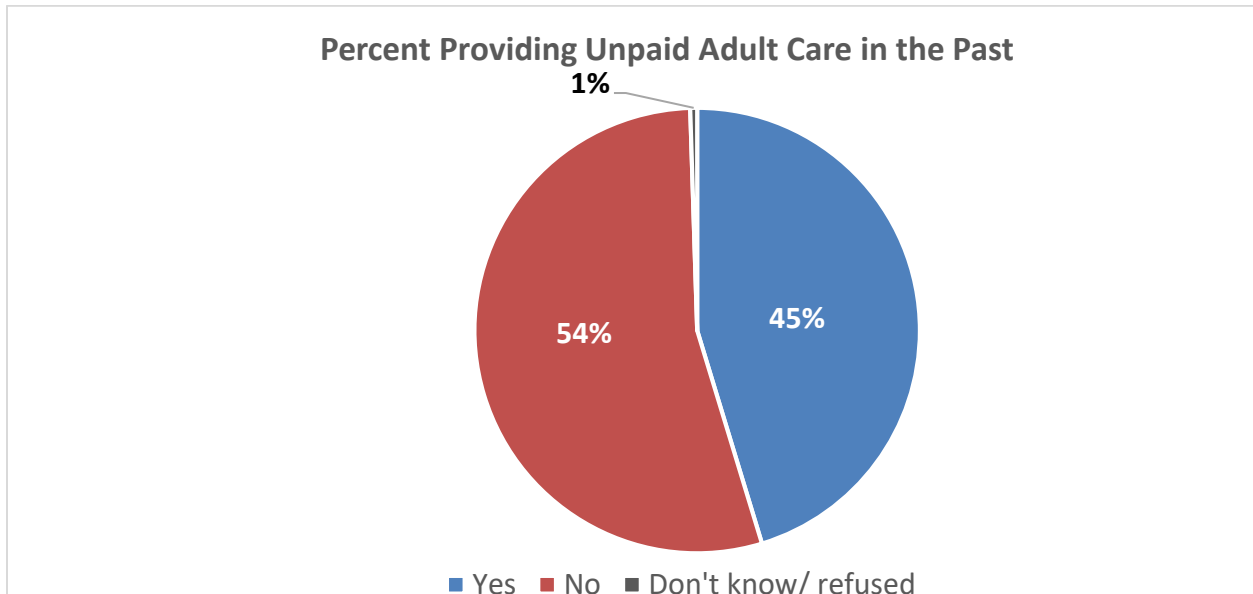
As many of you know we at AARP North Dakota have been working for several sessions now trying to provide much needed support for the state’s unpaid family caregivers. These are people who care for their loved ones at home – keeping them out of hospitals and nursing homes.

By doing so, these estimated 68,000 caregivers save the state more than \$980 million by providing 57 million hours of FREE health care and other work so their loved ones can stay at home.

In AARP’s 2020 survey of North Dakota adults, in the past two years, one quarter (26%) of North Dakota residents age 45+ are currently providing unpaid help to an adult relative or friend.



In addition, almost half (45%) of North Dakota residents age 45+ who are not currently unpaid caregivers have provided this type of help in the past.



In a 2017 survey of North Dakota caregivers care primarily for their parents (64%) and spouses (18%) – they assist with transportation (89%), finances (64%), household chores (87%) and shopping (87%). They also perform a number of medical tasks including overseeing medication (63%) and other complex nursing tasks like wound care and injections (56%).

As it relates to the provisions of HB 1460 – 68 percent of current and former caregivers say they work(ed) while also performing the caregiving duties. Of those who said they work(ed) – 72 percent of them said they had taken some time off from work and 28 percent said they had to take extended leave to care for their loved one. Then we have those who left full time jobs for part time ones so they could also provide care (15%) and those who quit work entirely (12%).

According to a new report from Harvard Business School (*The Caring Company: How employers can help employees manage their caregiving responsibilities – while reducing costs and increasing productivity*) released in 2019 – almost a third of workers – including many senior executives – say their careers have been adversely affected by caregiving obligations. And close to one-third of the employees surveyed in this study say they had voluntarily left a job during their career due to caregiving responsibilities.

It's these caregivers, the ones who work or could be working, who can truly benefit from paid family leave programs.

AARP strongly supported the federal Family and Medical Leave Act in 1993. That act provides patients with serious medical conditions and family members caring for them up to 12 weeks of

time off with guarantees to maintain insurance and retain a similar job when they return. At the state level, AARP supports laws that provide paid leave – similar to the one proposed today.

Thank you for your thoughtful work on this bill. We encourage a do pass on HB 1460.

HB 1460 Testimony

I'm writing in favor of HB 1460 and encourage our legislators to support this impactful legislation. Paid leave during significant life events helps retain employees and prevents businesses from needing to recruit and re-train new employees during a time when workforce is a significant challenge to our state. It is also the right thing to do to support families during significant life events like having a child or taking care of a parent in a health crisis. HB 1460 allows businesses the option to participate and poses no burden on them. In fact, it provides North Dakota businesses an opportunity to have a competitive edge when recruiting new employees seeking benefits such as paid family medical leave. Please support HB 1460. It's good for business and it's good for North Dakota families. It's the right thing to do.

