

**FIRST ENGROSSMENT
with Conference Committee Amendments
ENGROSSED SENATE BILL NO. 2017**

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of job service North
2 Dakota; to create and enact a new section to chapter 52-08 of the North Dakota Century Code,
3 relating to job task analysis services; to amend and reenact subdivision a of subsection 3 of
4 section 52-04-05 and section 52-04-22 of the North Dakota Century Code and section 4 of
5 chapter 433 of the 1999 Session Laws, relating to unemployment compensation employer
6 rates, the federal advance interest repayment fund, and the unemployment compensation
7 incentive fund; to provide a continuing appropriation; to provide for retroactive application; and
8 to declare an emergency.

9 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

10 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the
11 funds as may be necessary, are hereby appropriated out of any moneys in the general fund in
12 the state treasury, not otherwise appropriated, and from special funds derived from federal
13 funds and other income, to job service North Dakota for the purpose of defraying its expenses,
14 for the biennium beginning July 1, 2001, and ending June 30, 2003, as follows:

15 Salaries and wages	\$33,830,614
16 Operating expenses	13,420,143
17 Equipment	786,830
18 Capital improvements	453,545
19 Grants	7,818,672
20 Work Force 2000	<u>2,100,356</u>
21 Total all funds	\$58,410,160
22 Less estimated income	<u>56,309,804</u>
23 Total general fund appropriation	\$2,100,356

1 **SECTION 2. APPROPRIATION.** All federal funds received by job service North
2 Dakota in excess of those funds appropriated in section 1 of this Act are hereby appropriated
3 for the biennium beginning July 1, 2001, and ending June 30, 2003.

4 **SECTION 3. WORK FORCE 2000 ALLOCATIONS.** For the year beginning July 1,
5 2001, a minimum of \$150,000, of the \$2,100,356 provided for work force 2000, is to be
6 available for projects in areas in the state which are not within five miles [8.05 kilometers] of
7 any city with a population of more than eight thousand. Any work force 2000 funds remaining
8 after June 30, 2002, may be used for projects in any area of the state.

9 **SECTION 4. AMENDMENT.** Subdivision a of subsection 3 of section 52-04-05 of the
10 North Dakota Century Code as amended in section 1 of House Bill No. 1471, as approved by
11 the fifty-seventh legislative assembly, is amended and reenacted as follows:

- 12 3. a. Except as otherwise provided in this subsection, an employer's rate may not
13 be less than the negative employer minimum rate for a calendar year unless
14 the employer's account has been chargeable with benefits throughout the
15 thirty-six-consecutive-calendar-month period ending on September thirtieth of
16 the preceding calendar year. If an employer in construction services has not
17 been subject to the law as required, that employer qualifies for a reduced rate
18 if the account has been chargeable with benefits throughout the
19 twenty-four-consecutive-calendar-month period ending September thirtieth of
20 the preceding calendar year. If an employer in nonconstruction services has
21 not been subject to the law as required, the employer in nonconstruction
22 services qualifies for a reduced rate if the account has been chargeable with
23 benefits throughout the twelve-consecutive-calendar-month period ending
24 September thirtieth of the preceding calendar year. During the building of the
25 trust fund reserve, the rate assigned to an employer may not exceed one
26 hundred thirty percent of the previous year's rate for that employer and an
27 employer may not receive more than a ten percent decrease in that
28 employer's rate from the previous year's rate, for the calendar years 2000,
29 2001, and 2002. However, this rate limitation provision for calendar years
30 2000, 2001, and 2002 does not apply to an experience-rated employer that
31 was a new employer the previous year, a negative employer that was a

positive employer the previous year, a positive employer that was a negative employer the previous year, an employer that has failed to file a report, a new employer, and an employer that chose to make payments in lieu of contributions. ~~During the building of the trust fund reserve for calendar years 2000, 2001, and 2002, a negative employer that was a negative employer the previous year may not make excess contributions under subsection 4 of section 52-04-06 to become a positive employer.~~ The executive director may provide any negative employer whose contributions paid into the trust fund are greater than the benefit charges against that employer's account, for a minimum of three consecutive years immediately preceding the computation date or subject to the law as required, with up to a thirty percent reduction to that employer's rate for any year if that employer has in place a plan approved by the bureau which addresses substantive changes to that employer's business operation and ensures that any rate reduction provided will not put the employer account back into a negative status.

