

2009 SENATE APPROPRIATIONS

SB 2016

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2016

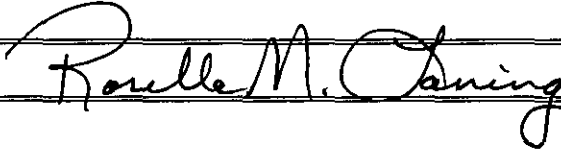
Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: January 8, 2009

Recorder Job Number: 6727

Committee Clerk Signature



Minutes: Absent: Senator Lindaas, Senator Krauter Senator Kilzer came in while the meeting was in progress.

Chairman Holmberg called the committee back to order at 3 pm.

Maren Daley, director of Job Service. I would like to explain how job service is funded, our performance and a few major incentives.

(Testimony # 1)

Senator Warner: Question (inaudible)

Maren: A significant portion of it was re-contracted with a private vendor. DHS will be doing an RFP to those services coming up in January. The Job Service maintains that the portion of the contract covering Cass County, Rolette County and a portion of the balance of state contract.

Senator Warner: Why are you interested in pursuing the item? Was the portfolio part of the mix of things you'd like to be doing?

Maren: Chairman Holmberg, Senator Warner, that's a very good question. We are interested in seeing how the RFP comes out. We hope that we can bid and sustain the portion of the contract we have. We will possibly consider expanding it. Our performance under our portion of the jobs contract has been very strong. And we have unique advantages in being able to

serve that clientele so we are definitely interested in it, but DHS like many other states, has used multiple service providers.

Maren: Continue reading from testimony... ..

Senator Warner: Do you anticipate that you will be working with NDs IT system or department on upgrading your computer system or are you using an outside company?

Maren : Both. We work very closely with ITD on all of our IT projects, and there are maybe certain portions that are beyond their poor skill sets or capacity- that we will put out for RFP. But they are very much involved in our project management and in providing certain services for various proponents whether it is the interactive voice response or the online web applications because they are capable. It's a very coordinated effort.

(Continue reading from testimony on Workforce 20/20 – page 4 of testimony) requested \$1,512,491 from state's general fund.

Senator Seymour: How do these interface with the programs in the Dept of Commerce, when the community colleges are doing training themselves, they are out there with workforce training, so how does that all tie together?

Maren: It's a beautiful integration, because we encourage training or employers in the state of ND thru NDs technical and higher education network. But for some of that training, the higher ed network can't afford all the equipment and get large training programs up and running for one employer so the program at Commerce looks at the overall need by the industry and employers across the state. And if they see sufficient need they can fund thru those grants to the college directly, the funds to help get the program going. We, then, assist the individual companies who are looking to train their employees through help and payment of the tuition and the travel expenses that might be involved for the specific training of the employees. And also under Workforce 20/20 there are instances where training would be

provided by private vendors, particularly in the case of manufacturer who purchase large pieces of equipment and bring them in. They may pay the manufacturer for extensive training of their employees on the equipment. So the two programs actually mesh very well. One is building the infrastructure in the education system to provide the training and then we help facilitate some of the companies that otherwise couldn't afford the training.

(Continues testimony - Job spidering ; page 5)

Senator Mathern: Are you able to list all of these jobs by town or zip code – not duplicate jobs?

Maren: Online a jobseeker can go to "search" and pull a list of all of these jobs by zip code and within a mile radius around that zip code as well.

Senator Mathern: Can you say give me a list of all the jobs in ND?

Maren: Yes, You can start with the entire state; you can narrow it down by several different categories or narrow it down by occupation. You can narrow it by your wage parameters and it is an incredible workforce intelligence piece and in working with Commerce, what we've been able to do to truly quantify what the entire job demand is out there in ND has been so helpful because, before, at Job Service, we didn't know what percentage of the market of job listings that we had. We found out we have a very large percentage, but this gives us a much better picture of the entire job market in ND and then breaking it down by communities or by industries.

Senator Mathern: How many jobs are out there? Just choose a day.

Maren: It changes absolutely every minute and part of the changes are quite seasonal.

Senator Mathern: Just give me a day.

Maren: December 2 – 10,000. August thru October was running about 16,000 and we also contract new jobs each month. These aren't stagnant, we can see the new jobs that are coming in.

Senator Robinson : With the declining workforce for Job Service, how do we keep up with everything ? It almost seems like we almost need more people, knowing we're heavily dependent on technology and yet, I was involved with a couple of individuals in December who were working thru job applications. They got so frustrated in working on the technology at home and ended up going down to Job Service and they said people were swamped and as busy as can be because so many of these positions involve technology. Don't misinterpret what I'm trying to say here, but we have a lot of skill levels that need direction and in one instance, I sat down with the individual and tried to process an electronic application. You folks do it all the time. It was complex. We spent a couple hours and thought we had it when I discovered I still had 24 questions that I still hadn't resolved. I sat back thinking that I work a computer every day, and not a risk by any means. A lot of people are very marginal when it comes to technology skills. So I've often wondered at a time when we need more help, we have less help. Are we selling ourselves short? Could we not use more people? It seems like the demand is there.