**Testimony of Landis Larson, ND AFL-CIO President
In Support of HB 1460
January 30, 2023**

Chairperson Louser and members of House Industry, Business and Labor:

My name is Landis Larson, President of the North Dakota AFL-CIO. The North Dakota AFL-CIO is the federation of labor unions in North Dakota, representing the interests of all working people in our state.

I am testifying on behalf of the North Dakota AFL-CIO in support of House Bill 1460.

The North Dakota AFL-CIO has supported the numerous iterations of paid family leave that have been heard before this body in sessions past. We feel that HB 1460 takes into consideration prior concerns about paid family leave legislation and ensures a fair, basic framework, where workers and employers both can access this very necessary tool.

Working people need paid family leave to meet the needs of their families when unexpected care-taking needs arise. In 2023, North Dakota working families should not have to choose between caring for their loved ones and maintaining a basic quality of life. This is a moral question. Do we support families? This is one of the best ways we can possibly support our working families.

Employers should have access to offering this important benefit to retain a high quality workforce and decrease recruiting and training costs. We will be competing for workforce with states that offer this benefit. If we are serious about workforce recruitment and retention, we need paid family and medical leave.

This bill is a fair proposal, widely supported by North Dakota working families, that would help tens of thousands of North Dakota families through some of the toughest times of their lives, and deserves serious consideration.

The North Dakota AFL-CIO supports House Bill 1460.

Thank you to the Chair Lefor and the committee for this opportunity to speak. My name is Dr. Natalie Dvorak, and I am a general pediatrician in the Fargo/Moorhead area. I was born and raised in Grand Forks, and I graduated University of North Dakota Medical School. I practice in Moorhead and Fargo. I am here today in support of paid family medical leave for the health and wellness of all my North Dakota patients and their families.

As a pediatrician, I am a physician for newborns through young adults. A large part of my day to day is seeing newborns and infants. I see firsthand the struggles faced by my patients and their families due to lack of paid family medical leave. Anyone who is a parent knows that taking care of a child is one of the most important and challenging experiences in one's life. What happens to a child in their first years has lifelong effects. I am here today to tell you the health benefits of paid family medical leave.

Paid maternity leave has several health benefits for mom's and infants. It is associated with lower infant mortality. In North Dakota, we care about the lives of babies. It increases breastfeeding duration and improves maternal and infant bonding. Breastmilk is the best nutrition for an infant, and it helps protect them from infections. Breastfeeding has benefits for mothers too including lowering the risk of ovarian and breast cancer, decreases bleeding after delivery, and helps with weight loss. Mothers that receive paid maternity leave are more likely to bring their children to doctor visits for immunizations and preventative medical care. We all know that immunizations prevent serious infections and routine medical visits are important to ensure your child is growing and developing normally. Lastly, it is associated with reduced maternal stress and reduced risk of postpartum depression and anxiety.

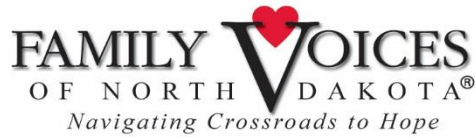
Many people may think that employers already provide paid family leave; however, this is just not true in my experience. It is not uncommon for me to hear moms to returning to work within in 2-6 weeks. Most of the dads I see take only 1-2 weeks off. Infants less than three months are at elevated risk of contracting serious infectious illnesses. I have taken care of so many infants that are critically ill from RSV that was contracted through daycare.

I also want to let you all know that I recently had a baby, and I am on my last days of maternity leave. My maternity leave is unpaid time off. I am fortunate to have a job that allows me financial security; however, growing my family has significant financial implications as I am the major bread winner for my family.

I urge you all today to support house bill 1460 for the health and wellness of our children, our most precious ND residents, and their families.

Sincerely,

Dr. Natalie Dvorak



Testimony on HB 1460
2023 Legislative Session
January 30, 2023


Senator Louser and members of the Committee,

My name is Donene Feist and I am the Director for Family Voices of North Dakota (FVND), Inc. I want to provide to you today testimony on HB 1460

Family Voices of North Dakota is statewide family to family health information and education center who serves families of children with special health care needs in ND. Each state in the country and our territories has one family organization that has been designated as a family to family health information and education center by HRSA federally. We are that entity for ND.

We provide emotional and informational support to many families across North Dakota who have a child who has a chronic health condition and/or disability. In addition to the support and 1:1 assistance we provide to families, we also provide various trainings and workshops, which help families understand how systems work so that they can also be good stewards of state dollars and the programs of which their children are enrolled. Our staff, who all are parents to children with special health care needs, provides assistance to families by helping them access and navigate services; explaining what the services mean, how systems work, and where the funding comes from; by providing emotional support to assist with their unique and individual needs.