SECTION 5. AMENDMENT. Section 52-04-22 of the North Dakota Century Code is amended and reenacted as follows:

52-04-22. Federal advance interest repayment fund - ~~Appropriation~~ Continuing appropriation. There is created the federal advance interest repayment fund, to which will be credited all assessments collected by the division for the purpose of paying interest due on federal advances to the state trust fund. The fund must consist of all interest collected on delinquent contributions, all penalties provided by the Unemployment Compensation Law, and funds borrowed from sources other than federal advances which are placed in this fund. All moneys accruing to this fund in any manner must be maintained in this separate interest-bearing account at the Bank of North Dakota or invested in deposits of the Bank of North Dakota.

Moneys in this fund may also be used for the purpose of repaying funds placed in this fund which are borrowed from sources other than federal advances and for the purpose of paying interest due on other than federal advances. However, moneys in this fund may not be expended or available for expenditure in any manner which would permit their substitution for,

or a corresponding reduction in, federal funds which would in the absence of the moneys be available to finance expenditures for the administration of the bureau.

Moneys in this fund may also be used for the purpose of paying principal and interest costs associated with the acquisition and renovation of land and a building to be used as an office facility by job service North Dakota in Grand Forks, North Dakota. Moneys in this fund also may be used for the purpose of paying principal and interest costs associated with the acquisition and renovation of land and building to be used as an office facility by job service North Dakota in Bismarck, North Dakota. Moneys in this fund may be used for the purpose of paying the costs of repair, renovation, or alteration of job service-owned office facilities. Moneys in this fund may be used for the purpose of paying the replacement rate charged for use of state fleet vehicles. Moneys in this fund are hereby appropriated for the purposes specified in this section including the purpose of paying principal and interest costs associated with the acquisition and renovation of land and a building to be used as an office facility by job service North Dakota in Grand Forks, North Dakota. Moneys in this fund are appropriated for the purpose of paying the principal and interest costs associated with the acquisition and renovation of land and a building to be used as an office facility by job service North Dakota in Bismarck, North Dakota. Moneys in this fund are appropriated for the purpose of paying the costs of repair, renovation, or alteration of job service-owned office facilities. Moneys in this fund are appropriated for the purpose of paying the replacement rate charged for use of state fleet vehicles.

SECTION 6. A new section to chapter 52-08 of the North Dakota Century Code is created and enacted as follows:

Job task analysis services - Authorization to charge fees - Continuing appropriation. Job service North Dakota may provide job task analysis services to an employer requesting these services. Notwithstanding the reference to free public employment offices in this chapter or in any other provision of law, job service North Dakota may charge reasonable fees to employers for providing job task analysis services. All fees collected under this section must be deposited in a separate interest-bearing account at the Bank of North Dakota and must be used for the purpose of providing job task analysis services. Moneys in this fund are appropriated on a continuing basis for the purpose of providing job task analysis services.

1 **SECTION 7. AMENDMENT.** Section 4 of chapter 433 of the 1999 Session Laws is
2 amended and reenacted as follows:

3 **SECTION 4. APPROPRIATION.** The unemployment compensation incentive fund is
4 established from all moneys credited to this state under section 2 of this Act for federal fiscal
5 years 2000, 2001, and 2002. ~~The amount of \$327,000 from this unemployment compensation~~
6 ~~incentive fund, to the extent funds are available in this fund, is hereby appropriated to job~~
7 ~~service North Dakota every year in which job service North Dakota achieves an average~~
8 ~~duration of benefits that is at least one half week less than the average duration of benefits for~~
9 ~~the preceding program year, excluding every claimant who is on temporary layoff and returning~~
10 ~~to employment with the former employer within four weeks and excluding every claimant with~~
11 ~~demonstrated job attachment and a reasonable expectation of returning to a former base~~
12 ~~period employer once work becomes available for the biennium beginning July 1, 1999, and~~
13 ~~ending June 30, 2001. All moneys in this fund are appropriated to job service North Dakota for~~
14 administration of the unemployment compensation program.

15 **SECTION 8. RETROACTIVE APPLICATION.** Section 4 of this Act is retroactive in
16 application to January 1, 2000.

17 **SECTION 9. EMERGENCY.** Section 4 of this Act is declared to be an emergency
18 measure.