Maren: You just spoke our truth. You spoke our reality. We are in a position right now with increasing unemployment and a huge influx of people coming into our offices, because there's increase traffic to our call center for unemployment insurance claims which is causing longer delays. Some people are not equipped yet to file claims online and so they come into the local offices and, because of federal funding cuts over the last 14 years, our funding has declined. We have been able to achieve staff through extreme cost reductions. The final element is painfully staffed. We've been able to achieve that when the economy was good.

There's fewer people coming in for unemployment and there are fewer people coming in for unemployment, and there's fewer people with the lack of computer skills struggling to find a job. Yes, we are currently pressed for staff because of the workload demand in local offices and also in the unemployment insurance administration area. A classic example – in our Grand Forks community service area, in 1995, we had 34 staff there. In 2007, we had 19, and now, we are down to 12. We have done extensive workload assessment of our offices to insure that our staff are aware of who our employers are, or where the job seekers are, or where our program participants are. Because various markets have grown at different rates so we've done workload assessments to try give the best distribution for the capacity we have.

Senator Robinson: The feds are talking about a stimulus package and we want to implement that package now, we're going to need help more than ever before, and a very important piece of this is finding the right person for the right job, so it just runs contrary to what we should be doing. We've got great people out there, those that are hanging in there and not moving on to greener pastures. The pastures aren't very green, but I know for a fact that they are working very hard. The load is mind boggling.

Maren: (Continue reading page 6 of attachment 1 – new jobs training).

V. Chair Bowman : When people are looking for people to work for them and there's none available. Do you go out of state to find people that we can employ? Is your network set up, like Michigan had a lot of unemployment, a lot of carpenters and a lot of things that we needed, but we couldn't even get anyone to apply.

Maren: Yes our networks will provide for connections to pools of dislocated workers in other states. Our counterparts in other states are very good to work with because they want to reduce their unemployment insurance payments by helping find these people jobs. So we were able to do that initially when the oil boom started several years ago. One of our

challenges with workers in Michigan, they were very well paid employees. Most of them were home owners and in Michigan, one of the biggest hurdles is that they can't sell their homes. So they are kind of trapped in an economy that has a bleak future. They might want to come to ND but they can't sell their major assets. So there are several factors in the national economy that come into play on this.

Senator Warner: In reference to your last paragraph on page 8, is this a non duplicated count of employees and are they fulltime equivalents or is there some weight given to the way this sentence is assemble - part time worker is counted as less than a full time worker?

Maren: I'm sorry, my page numbers don't correlate to yours.

Senator Warner: It just has to do with labor force participation rate.

Maren: No, I don't have a specific answer on that. I will check if the labor force participation rate is just fulltime or if that includes part time.

Senator Robinson: Given the time frame and the economy, there's not a lot of available workers out there, but the demand for workers as we just heard this morning with the phone companies.. Some companies are not taking on jobs – they can't find people to work. Two questions – Would there be a return on our investment if we put more people out to work or trying to locate and bring people in to work, given the scenario, and what's happening in other similar states in the region. They must have like circumstances. Is our manpower that short that we are not in a position to respond?

Maren: The efforts to recruit from other states have been largely led by commerce. We have been very much involved because of the strength of our website and of our labor market information that we participate in all events. Employers have been very key in recruiting efforts. We are working hard to match lay-offs with those who need employment opportunities right now.

Senator Robinson: Are there other states in the region that we could learn from, best practices?.

Maren: South Dakota has Dakota Roots. Our numbers for bringing people to ND for employment that has succeeded Dakota Roots, but they have a formal program. Wyoming recruited from Michigan. There are activities going on out there. Ohio also has a recruiting program.

(Continue with testimony reading from chart on page 10)

Job service has staffing needs , but they are achieving performance results. Page 10 ND served 15,568 people and ranked 18 . SD served 1605.

Senator Christmann: Do the public schools do anything to work with you to get this information to the students before they get trained in their career field before they have no employment opportunities, so they will be trained in something that's not at risk here and take advantage of this information right out of the blocks as they leave school?

Maren: Significant efforts are underway to improve that of which you will hear about throughout the session. We have certainly done outreach both thru career and tech Ed, and thru the schools with publications similar to what we shared with you from our Labor Market information department – our Hot Jobs publication. There are several other Workforce pieces we are carrying, and school counselors are hungry for this and gobble it up, but their time is concerting as far as how much they can get done. So as part of the education budget package, I know there is a request included for career counselors. And part of the training for career counselors will include training on basics and sources for labor market information. So currently in some communities, that network is working quite well. But in some of the communities, career counselors are really stretched.

Maren: (continuing on p 11 - Job Opportunities and Basic Skills)

M: I'd like to share with committee. In addition, in 2007, our unemployment insurance area was the top performer nationally for issuing timely and proper UI benefit payments. That's important to people in unemployment insurance. They want to be sure their claim is handled accurately, the right decision is made, and they get their payment on a timely basis. We've been a top performer in the country.

Senator Mathern What is a "timely" fashion?

Darren Rostrum, Unemployment insurance Director: Timeliness is making a decision between 14 days and 21 days, depends on the type of issue it is. Timely for payment is basically paid within 30 days. We're paying most of ours within 30 days.