National prevalence data estimates from the National Data Resource Center indicates there is an estimated 34,412 children and youth with special health care needs (CYSHCN) in ND. **One in five families in North Dakota (ND) has a child with special health care needs.** <https://www.childhealthdata.org/>

National Outcome Measure 17.1: Percent of children, ages 0 through 17, with special health care needs (CSHCN) 


	Children with special health care needs (CSHCN)	Children without special health care needs (Non-CSHCN)	Total %
%	19.4	80.6	100.0
C.I.	16.9 - 22.1	77.9 - 83.1	
Sample Count	334	1,240	
Pop. Est.	34,412	143,176	

C.I. = 95% Confidence Interval.

Percentages and population estimates (Pop.Est.) are weighted to represent child population in US.

That being said for many of our families who have a child with a chronic health illness or disability, while they may have the time off, certainly does not address what happens if they do not have the amount of sick leave or vacation time to be paid.

We know and hear from many families across the state the financial impact of having a child with a chronic illness and disability. Additionally, data from the National Data Resource Center, we can identify that 6.1% of families who have a child with a disability are having to stop working or reduce hours to care for their child.

Indicator 6.18: During the past 12 months, have you or other family members left a job, taken a leave of absence, or cut down on the hours you work because of this child's health or health conditions? 

		Family member cut back hours or stopped working or both	Employment not affected ²	Total %
North Dakota	%	6.1	93.9	100.0
	C.I.	4.6 - 8.0	92.0 - 95.4	
	Sample Count	90	1,475	
	Pop. Est.	10,724	166,267	
Nationwide	%	6.5	93.5	100.0
	C.I.	6.1 - 6.9	93.1 - 93.9	
	Sample Count	5,820	87,012	
	Pop. Est.	4,642,802	67,130,912	

C.I. = 95% Confidence Interval.

Percentages and population estimates (Pop.Est.) are weighted to represent child population in US.

Some of these families may be a family who has a newborn that run into complications and have to be at the NICU or the PICU, for an extended amount of time. We have had families who have had to stay with their family in the cities for nearly 2 years, staying with their child while the other parent returns to work.

We have families in ND who due to the child's condition ended up in the hospital setting up to 20 times within the year, who are to medically compromised to return to a child care setting following those hospitalizations. The scenarios are many.

We assist families across the state who really are some of the most vulnerable. By and large North Dakota families are hardworking individuals who take pride in their employment and are dedicated to the employer. We as a state have always taken pride in this fact.

Most of our children don't fit a mold. All are uniquely their own, and many have multiple diseases or disorders so rare that often doctors have never seen. Early on families realize with a heavy heart, the world we live in isn't built for our children. Each and every day families are fighting someone about some aspect of their care. It could be a doctor, nurse, therapist, educator, or an insurance company. Every day families launch battles for what we know our children need to thrive, and sometimes our fight ends in defeat. We cry in our bedrooms at night. In the dead of night, many families lie awake, overcome by fear of the unknown.

Every day many families are fighting a battle against a disability, disease or chronic illness that we will never beat. Most of families know the very real implications of what can happen to our children at any given time.

More and more crowd funding has happened because of the time families are left not working and caring for a loved one. I recently read a report that of the 5 billion dollars raised by apps like Go Fund Me, 30-35% of those funds are for individuals who are paying medical bills and time away from work.

We also can identify that more and more families are caring for their own child with a disability but also caring for an aging parent. An increasing population are grandparents are raising their grandchildren who may have a disability. Family dynamics are changing.

With a fund where both families and employers pay into, to have paid leave while they are able to care for family members would be very helpful. Many caregivers

are returning to their place of employment who have not taken the time to care for themselves due to having to return to their employment in order to keep milk on the table. Many return to work to avoid the loss of health insurance that cover the cost of their children's care. HB 1460 would help with that. 84% of employees across the country support a comprehensive paid family and medical leave.

We also have families who have given up seeking employment because of the care that they have to provide for their family. Many employers do not cover sick leave and annual leave benefits. This bill would provide an option for employers and employees. Raising a child or youth with special health care needs, accessing quality services and paying for them while still meeting the needs of the entire family and maintain employment is stressful.

We know the financial hardships that families face. We have heard some devastating stories from families. Health costs are continuing to rise. Exacerbating the scenario even further is if they have to take leave with no pay. This bill would certainly assist the families that we serve who find themselves in this situation. It would keep families employed and not have to do crowd funding to stay afloat. To me, each and every day when I see this happening it is heart breaking. Families work hard. Lets' protect them.

