

# FISCAL NOTE

Requested by Legislative Council  
01/15/2001

Bill/Resolution No.: SB 2184

Amendment to:

**1A. State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>		\$0	\$0	\$0	\$0	\$0
<b>Expenditures</b>		\$0	\$0	\$0	\$0	\$0
<b>Appropriations</b>		\$0	\$0	\$0	\$0	\$0

**1B. County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**2. Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill will eliminate mandatory succession of unemployment insurance tax accounts. Negative balance accounts will be able to reorganize into another entity to eliminate their negative balance reserve, negative balance unemployment insurance tax rates, and also to avoid additional costs of benefit charges to that account. Data does not exist to provide specific amounts.

The bill also opens avenues for new businesses to buy unemployment insurance tax rate histories of unrelated businesses to avoid new employer tax rates. New businesses have a greater risk to the Unemployment Insurance Trust Fund. This too can increase the cost to the Trust Fund and to other employers. Data does not exist to provide specific amounts.

The bill also proposes the transfer of only the accounts reserve, rather than the history of the account. This has potential for additional costs to the Trust Fund for benefits charges to the predecessor, which will be applied to other employers.

**3. State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

**A. Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

**B. Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

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**Agency:** Job Service North Dakota  
**Date** 01/19/2001  
**Prepared:**