Maren : (continuing reading from page 15)

Handout # 2

Maren: Thank you Mr. Chairman

Chairman Holmberg : The budget itself, you are comfortable with it as it is written, is that correct?

Maren: That is correct.

Senator Fischer: In the PRIDE, dept of Human Service, when they determine child support for people who have moved from one area of the state to the other, they use a process called imputed income. If you're a neurosurgeon and want to live in Glen Ullin and hobby farm, they'll say No, you can't do that, you have to keep your income as a neurosurgeon. They use the state average of employment for people who have lost their jobs in small communities. In other words, if you live Glen Ullin working in the grocery store and you lost your job, and they'll make a determination on what child support should be. I served on a guidelines committee for child support and what they do to people is that they are using a statewide average that you provide. I was wondering if there was any chance that you could pull that closer because with

the work in the oil fields. If someone is not an oil field worker and works in a grocery store close enough to the oil field and you do a regional assessment of what wages are. You're going to have some person that has an imputed income of an oil field worker that can't make anywhere near that kind of money. I was told that you make that determination. Is there any possibility that you could pull wage averages and do a regional or county assessment. Can you do this averaging closer than statewide.

Maren: Let me explore that. There may be some other options in Human Services – if they are willing to redefine what they want to use.

Senator Warner: The federal government collects taxes in ND and we have recipients and given our – are we a donor state or recipient state? Are we taking more in to the system or are we receiving?

Maren: : We are about a “wash state”. We used to be a significant recipient state because we were so small. But with our economic growth, it's much closer to a wash now.

Senator Christmann: Because of the energy activity and the seasonal nature of a lot of those jobs, and the changing of those jobs, where people have a job for six or eight years and it becomes useless where they have to find something else or be without. I get a lot of feedback on Job Service activities which is used heavily in that area. A lot of these people are kind of transient around the US and work with Job Service agencies in a variety of states, and I get a lot of comments on Job Service and it's almost ALL positive and complimentary. The rare instance of direct deposits, I called and it was just on the verge of being implemented. Problem solved. Your agency has had a huge impact on the energy industry and a very positive impact on some individual people's lives. I think we should all feel very good about that.

Chairman Holmberg If no other comments, we will close the hearing on SB 2016.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2016

Senate Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: 02-16-09

Recorder Job Number: 9525

Committee Clerk Signature

Alice Delzer

Minutes:

Chairman Holmberg opened discussion on SB 2016.

Vice Chairman Grindberg stated there were no changes on the bill.

Vice Chairman Grindberg moved Do Pass on SB 2016; Seconded by Senator

Krebsbach. A roll call vote was taken resulting in a DO PASS on SB 2016 with 14 yes, 0 nos, 0 absent. SB 2016 passed.

Chairman Holmberg closed the discussion on SB 2016.

Date: 2/16/09
Roll Call Vote #: 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2016

Senate _____ Committee _____

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Legislative Council Amendment Number _____

Action Taken ☒ Do Pass ☐ Do Not Pass ☐ Amended

Motion Made By Grindberg Seconded By K Krebsbach

Representatives	Yes	No	Representatives	Yes	No
Senator Krebsbach	✓		Senator Seymour	✓	
Senator Fischer	✓		Senator Lindaas	✓	
Senator Wardner	✓		Senator Robinson	✓	
Senator Kilzer	✓		Senator Warner	✓	
V. Chair Bowman	✓		Senator Krauter	✓	
Senator Christmann	✓		Senator Mathern	✓	
V. Chair Grindberg	✓				
Chairman Holmberg	✓				

Total Yes 14 No 0

Absent 0

Floor Assignment Grindberg

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

REPORT OF STANDING COMMITTEE

SB 2016: Appropriations Committee (Sen. Holmberg, Chairman) recommends DO PASS
(14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2016 was placed on the
Eleventh order on the calendar.

2009 HOUSE APPROPRIATIONS

SB 2016

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2016

House Appropriations Committee
Education and Environment Division

☐ Check here for Conference Committee

Hearing Date: February 26, 2009

Recorder Job Number: 9753

Committee Clerk Signature

Shirley Branning

Minutes:

Chairman Skarphol: Called the committee to order to hear Engrossed SB 2016 with roll call, noting that all members are present, and by calling on **Maren Daley, Executive Director of Job Service North Dakota.**

Daley: Presented testimony, see attachment # 1, including the Biennium Report, Flow of Funds Charts, Job Service Quarterly Report Card, North Dakota new jobs training program report, and Unemployment insurance Advisory Council Position Paper.

Referenced is the chart on P. 3, providing a revised budget comparison. The Reed Act, one-time funding on P. 4 is highlighted with regard to Unemployment Insurance (UI).

Chairman Skarphol: Where is the \$5M reflected in your budget? Which line is it in the bill?

Sandi Deis, OMB Analyst: Line #17. The request is \$5.5M.

Chairman Skarphol: So the \$7.3M is reflected on the base level and then divided back in? That was the contract you had with Human Services?

Daley: \$7.3 was appropriated last time going toward UI modernization, and we don't need that much. This time we're asking for \$5.5M, it has nothing to do with Human Services.