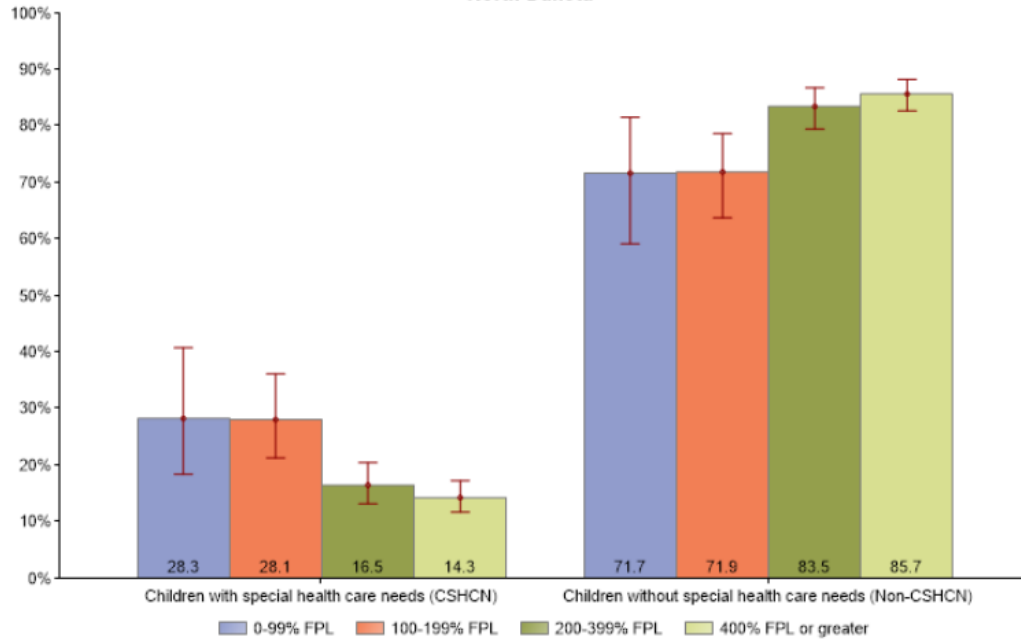
In closing, let us remember as each of us makes decisions that will affect children—whether we are parents, educators, health professionals, or government officials—it is our duty to consider if that decision either affirms or denies a child's most basic human rights. Families are not looking for handouts, but they do often need a rope to hang on to, to keep from drowning in an every changing system. Let's help them.

I have included some data below

Please support 1460

Thanks for your time,
Donene Feist
Family Voices of North Dakota
701-493-2634; fvnd@drtel.net

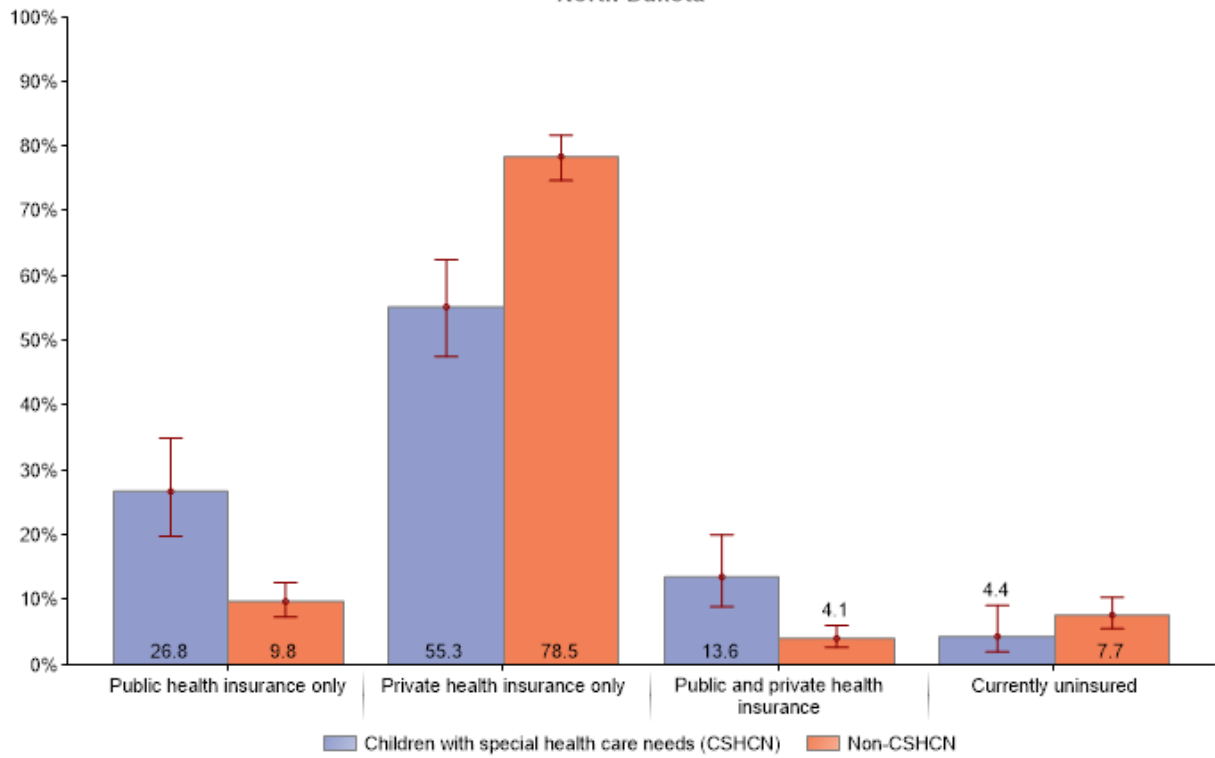
NOM 17.1: Percent of children with special health care needs (CSHCN)
 Children ages 0-17 years
 North Dakota



