

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1083

2005 HOUSE INDUSTRY, BUSINESS AND LABOR

HB 1083

2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1083

HOUSE INDUSTRY, BUSINESS AND LABOR

Conference Committee

Hearing Date 1-12-05

Tape Number	Side A	Side B	Meter #
1	x		28.5-36.
2		x	8.2-10.2

Committee Clerk Signature



Minutes:

Chairman Keiser: Opened the hearing on HB 1083. All committee members were present.

John Graham, Unemployment Insurance Program Job Service, ND: Appeared in support of HB 1083 and provided written testimony (SEE ATTACHED TESTIMONY).

Representative Amerman: Can you give me an idea on the number of employees in H2A in ND?

John Graham: I can't give you an idea, there is no impact on the fund if even a minimum amount.

Representative Nottestad: These are only for legal aliens in the state?

John Graham: That is correct, this would be for aliens that are in the US. under the immigration section 1101a15h2a of the immigration and nationality act.

No opposition.

Representative Nottestad: I move a DO PASS motion on HB 1183.

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House Industry, Business and Labor Committee

Bill/Resolution Number HB 1083

Hearing Date 1-12-05

Representative Dosch: SECOND the motion.

Motion carried. VOTE: 13-YES 1-NO 0-Absent.

Representative Nottestad will carry bill on the floor.

Hearing closed.

FISCAL NOTE
 Requested by Legislative Council
 12/22/2004

Bill/Resolution No.: HB 1083

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.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

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

2003-2005 Biennium			2005-2007 Biennium			2007-2009 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 not have an impact on Job Service North Dakota's appropriation for the 2005-2007 biennium; will not have a significant adverse impact on the Unemployment Insurance Trust Fund, and will not significantly increase the Unemployment Insurance program's operating costs.

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.*

There will be no impact on revenues as a result of passage of this Bill.

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.*

There will be no appreciable increase in expenditures as a result of passage of this Bill.

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.*

This Bill will require no change in Job Service North Dakota's 2005-2007 appropriations.

Name:	John Graham	Agency:	Job Service
Phone Number:	701-328-2843	Date Prepared:	01/07/2005

Date: 1-12-05
Roll Call Vote #: 1

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1083

House **INDUSTRY, BUSINESS AND LABOR** Committee

Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Do PASS

Motion Made By Rep. Nottestad Seconded By Rep. Dosch

Representatives	Yes	No	Representatives	Yes	No
G. Keiser-Chairman	X		Rep. B. Amerman	X	
N. Johnson-Vice Chairman	X		Rep. T. Boe	X	
Rep. D. Clark	X		Rep. M. Ekstrom	X	
Rep. D. Dietrich	X		Rep. E. Thorpe		X
Rep. M. Dosch	X				
Rep. G. Froseth	X				
Rep. J. Kasper	X				
Rep. D. Nottestad	X				
Rep. D. Ruby	X				
Rep. D. Vigesaa	X				

Total (Yes) 13 No 1

Absent 0

Floor Assignment Rep. Nottestad

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
January 12, 2005 2:49 p.m.

Module No: HR-07-0365
Carrier: Nottestad
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1083: Industry, Business and Labor Committee (Rep. Kelsner, Chairman)
recommends **DO PASS** (13 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). HB 1083
was placed on the Eleventh order on the calendar.

2005 SENATE INDUSTRY, BUSINESS AND LABOR

HB 1083

2005 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1083

Senate Industry, Business and Labor Committee

Conference Committee

Hearing Date February 15, 2005

Tape Number	Side A	Side B	Meter #
1		X	741-1155

Committee Clerk Signature

Lisa VanBeekom

Minutes: **Chairman Mutch** called the hearing to order on HB 1083, relating to unemployment insurance taxation exemption for wages paid to an alien employee pursuant to federal law. All Senators were present.

John Graham, representing Job Service North Dakota appeared in support of the bill. See written testimony.

Chairman Mutch closed the hearing on the bill.

Action taken:

Klein moved for a Do Pass recommendation on HB 1083. Seconded by Senator Espegaard.

The bill passed unanimously, 6-1-0. Senator Mutch is the carrier of the bill

Date: 2-15-05
Roll Call Vote #: 1

2005 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1083

Senate Industry, Business, and Labor Committee

Check here for Conference Committee

Legislative Council Amendment Number

Action Taken Dolass

Motion Made By Klein

Seconded By Espegard

Senators	Yes	No	Senators	Yes	No
Chairman Mutch	X		Senator Fairfield		X
Senator Klein	X		Senator Heitkamp	X	
Senator Krebsbach	X				
Senator Espegard	X				
Senator Nething	X				

Total (Yes) 6 No 1

Absent 0

Floor Assignment Mutch

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
February 23, 2005 3:00 p.m.

Module No: SR-33-3518
Carrier: Mutch
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1083: Industry, Business and Labor Committee (Sen. Mutch, Chairman) recommends DO PASS (6 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). HB 1083 was placed on the Fourteenth order on the calendar.

2005 TESTIMONY

HB 1083

Testimony on House Bill No. 1083
Before the House Industry, Business & Labor Committee
Representative George Keiser, Chairman

Presented by John Graham
Job Service North Dakota
January 12, 2005

Mr. Chairman, members of the Committee, I am John Graham, representing Job Service North Dakota. We caused House Bill No. 1083 to be introduced to correct a problem arising because of a change in federal law.

The amended subdivision currently provides that service performed for a covered agricultural employer after January 1, 1980 by an alien admitted pursuant to specific provisions of the federal Immigration and Nationality Act is to be considered covered employment and the wages paid to that alien are subject to Unemployment Insurance tax. At the time that provision was added to North Dakota law, the coverage was also required by the Federal Unemployment Tax Act (FUTA). Thereafter, Congress amended FUTA so that coverage of so-called H2A aliens was no longer subject to FUTA tax. In addition, H2A aliens would not be eligible to draw unemployment insurance (UI) benefits based on separation from employment with the agricultural employer in any case.

Given the change in the FUTA, and the fact that the alien worker could not draw benefits based on separation from employment while in H2A status, it does not seem appropriate to have North Dakota agricultural employers continue to pay UI taxes on wages paid to H2A workers. Thus, HB 1083 would exclude work performed by H2A workers for agricultural employers from the definition of "employment," thus exempting those employers from having to pay UI taxes on those workers.

The heart of the proposed amendment to subdivision m of subsection 17 of section 52-01-01 is contained on lines 22-24 on page 1; and lines 1 through 3 of page 2 of the bill (subparagraph (2)), where the deletion of the phrase "before January 1, 1980" serves to exclude the H2A [a reference to the federal statute – 8 U.S.C. 1101(a)(15)(H)(ii)(A)] worker from the definition of employment subject to tax.

The other amendments to the subdivision, and to subsection 18 are coordinative of the main amendment. The entire subdivision m is presented in this bill to provide a context for the proposed amendments.

Mr. Chairman, I would be happy to answer the Committee's questions.

Testimony on House Bill No. 1083
Before the Senate Industry, Business & Labor Committee
Senator Duane Mutch, Chairman

Presented by John Graham
Job Service North Dakota
February 15, 2005

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