Rep. Klein: Since you've lost all of these people, what are you doing with the space?

Daley: We have been regrouping; we have workforce partners to share space with us.

Rep. Onstad: Along with that reduction in people in the last 10-12 years, you've actually reduced sites, haven't you?

Daley: The only reduction came in the number of sites was at Fort Yates. They did not need us anymore, we have thinly maintained our spaces but this will become more difficult.

Rep. Onstad: Is there still an office in New Town. In those places people don't have the capability to go on line and so on. Those sites are really important to have someone walk through it.

Daley: We have tried to maintain those locations. It is kind of expensive but have found shared space and employees.

Rep. Wald: The Federal scene. Some Governors will not take the unemployment benefits because it will force them to change state law and to pay more than their state statute will allow. How does that affect North Dakota?

Daley: I will cover that later. Continues with testimony and refers to the Quarterly Report Card behind Tab #3. Continuing with Workforce 20/20 on PP. 4-5.

Job Spidering is discussed on P. 5. It attracts laborers to the state through FindJobsND.com

Chairman Skarphol: What was the appropriation last time?

Rep. Klein: Somewhere around \$100,000.

Daley: We had asked for \$300,000, \$200,000 was from the general fund and we were able to get \$50,000 from the Governor's Workforce Act set aside.

Chairman Skarphol: So you had \$250,000 last biennium and you think \$200,000 will do it this time?

Daley: \$200,000 will do it because we got started a little bit late, the timing of renewal will save some of there and we're also taking \$25,000 out of our Workforce Investment Act state wide funds.

Rep. Onstad: On Job Spidering, companies that have 50 or more employees are listed. How do smaller companies get listed?

Daley: Smaller employers are posted directly.

Rep. Onstad: Smaller businesses are coming from out of state, are they coming to Job Service to get their employees?

Daley: A lot come and work through us. When the labor market is tight they have use every method possible.

Chairman Skarphol: What percentage of employers in North Dakota use Job Service?

Daley: We had 10,000 jobs on our site before spidering. After Spidering it went up to 15,000.

Rep. Wald: People can access that in any part of the country, right?

Daley: Absolutely, job seekers come to job fairs.

Rep. Wald: Why wasn't the \$200,000 put in by the Senate or in the Executive recommendation?

Daley: There's \$200,000 in the budget and we are not asking for more. Continuing with testimony Tab #4

Chairman Skarphol: Expanding businesses, do they use the service.

Daley: Growing companies use the service.

Chairman Skarphol: Is it confidential the list of who uses the service?

Daley: We can provide that

Rep. Klein: Recovery of investment. How do you arrive at that?

Daley: Tab 1, P. 7, describes increases. We know how much was made before the training; we know how much they make after the training.

Continuing with Job Service Funding, P. 7 and Tab # 2, Chart A, the Federal Unemployment Tax Act (FUTA) operation is described.

The Workforce Investment Act (WIA) flow of Funds is discussed on P. 7-8 and under Tab # 2.

Chairman Skarphol: Is North Dakota unique?

Daley: All states were affected because of other demands on the Federal budget. The workforce funding was held flat, reduced.

Chairman Skarphol: Is the percentage of decline similar in other states or is that unique in North Dakota because of some variables?

Daley: There is some uniqueness because of the factors in the formulas, continuing with testimony. We are serving clients with more barriers and can't enter the job market as easily as others. North Dakota ranked 49th in population but 18th in services provided. We serve more than 10 times as many as South Dakota.

Rep. Klein: Why is youth funding at 33%, why the change?

Daley: The need for employment services will turn that around with the stimulus package. Continuing with testimony, the Job Service "Report Card" found on P. 10 and delineated under Tab # 3. Claims are going up. We are exceeding our employment measures. Labor statistics are reviewed on P. 5 under Tab # 3.

Chairman Skarphol: Why was construction down?

Daley: It is year over year, depending on construction projects going on. It is a minor decrease. Continues with attachment # 2, reviewing the American Recovery and Reinvestment Act of 2009.

Chairman Skarphol: Is the \$25 death payment still required?

Daley: The Feds have picked that up. Continuing with discussion of stimulus funding. This requires Job Service to pick up wages and credits from the previous quarter. This requires significant cost increases to fund this.

Rep. Klein: How long is the window open?

Daley: The first funding strings will come, no matter what. We have to apply by August 11. There is a choice of expansion of benefits detailed on P. 1 of attachment # 2. North Dakota already has requirements in place for options 1 and 3. It is expensive to administer but beneficial.

Chairman Skarphol: Introduced are students from Bishop Ryan High School, Minot.

Daley: Encourages students to come to Job Service North Dakota upon graduation.

Rep. Williams: How can application be made for these funds?

Daley: The application procedure will be much like other grants, we will have to certify that we have the alternative period in place under state law and prove it, and that will make us eligible for the first third of the funding and 2 of 4 benefit expansion options.

Rep. Williams: To whom do you apply?

Daley: US Department of Labor but we will not apply unless the legislature gives us permission.

Rep. Williams: Do other agencies apply to different sources?