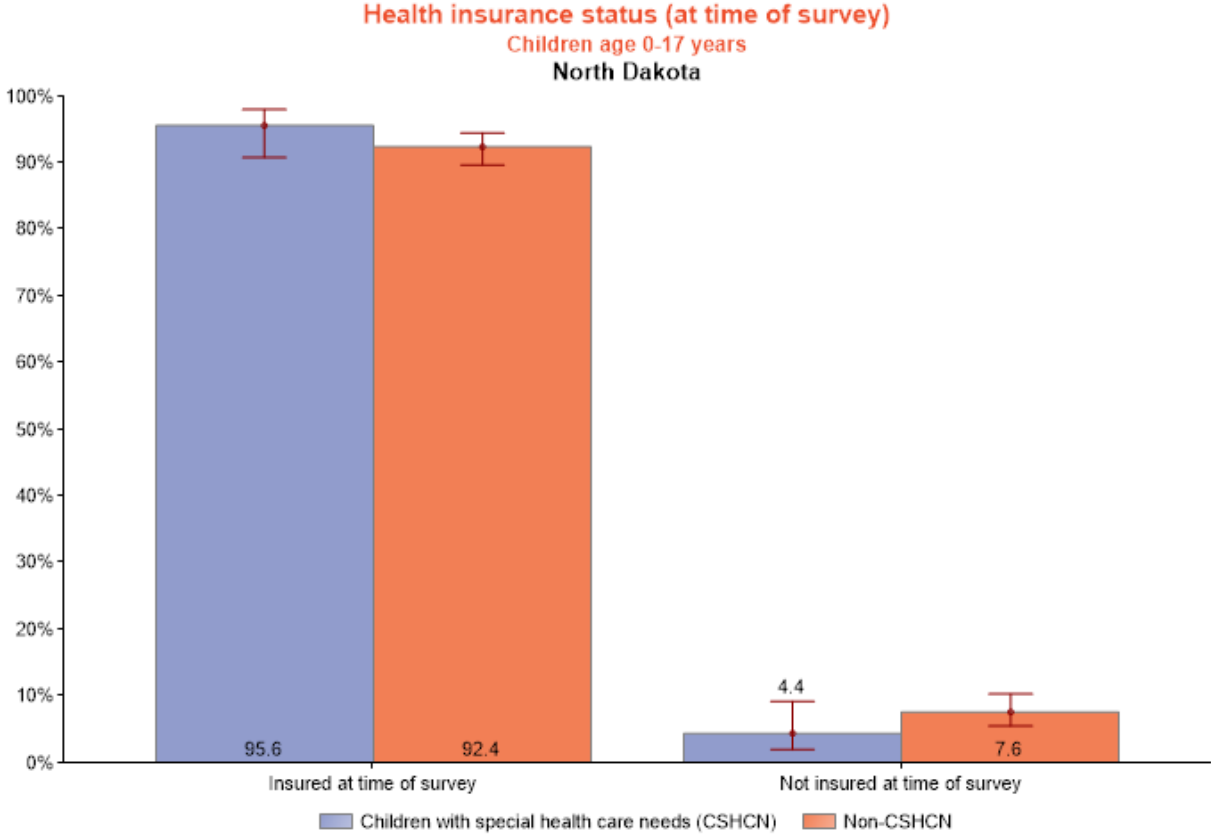
Data Source: National Survey of Children's Health, Health Resources and Services Administration, Maternal and Child Health Bureau. <https://mchb.hrsa.gov/data/national-surveys>

Citation: Child and Adolescent Health Measurement Initiative. 2020-2021 National Survey of Children's Health (NSCH) data query. Data Resource Center for Child and Adolescent Health supported by the U.S. Department of Health and Human Services, Health Resources and Services Administration (HRSA), Maternal and Child Health Bureau (MCHB). Retrieved [mm/dd/yy] from [www.childhealthdata.org].

Type of health insurance (at time of survey)
Children age 0-17 years
North Dakota



Number of children with special health care needs continuously covered. I find this diagram a bit alarming.




ND demographics. Of concern here is the increasing number of children being raised by someone other than their parent is alarming. That may mean a grandparent, sibling, foster care, who may or may not have the means if the child does not have access to services.

What is the family structure that this child lives in? 

