

Fifty-sixth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2404

Introduced by

Senator Grindberg

Representative Dorso

1 A BILL for an Act to create and enact a new section to chapter 52-08 of the North Dakota
2 Century Code, relating to work force training; and to provide an appropriation.

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

4 **SECTION 1.** A new section to chapter 52-08 of the North Dakota Century Code is
5 created and enacted as follows:

6 **Work force training - Investment fee.**

7 1. Job service North Dakota shall assess each employer a work force training
8 investment fee of four one-hundredths of one percent of taxable wages paid by the
9 employer to employees during each calendar year. The work force training
10 investment fee is a fee separate from contributions made under chapter 52-04 and
11 may not be deposited in the unemployment compensation fund. Job service shall
12 assess the fee on an annual basis and may assess the fee in the same manner as
13 it collects contributions and taxable wages reported by reimbursing employers
14 under chapter 52-04. The work force training investment fee payments may not be
15 included in computing unemployment compensation rates assigned to employers
16 and may not be deducted by an employer from the wages of the employer's
17 employees.

18 2. Funds collected under subsection 1 must be deposited in a work force training
19 investment account and used to provide work force training programs at
20 institutions of higher education that are assigned primary responsibility for work
21 force training as defined by the state board of higher education. Administrative
22 costs incurred by job service for the collection of the work force training investment
23 fee and for costs related to the establishment and maintenance of the work force
24 training investment account must be paid from the work force investment training

1 account. The funds may not be used by institutions of higher education for capital
2 construction projects. The funds must be used to provide customized work force
3 training, including operation and administration of a training division, acquisition of
4 equipment, marketing, and program development. The institutions of higher
5 education shall cooperate with job service, the work force 2000 advisory board,
6 and the tribal colleges in the state in addressing customized training needs in the
7 state.

8 3. The president of an institution of higher education that is assigned primary
9 responsibility for work force training shall appoint a regional work force training
10 board consisting of representatives from businesses and industries located within
11 the institution's delivery area. The board must consist of at least seven but no
12 more than fifteen members and a majority of the board members must represent
13 private sector employers. If there is an Indian reservation within the region, the
14 board must include at least one representative from an Indian-owned business, a
15 tribal government, or a tribal college within the region.

16 4. The state board of higher education shall establish up to four regions reflecting the
17 geographical areas of work force training responsibility for the institutions of higher
18 education eligible for funds under this section. Funds collected under subsection 1
19 must be allocated for use in the region of the state in which the funds were
20 collected based upon covered employment in that region of the state.

21 5. Each institution of higher education providing a work force training program shall
22 submit a report annually to the legislative council, the governor, the state board of
23 higher education, and the North Dakota work force development council regarding
24 the work force training programs receiving funds under this section.

25 **SECTION 2. APPROPRIATION.** There is hereby appropriated out of any moneys in
26 the special account created in section 1 of this Act, not otherwise appropriated, the sum of
27 \$1,963,100, or so much of the sum as may be necessary, to job service North Dakota for the
28 purpose of providing work force training programs under this Act, for the biennium beginning
29 July 1, 1999, and ending June 30, 2001.