Daley: No, this grant to the US Department of Labor is unique to this particular modernization provision in the stimulus bill. This is an optional item.

Rep. Wald: What kind of auditing will the Federal Government do in all of the 50 states?

Daley: Wagner Pyser is already in place and that follow typical performance. These expansion ones that is a good issue.

Rep. Wald: Do you have a 2-3 biennium history of our trust fund balance?

Daley: Provides a chart that shows a historic perspective.

Chairman Skarphol: You are sending out \$137M weekly, who pays for that?

Daley: Revenues do not match, the timings are very different.

Chairman Skarphol: With regard to the UI Modernization stimulus package, is there going to be one of our interim committees that's going to be involved?

Daley: Hoping to have the public involved. Tab # 5 has a letter to this regard.

Rep. Wald: Referring to green sheet on buildings, give us a quick snapshot on each of those bills.

Daley: In Jamestown, building was no longer needed and are asking for authority to sell it.

Bill 2: We are also looking for authority to sell the Grafton and Fargo offices

Bill 3: Is to provide flexibility to make lease payments that is called the Interest Repayment Account (PARA). We currently make bond principle payments from there but lease payments have to come out of our federal grants.

Chairman Skarphol: Facilities negotiate the lease, does that complicate the issue?

Daley: Yes.

Rep. Klein: In Jamestown, the land and buildings was that partially funded through federal dollars and there are certain things you have to do, or is that all state?

Daley: Primarily federal dollars it will come back into Job Service for our normal services.

Beth Zander, Customer Service Area Director for Job Services North Dakota: Provided testimony from attachment 1, P. 10-14.

Chairman Skarphol: WorkKeys, what value do you see in it?

Zander: It is a very valued test to determine skills level. You really need the employer drive. The job seeker needs to see what is in it for him.

Chairman Skarphol: In Georgia, all employers are required to have it, have you had discussions to require this test?

Zander: We would ask the Governor to promote that.

Chairman Skarphol: Addresses young people who are visiting, encouraging them to use this assessment.

Zander: Services have been reengineered. FindJobsND.com has offered new capabilities. The labor market is ranked first in the nation. Refers to attachments # 3 Hot Jobs and #4 North Dakota Careers by Education. Continuing on P. 13, Parental Responsibility Initiative for the Development of Employment (PRIDE) P. 13, Job Opportunities and Basic Skills, Veterans Services, Job Fairs and Employment Services on P.14 are highlighted.

Chairman Skarphol: The jobs contract with Human Services, why was it discontinued?

Zander: They will be issuing an RFP explaining the discontinuation

Rep. Onstad: The military used to come in, they don't come in to do the testing anymore, now with WorkKeys, is it possible to get an application to see what it is like?

Zander: Discussion is ensuing to give students the ACT, the Sat or WorkKeys.

Darren Brostrom, Unemployment Insurance Director for Job Service North Dakota:

Provided testimony beginning on P. 15 of attachment #1. He highlights the UI EASY system that along with UI ICE provides online services and saves money, allows for electronic payment, and timely receipt of services. Tab 5 delineates a position paper regarding Job Services proposals for the legislature this year.

Chairman Skarphol: Changing the threshold, what is the current number and what are you changing it to?

Brostrom: Requirements are for employers that have more than 99 employees have to report electronically. On the Senate side we asked to move that to 25 and higher.

Chairman Skarphol: Were you successful?

Brostrom: More than 75% support.

Rep. Klein: What is that bill number

Brostrom: SB 2102.

Daley: Introduces Job Service Personnel present.

Chairman Skarphol: Postage, you had a \$60,000 reduction in postage. 150% increase in your postage budget line.

Daley: Feds changed, they no longer pay for postage.

Chairman Skarphol: Who will pay those costs?

Daley: It will come out of our grants.

Chairman Skarphol: Rep. Klein, Rep. Wald and Rep. Williams will work on this bill.

Next week we hear University System, give me questions to submit to them.

Rep. Wald: Announces plans for the plans for Committee Party

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2016

House Appropriations Committee
Education and Environment Division

☐ Check here for Conference Committee

Hearing Date: March 17, 2009

Recorder Job Number: 11069

Committee Clerk Signature

Shirley Branning

Minutes:

Chairman Skarphol: Called the Committee to order by noting that all members are present and opening the meeting on the discussion of SB 2016, Job Service by calling on Rep. Klein, who chairs the study committee on this bill.

Rep. Klein: Distributed copies of Amendment # 98035.0101 to SB 2016 and explaining the intent of the amendment. Rep. Kroeber and I discussed the bill and reviewed it. We discussed the changes that may come with the stimulus and the amendment that was distributed. This amendment is to make one change using stimulus money, is the \$200,000 which goes for spidering. Last session we funded it for the first time and it turned out to be a very successful program and it does fit the stimulus money. It puts the \$200,000 back into the general funds and uses stimulus money.

Rep. Kroeber: Spidering is the on line development search tool, provides fast access, a data base of thousands of North Dakota jobs within a single web site. The improved modernization benefits expansion system. The director talked to us about that we could study it or delay until next biennium. Four criteria must be met to qualify for the nearly \$5M. We already one of them, and of the second one we do over half of it. By studying it we could find out exactly what

it would cost us to continue the program. I would hope we would study it during the interim and make a decision in 2011.