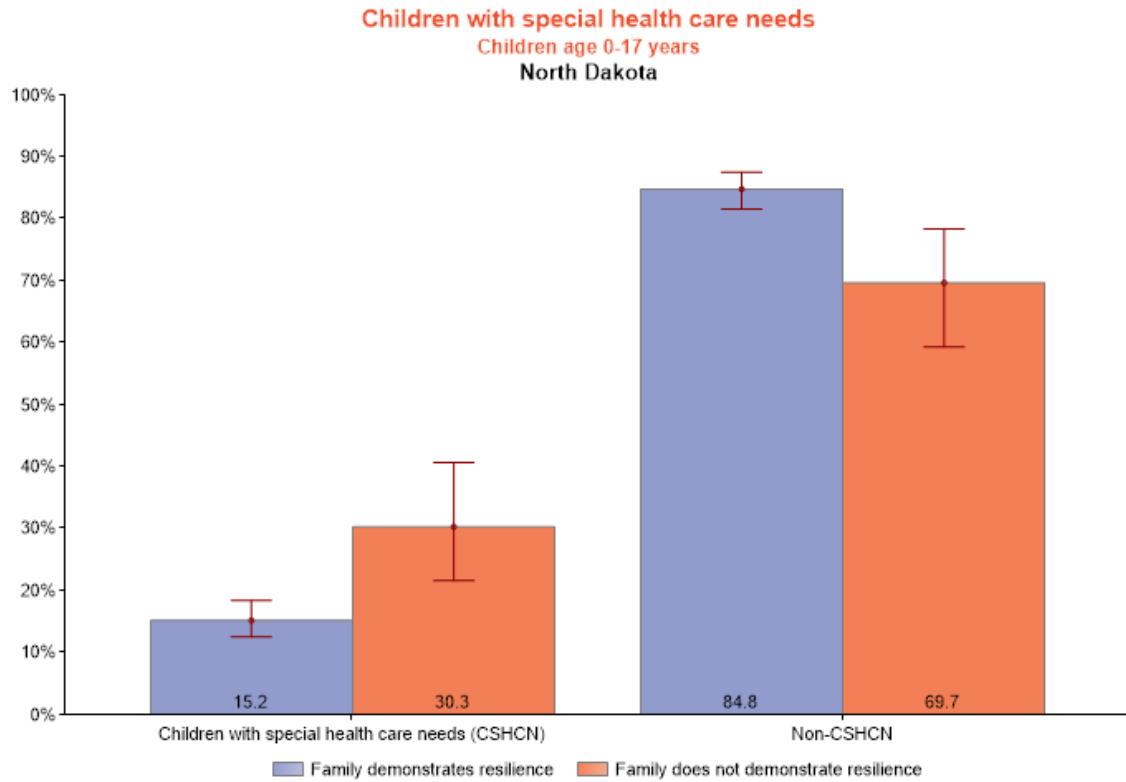
		Two parents, currently married	Two parents, not currently married	Single parent (mother or father)	Grandparent household	Other family type	Total %
Children with special health care needs (CSHCN)	%	60.0	9.4	20.1	7.1	3.4	100.0
	C.I.	52.1 - 67.4	5.5 - 15.5	14.3 - 27.6	3.4 - 14.3	1.2 - 9.3	
	Sample Count	219	26	58	14	6	
	Pop. Est.	20,145	3,148	6,757	2,389	1,132	
Non-CSHCN	%	75.8	6.8	15.9	0.6	0.8	100.0
	C.I.	72.4 - 79.0	5.1 - 9.1	13.4 - 18.8	0.2 - 2.2	0.2 - 2.5	
	Sample Count	946	69	183	7	6	
	Pop. Est.	104,989	9,456	22,019	880	1,081	

C.I. = 95% Confidence Interval.

Percentages and population estimates (Pop.Est.) are weighted to represent child population in US.

 Please interpret with caution: estimate has a 95% confidence interval width exceeding 20 percentage points or 1.2 times the estimate and may not be reliable. For more information about the data suppression and display criteria [click here](#).

Percent of families who are able to demonstrate resilience. This is also a concerning number and we are seeing this with many of the families we serve. The needs are so vast for families and given the pandemic, that has also increased.



Data Source: National Survey of Children's Health, Health Resources and Services Administration, Maternal and Child Health Bureau. <https://mchb.hrsa.gov/data-surveys>

Citation: Child and Adolescent Health Measurement Initiative. 2018-2019 National Survey of Children's Health (NSCH) data query. Data Resource Center for Child Adolescent Health supported by the U.S. Department of Health and Human Services, Health Resources and Services Administration (HRSA), Maternal and Child Health Bureau (MCHB). Retrieved [mm/dd/yy] from [www.childhealthdata.org].



North Dakota Nurse Practitioner Association

www.ndnpa.org

Legislation Tracking Team

Tara Brandner ndnpalegislative@gmail.com 701-471-9745

Adam Homan adam.hohman@ndsu.edu 701-306-1851

Kerri Benning kerri.benning@ndsu.edu 701-426-1422

Written testimony to: 68th Legislative Assembly House Industry, Business and Labor Committee

HB 1460

Chairman Louser and Committee,

I am Dr. Tara Brandner, Legislative Liaison for the North Dakota Nurse Practitioner Association (NDNPA). I am submitting this written testimony on behalf of the NDNPA. The NDNPA is supporting HB 1460; relating to a paid family medical leave program and an income tax credit for contributions paid into the paid family medical leave fund on behalf of eligible employees; to provide an appropriation; to provide for a transfer; and to provide an effective date

The NDNPA supports HB 1460 as it builds upon the Family Medical Leave (FMLA). Paid Family Medical Leave will provide financial peace of mind for those that need extended leave for a qualifying event. This eliminates the financial stress that such events create. Studies have proven that stress has short and long term health consequences.

