

FISCAL NOTE
Requested by Legislative Council
03/12/2013

Amendment to: HB 1112

- 1 A. **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.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures						
Appropriations						

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

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
Counties			
Cities			
School Districts			
Townships			

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

HB 1112 does not have a direct fiscal impact. As a result, no revenue, expenditure or appropriation amounts are noted.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The intent of the new lien process is to provide internal efficiencies that will allow Job Service to process an increasing workload without the addition of staff; a fiscal impact is not expected. This lien process is critical in light of federal budget cuts and the need to continue to identify efficient, effective processes. The amendment added to HB 1112 also provides for no direct fiscal impact other than to stop the payment of Unemployment Insurance benefits to claimants impacted by a lockout. Lockouts occur on rare occasions and the financial impact of benefit payments as a result of a lockout will vary by situation. A prior bill from the 2013 Legislative session, SB 2224, would have allowed benefit payments to locked out workers. The fiscal note for that bill indicated that benefit payouts in the average amount of \$8,892 per employee could be expected if locked out workers became eligible to receive benefits. Conversely, HB 1112 identifies lockouts as a disqualifying situation as it relates to eligibility for benefits, and as a result the expenditure of \$8,892 per employee would be eliminated in future lockout situations. HB 1112 also removes the potential for statewide employer unemployment insurance tax rate increases that could come about as a result of an employer moving to a negative status due to unemployment insurance benefit payments during a large and lengthy lockout situation.

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, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

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