Rep. Klein: Study it and make an informed decision.

Chairman Skarphol: Referring to stimulus, stating that there could be some changes to federal stimulus dollar requirements.

Rep. Klein: This is the only change I would propose to this budget,
Moves the amendment # 0101.

Rep. Kroeber: Second.

Vote Taken: Yes 8, No 0, Absent 0. Motion Passed.

Chairman Skarphol: Looking at SB 2016, where it says "50% of the work force 20/20 funding, in Section 1 of this act must be used for projects for new or expanding businesses." Did you ask if this is new language?

Rep. Kroeber: That is not new language; it has been in place since 2003. There are some general fund dollars in this budget and there are \$1.765M. The breakdown for general fund dollars are \$1.512M for Workforce 2020 program, which is an increase of \$12,985. And the \$200,000 is for continuing the job spidering program that would be funded by stimulus dollars.

Chairman Skarphol: So the \$1.765M would be reduced by \$200,000.

Rep. Klein: Move to pass the bill as amended.

Rep. Kroeber: Second.

Vote Taken: Yes 8, No 0, Absent 0. Motion Passed. Carrier, Rep. Klein.

Discussion on SB 2016 ended.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2016

House Appropriations Committee
Education and Environment Division

☐ Check here for Conference Committee

Hearing Date: March 25, 2009

Recorder Job Number: 11535

Committee Clerk Signature

Shirley Branning

Minutes:

Chairman Skarphol: Brought the Committee to order to take up SB 2016 by calling on Rep. Klein to explain the additional amendment to reconsider previous action.

Rep. Wald: Moves to reconsider action.

Rep. Klein: Second.

Chairman Skarphol: Any discussion?

Rep. Klein: What happened in the meantime is some changes came about on the stimulus thing. After research on what would apply and what we should accept, there were some decisions made to change things.

The first one was to accept the \$200,000 which went directly into the spidering system. The we took the \$200,000 out of the general fund. This would replace it, the first amendment that we had.

The second amendment relates to the study sheet made by Industry Business and Labor (IBL) in the Senate and the House as to which ones to accept. The amendments would take all of the stimulus money possible except the one where we would extend unemployment benefits from 26 weeks to 52 weeks. A study was made on our fund and how it would work and we would have time in '11 that we would still be able to join, but at this time it was decided not to

join but to take the other three. They are Workforce investment, the State Unemployment Services for \$2.984M, and the unemployment benefit increase which we already doing for \$1.039M for a total Federal funds of \$9.092M in addition to the \$200,000 for spidering.

Rep. Wald: This is in conformity with what IBL Committee decided?

Rep. Klein: That is correct

Rep. Kroeber: We did not vote on the reconsideration.

Vote taken on the reconsideration: Yes 5, No 1, Absent 2. Motion carried.

Rep. Klein: I move amendment 103.

Rep. Martinson: Second.

Rep. Kroeber: It is nothing different than what we talked about when Job Service was here.

On the Benefit Expansion we have until August of 2011 to decide whether or not we want to do that.

Rep. Klein: This would utilize as many of the stimulus dollars as possible without making a long term commitment. If we accepted that other could we get out of it? The answer is No. Once you accept that money it is an ongoing thing.

Rep. Wald: It is an issue nationwide, 20 some states that are refusing all of the "so called" Job Service money because you can't go back to your present level.

Rep. Klein: I am aware of Utah, Arkansas and South Carolina have not taken it.

Rep. Kroeber: We went through this and for the Benefit Expansion there are four different criteria and we have to meet two of the four in order to have the expansion. One we already do and that we do about 1/2. It isn't that we want nothing to do with these dollars. In the interim we should see if there are benefits to both the employer and employee.

Chairman Skarphol: The possibility does exist that the feds will change the criteria required, too.

Rep. Onstad: If those dollars did come in we have already 2 years to say no.

Chairman Skarphol: We won't meet again until 2011 prior to making that decision.

Rep. Klein: They keep monitoring the fund and right now the unemployment rate was something like 5.8. It's expected to go back up in January to a little over 6, but in comparison to where the funds sat, they felt very comfortable with where we were.

Chairman Skarphol: Anything else? If not, take the roll call vote.

Vote taken on the amendment. Yes 6, No 0, Absent 2. Motion carried.

Rep. Onstad: I don't know if it is really necessary, if you go back the presentation that Job Service did for us, she said OK, if the dollars that come into this thing were to go to the interim in two years and the Legislative body will decide after the interim if they wanna continue when the costs go forward. You have to have this particular language.

Chairman Skarphol: the most important part is in the 3rd paragraph under section # 2 that says "Any federal funds appropriated under this section are not a part of the agencies base budget". If for no other reason, I'd like that language in there.

Anything else?

Rep. Klein: Move a Do Pass as amended.

Rep. Wald: Second.

Chairman Skarphol: Any discussion? If not, take the Roll.

Vote taken on Amended bill: Yes 7, No 0, Absent 1. Motion carried. Carrier Rep. Klein.