This concludes my written testimony on support of HB 1460 on behalf of the NDNPA. I am happy to answer any questions in writing or via telephone.

Thank you for your time,
Dr. Tara Brandner, DNP, FNP-C
Legislative Liaison for NDNPA

HB 1460: Paid Family Leave

IBL Committee - 1/30/23
Testimony from Rep. Karla Rose Hanson

Chairman Louser and members of the Committee,

My name is Karla Rose Hanson and I represent District 44 in Fargo. Today I am introducing HB 1460, which would create a Paid Family Leave program in North Dakota.

Paid Family Leave addresses a problem that too many North Dakotans face today: choosing between their paycheck and caring for themselves or a loved one.

This bill enables us to develop an optional, state-facilitated paid family leave program that is funded through contributions from employees and/or employers. When a worker has an eligible event like the arrival of a new child, or their parent faces their last weeks of life, they would withdraw from the fund instead of getting a salary from their employer. This enables them to care for themselves or a loved one while also maintaining financial security.

Why North Dakota needs Paid Family Leave Now:

1. **Pro-family:** Paid family leave enables North Dakotans to care for their own family members – aligning with our family values. Additionally, those without a paid leave option at work are often the very people who will most benefit from the financial security it provides.
2. **Pro-business:** Paid family leave helps businesses recruit and retain talent.
 - Retention: When employees face these infrequent but significant events, paid family leave helps businesses retain them long-term. Today, these employees can just quit, knowing they can get another job later in the tight labor market. That means employers face the costs and time of re-recruiting and re-training talent, which is challenging with today's workforce shortages. Research indicates that paid family leave leads to higher loyalty, greater productivity, and higher retention among employees.
 - Competition: South Dakota is expanding its public and private paid family leave programs, and Minnesota is likely to pass a paid family leave program this year. North Dakota can remain competitive with its neighboring states by passing HB 1460, giving new businesses and new workers another reason to move here.
 - Level playing field: I often hear - let's leave it to companies. They can offer paid leave benefits themselves. But the fact is, most don't. Most simply can't. Small businesses often can't offer the same benefits as large corporations. Participating

in a larger pool via a state-facilitated program would help them compete for the same talent as big companies that offer robust paid leave benefits.

- **All workers covered:** Private-market offerings often have participation minimums, leaving out most ND small businesses. This proposal also supports the growing gig economy, allowing independent contractors and sole proprietors to participate.
3. **Eases our childcare crunch:** More than 10,000 babies are born every year in ND. Most childcare providers don't accept these infants until they are 6 weeks old, and most parents don't have 6 weeks of paid time off, so they're in a bind. Paid family leave helps new parents stay home with their new babies during those first critical weeks, and also a few extra weeks, reducing the demand on childcare facilities a bit.

How would this Paid Family Leave Program Work?

The US Family & Medical Leave Act (FMLA) guarantees 12 weeks of job-protected time off to eligible employees for certain family caregiving needs. However, nearly half of ND's workers don't qualify for FMLA protections, and for those that do, that time off is unpaid. Taking unpaid leave from work creates financial challenges, essentially putting it out of reach.

This bill builds on FMLA. In this state-facilitated program, employers & employees invest together in a paid leave policy as an earned benefit – similar to an insurance fund.

How much is paid in? Each employee participating in the program shall contribute to the fund six cents for every \$10 of wages. That can be paid entirely by the employee, entirely by the employer, or split between them. That flexibility is an important feature.

So, what does that actually look like?

- The average wage for a North Dakota worker is \$56,851.
- Six cents for every \$10 in wages equals \$341 in annual contribution or \$6.50 / week.
- If split between employer and employee, that equates to the cost of a cup a coffee each week for each party.

Who can take leave? To take leave, an employee needs to have accrued 500 hours of service and have an eligible event – most commonly, to care for a serious health condition in themselves or in a family member or to care for a new child who joined your family through birth, adoption or foster care.

What are the benefits to the employee? The program would pay 66% of the employee's average weekly wages with a maximum of \$1,000 per week, for up to 12 weeks a year.

What are the benefits to the employer? Besides enjoying higher employee retention rates, a business is entitled to a state income tax credit equal to 20% of the contributions paid by the business on behalf of the employee.

How would it be rolled out?

The fund will be started by a \$5 million loan from the Legacy Fund interest earnings, to be paid back over 20 years. During the first year, staff would set up the program and develop administrative rules.

Eligible employees and employers may contribute to the fund beginning July 1, 2024.

Eligible employees may withdraw from the fund for an eligible event beginning July 1, 2025.

How will this impact small businesses?

