

**SENATE BILL NO. 2034**

Introduced by

Legislative Council

(Industry, Business, and Labor Committee)

1 A BILL for an Act to create and enact a new section to chapter 52-04 of the North Dakota  
2 Century Code, relating to imposition of a fee by job service North Dakota on certain employers  
3 for employees utilizing the return-to-employer status; and to provide a continuing appropriation.

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

5 **SECTION 1.** A new section to chapter 52-04 of the North Dakota Century Code is  
6 created and enacted as follows:

7 **Return-to-employer fee - Continuing appropriation.**

8 1. The bureau shall impose a fee upon each employer for which cumulative  
9 contributions are less than the employer's cumulative benefits and which utilizes  
10 the return-to-employer status for any individual who has worked for the employer  
11 within the base period of the claimant's unemployment insurance claim to the date  
12 of claim and for which the employer is also the claimant's last employer. Fifty  
13 percent of any fee paid under this section must be considered as an  
14 unemployment contribution under this chapter and may be used in determining  
15 unemployment insurance tax rates. The remaining fifty percent of a fee paid must  
16 be deposited in the federal advance repayment fund as provided in subsection 6.  
17 A fee paid under this section is nonrefundable. An employer making payments in  
18 lieu of contributions is not eligible to pay the return-to-employer fee under this  
19 section.

20 2. The bureau shall calculate the fee by:

21 a. Calculating the amount of benefits paid to return-to-employer claimants  
22 attached to the employer for the previous three calendar years;

- 1            b. Dividing the amount of benefits paid to the return-to-employer claimants by  
2            the number of individuals who received benefits to determine an average  
3            amount of benefits paid to each claimant;
- 4            c. Subtracting three claimants from the total number of return-to-employer  
5            claimants who received benefits to determine the number of claimants for  
6            which the fee is charged;
- 7            d. Multiplying the product of the division in subdivision b by the result of the  
8            subtraction in subdivision c to determine the dollar amount to base the fee  
9            upon;
- 10           e. Dividing the result of subdivision d by three; and
- 11           f. Multiplying the amount from subdivision e by twenty percent.
- 12           3. By September first of each year, the bureau shall send a notice to the address of  
13           record of each employer that may be subject to the return-to-employer fee  
14           indicating that the utilization of the return-to-employer status for the twelve-month  
15           period beginning October first is conditional upon payment of the fee stated within  
16           the notice, and any other balance due to the bureau being paid by September  
17           thirtieth of that year. An employer subject to the fee imposed under this section  
18           that has any balance due to the bureau as of October first may not utilize the  
19           return-to-employer status during the twelve months ending September thirtieth of  
20           the subsequent year. The payment of the fee by an employer applies to any claim  
21           filed on or after October first of each year and continues to September thirtieth of  
22           the following year.
- 23           4. Upon payment by an employer of the return-to-employer fee under this section, a  
24           qualifying employee of the employer who is laid off due to a lack of work and  
25           through no fault of the employee is eligible for return-to-employer status and is not  
26           required to search for work during any period of unemployment for claims with a  
27           claim date between October first and September thirtieth of the subsequent year.
- 28           5. The bureau may allow continuation of return-to-employer status for a claimant of  
29           an employer that has paid the return-to-employer fee, notwithstanding a period of  
30           intervening employment of the claimant with another employer.

1           6. Fifty percent of any fees collected under this section must be deposited in the  
2           federal advance interest repayment fund provided for under section 52-04-22 and  
3           is appropriated on a continuing basis for the purposes provided under this  
4           subsection. Fifty percent of the fees deposited in the federal advance interest  
5           repayment fund may be used for reemployment services and the remaining fifty  
6           percent may be used for the purpose of administration of the unemployment  
7           insurance program.