2009 HOUSE STANDING COMMITTEE MINUTES

SB 2016

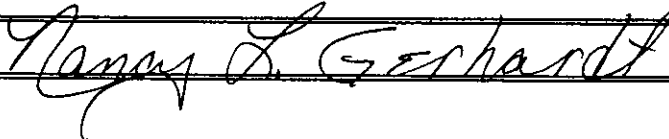
House Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: April 1, 2009

Recorder Job Number: 11580

Committee Clerk Signature



Minutes:

Amendment .0104 (Attachment A) was distributed.

Rep. Klein explained amendment .0104.

Rep. Klein moved amendment .0104. Rep. Wald seconded the motion.

Chm. Svedjan: Rep. Klein moved amendment .0104 and 2nd by Rep. Wald. Discussion.

Rep. Klein: The area we did not move into was extending the unemployment benefits with the understanding that if we moved into the program we could not back out. We're going to wait with that and several other states have done that.

Chm. Svedjan: These amendments pull out the equity funding.

Rep. Glasshiem: How much money is in the 4th leg we are waiting on?

Rep. Klein: I think its \$5 million. We figured it would run out in about three years.

Rep. Kroeber: \$9, 471, . . . (3:15) We have until August 2011 to make the decision whether we want this or not. We can look at it during the interim. It amounts to us having to meet two of four criteria. One criteria

Chm. Svedjan: What is that number?

Rep. Skarphol: The number Rep. Glassheim asked about is \$14,552,205.

Rep. Wald: The House and Senate IBL decided they didn't want to adopt that last item we discussed. A permanent change going from 26 to 52.

Chm. Svedjan: Right.

Rep. Delzer: (4:43) The 5, the 2 and the 1 that you are adding. Does the IBL committee want to do this? Have they made a statement about this?

Rep. Klein: Yes. That is what they wanted.

Rep. Bellew: (5:38) What are the General Fund in this budget?

Rep. Klein: There is very little General Fund. If you look at the green sheets, there's about \$25,000 - \$27,000.

Rep. Bellew: What is the General Fund

Rep. Skarphol: It for the workforce 20/20 funding. That's language that has been in there before with regard to 50% must be used for new and expanding businesses.

Chm. Svedjan: Further discussion on the motion to amend? Seeing none we will take a voice vote on the motion to adopt amendment .0104 to SB 2016. All in favor – Unanimous Voice vote – those amendments are adopted.

Rep. Klein: I move a Do Pass As Amended.

Rep. Wald: 2nd.

Chm. Svedjan: Moved by Rep. Klein, 2nd by Rep. Wald for a Do Pass As Amended. Is there any discussion?

Rep. Skarphol: (7:03) Deletes x FTE. The number of people has been decreasing. They have a new computer program being authorized. This is an example of where technology has resulted in a reduction in FTEs.

Rep. Delzer: Some of that reduction came from Human Services changed from Job Service to a different provider on one of their issues. ON the workforce 20/20, did you get a list of who got the grants and how much they spent?

Rep. Klein: I don't have that information.

Rep. Skarphol: I saw the list of entities. Sometimes they are repetitive but sometimes it's because they have new employees.

Rep. Delzer: This has been around for a long time and we looked at in the late '90s and we saw businesses using this to supplement their income. In Commerce and in other places we have a lot of workforce money in the budgets. I have a list of all the workforce dollars. I don't know how comfortable I am with this.

Rep. Skarphol: I agree that it's something that needs to be monitored. Section 4 does require that . . . 50 percent of the money be used for new or expanding businesses.

Chm. Svedjan: Any further discussion? We've adopted the amendments. We have a motion for a Do Pass As Amended. We will take a roll call vote.

Vote: 19 Yes 1 No 5 Absent Carrier: Rep. Klein Motion Carries

98035.0101
Title.
Fiscal No. 1

Prepared by the Legislative Council staff for
Representative Klein
March 13, 2009

PROPOSED AMENDMENTS TO SENATE BILL NO. 2016

Page 1, line 20, replace "266,969" with "466,969" and replace "61,931,140" with "62,131,140"

Page 1, line 21, replace "\$18,482" with "(\$181,518)" and replace "1,765,442" with "1,565,442"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98035.0101 FN 1

A copy of the statement of purpose of amendment is attached.

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2016 - Job Service North Dakota - House Action**

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$36,785,481	\$36,785,481		\$36,785,481
Operating expenses	11,424,804	11,424,804		11,424,804
Capital assets	20,000	20,000		20,000
Grants	8,438,220	8,438,220		8,438,220
Workforce 20/20	1,512,491	1,512,491		1,512,491
Reed Act - Unemp. ins. computer modern.	5,515,586	5,515,586		5,515,586
Total all funds	\$63,696,582	\$63,696,582	\$0	\$63,696,582
Less estimated income	61,931,140	61,931,140	200,000	62,131,140
General fund	\$1,765,442	\$1,765,442	(\$200,000)	\$1,565,442
FTE	284.05	284.05	0.00	284.05

Department No. 380 - Job Service North Dakota - Detail of House Changes

	Changes the Funding Source for Job Spidering¹	Total House Changes
Salaries and wages		
Operating expenses		
Capital assets		
Grants		
Workforce 20/20		
Reed Act - Unemp. ins. computer modern.		
Total all funds	\$0	\$0
Less estimated income	200,000	200,000
General fund	(\$200,000)	(\$200,000)
FTE	0.00	0.00

¹ This amendment changes the funding source for costs associated with the agency's job spidering program from the general fund to federal funds from the American Recovery and Reinvestment Act.