While participation in the ND Paid Leave Program is optional, if an employee participates and has a qualifying event, the employer must allow the employee to take time off. Businesses with a small number of employees may be concerned about how one employee's absence could be a burden. We should recognize that the employee would frequently take the time off regardless if we have this program or not – either as unpaid time off or they would simply quit, knowing there are plenty of open jobs out there for them to take later. Most of these caregiving situations are not optional or frivolous: a baby's arrival, mandatory bedrest, cancer treatment, or your parent dying. Most business owners want to do right by their employees, they want their workers to be financially stable during these infrequent but significant life events, and they want them to return to work. This helps on all those fronts.

How do we compare to other states?

11 states + DC have paid leave programs. Colorado passed its program through initiated measure; the rest were passed by legislatures. All are funded through required payroll taxes. Some are funded jointly by employees and employers; some are by one or the other.

Minnesota is likely to pass its paid leave bill this year. And last week South Dakota Gov. Noem announced plans to expand its existing paid leave program for public employees and to provide \$20 million to help private businesses provide paid family leave benefits.

Conclusion

Too many North Dakotans face an impossible choice: their paycheck or caring for their new baby... their financial security or being by their mother's side during her last weeks on Earth. At the same time, ND businesses are struggling to recruit and retain workers, and childcare providers have more demand than capacity.

We can address each of these challenges by creating a Paid Family Leave Program in ND. The legislature has the decision-making power and the financial resources to make a meaningful difference in the lives of thousands of North Dakotans and help businesses be more competitive in recruiting and retaining workforce.

Paid Family Leave is needed, and it's a win-win for families and businesses. I respectfully ask this committee for a do-pass recommendation on HB 1460.



**Kayla Schmidt – Interim Executive Director, North Dakota Women’s Network
Support – HB1460
North Dakota House Industry, Business and Labor Committee**

January 30, 2023

Chair Louser and members of the Industry, Business and Labor Committee,

My name is Kayla Schmidt and I am the Interim Executive Director of the North Dakota Women’s Network.

We are a statewide organization working towards improving the lives of North Dakotan women and their families. I am testifying in support of House Bill 1460.

This bill would provide earned benefits that both employers and employees invest in. Investing in programs that attract and retain workers is crucial for North Dakota to build a strong workforce. Employers who offer Paid Family Leave programs report boosts in employee health and wellness, engagement, and performance¹.

For smaller employers, HB1460 would create a means to compete with larger companies who have more resources and are able to offer benefits that attract potential employees. HB1460 is inclusive for workers who have traditionally lacked access to comprehensive benefits: part-time employees, sole proprietors and independent contractors are eligible to participate in this program.

This paid family leave program is optional, allowing employers to decide if it will work for their business. Employers must always consider the best way to attract talent. Flexibility is key for modern working families. HB1460 is pro-family—it defines a wide range of life events and family member relations that are eligible for an employee to request leave.

Workers of my generation need leave to care for their children. Workers of my generation need leave to care for their aging parents and grandparents. It’s not uncommon to see grandparents taking on the sole caretaker role for their grandchildren. Mixed, multi-generational families have a variety of needs—for many North Dakotans, a significant event resulting in unpaid leave could result in serious financial hardship.

In North Dakota, over 10,000 babies were born in 2021². Without the availability of paid leave, many women are unable to take the recommended minimum six weeks off work following childbirth. Access to paid family leave gives growing families a sense of security and time to establish and adjust to their new circumstances.

¹ Paid Family Leave in America: An Economic Overview. Society for Human Resource Management. *Oxford Economics*. August 2020.

² ND Vital Events Summary. 2006-2021. *North Dakota Health & Human Services*.



GREATER NORTH DAKOTA CHAMBER
HB 1460
House Industry, Business, and Labor Committee
Chairman Scott Louser
January 30, 2023

Mr. Chairman and members of the Committee, my name is Arik Spencer with the Greater North Dakota Chamber. GNDC is North Dakota's largest statewide business advocacy organization, representing small and large businesses, local chambers, and trade and industry associations across the state. We stand in **Opposition** to House Bill 1460.

HB 1460 raises the question of whether the government should establish a paid family leave mandate for business or if the private market can be responsive to the benefits sought by North Dakota's workforce.

According to a 2020 study on paid leave commissioned by the U.S. Department of Labor and based on 2018 Family and Medical Leave Act Surveys, 73% of employees have (at least some) paid leave available for their own serious illness, and 58% report having paid leave available for the care of a family member's serious illness (whether immediate or non-immediate). The study also noted that there was no difference in these rates between employees in paid family and non-paid family leave states.

Also, over 100 large companies have created or expanded paid family leave policies over the last five years. Major companies, including Walmart, Walgreens, Home Depot, Target, Starbucks, Amazon, FedEx, and McDonalds, have created or expanded paid leave programs since late 2017, with expansions applying to all workers including hourly workers. Even small employers, such as GNDC, offer forms of paid family leave.

Make no mistake the private sector has grown & diversified its paid leave offerings to better compete for needed employees. A government mandate has not been needed and is not needed to force companies to compete for workers through a combination of wages and benefits.

I urge a "Do Not Pass" recommendation on HB 1460 and I'll stand for any questions.