Date: March 17, 2009
Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2016

House House Appropriations Education and Environment Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 0101

Action Taken ☒ Do Pass ☐ Do Not Pass ☒ Amended

Motion Made By Rep. Klein Seconded By Rep. Kroeber

Representatives	Yes	No	Representatives	Yes	No
Bob Skarphol – Chairman	✓		Joe Kroeber	✓	
Francis Wald – Vice Chairman	✓		Kenton Onstad	✓	
Kathy Hawken	✓		Clark Williams	✓	
Matthew M. Klein	✓				
Bob Martinson	✓				

Total Yes 8 No 0

Absent 0

Bill Carrier _____

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

PROPOSED AMENDMENTS TO SENATE BILL NO. 2016

Page 1, line 2, after "Dakota" insert "; and to declare an emergency"

Page 1, line 13, replace "(1,727,677)" with "(1,927,677)" and replace "11,424,804" with "11,224,804"

Page 1, line 19, replace "285,451" with "85,451" and replace "63,696,582" with "63,496,582"

Page 1, line 21, replace "\$18,482" with "(\$181,518)" and replace "1,765,442" with "1,565,442"

Page 1, after line 22, insert:

"SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to job service North Dakota, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

Workforce Investment Act programs	\$5,068,883
State unemployment insurance and employment services	2,984,613
Unemployment compensation benefit increase - Administration	<u>1,039,443</u>
Total federal funds	\$9,092,939

Job service North Dakota may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available."

Page 2, line 6, after "funds" insert ", except funds under the federal American Recovery and Reinvestment Act of 2009,"

Page 2, after line 11, insert:

"SECTION 6. EMERGENCY. Section 2 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98035.0103 FN 2

A copy of the statement of purpose of amendment is attached.

STATEMENT OF PURPOSE OF AMENDMENT:**Amend Bill No. 2016 - Job Service North Dakota - House Action**

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$36,785,481	\$36,785,481		\$36,785,481
Operating expenses	11,424,804	11,424,804	(200,000)	11,224,804
Capital assets	20,000	20,000		20,000
Grants	8,438,220	8,438,220		8,438,220
Workforce 20/20	1,512,491	1,512,491		1,512,491
Reed Act - Unemp. ins. computer modern.	5,515,586	5,515,586		5,515,586
Federal fiscal stimulus funds			9,092,939	9,092,939
Total all funds	\$63,696,582	\$63,696,582	\$8,892,939	\$72,589,521
Less estimated income	61,931,140	61,931,140	9,092,939	71,024,079
General fund	\$1,765,442	\$1,765,442	(\$200,000)	\$1,565,442
FTE	284.05	284.05	0.00	284.05

Department No. 380 - Job Service North Dakota - Detail of House Changes

	Changes the Funding Source for Job Spidering¹	Appropriates Federal Fiscal Stimulus Funds²	Total House Changes
Salaries and wages			
Operating expenses	(200,000)		(200,000)
Capital assets			
Grants			
Workforce 20/20			
Reed Act - Unemp. ins. computer modern.			
Federal fiscal stimulus funds		9,092,939	9,092,939
Total all funds	(\$200,000)	\$9,092,939	\$8,892,939
Less estimated income	0	9,092,939	9,092,939
General fund	(\$200,000)	\$0	(\$200,000)
FTE	0.00	0.00	0.00

¹ This amendment changes the funding source for costs associated with the agency's job spidering program from the general fund to federal fiscal stimulus funds.

² This amendment appropriates federal fiscal stimulus funds from the American Recovery and Reinvestment Act of 2009 for Workforce Investment Act programs (\$5,068,883), state unemployment insurance and employment services (\$2,984,613), and administrative expenses relating to the unemployment compensation benefit increase (\$1,039,443).

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2016 - Job Service North Dakota - House Action**

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$36,785,481	\$36,785,481	(\$1,219,235)	\$35,566,246
Operating expenses	11,424,804	11,424,804	(200,000)	11,224,804
Capital assets	20,000	20,000		20,000
Grants	8,438,220	8,438,220		8,438,220
Workforce 20/20	1,512,491	1,512,491		1,512,491
Reed Act - Unemp. ins. computer modern.	5,515,586	5,515,586		5,515,586
Federal fiscal stimulus funds			9,092,939	9,092,939
Total all funds	\$63,696,582	\$63,696,582	\$7,673,704	\$71,370,286
Less estimated income	61,931,140	61,931,140	7,873,704	69,804,844
General fund	\$1,765,442	\$1,765,442	(\$200,000)	\$1,565,442
FTE	284.05	284.05	0.00	284.05

Department No. 380 - Job Service North Dakota - Detail of House Changes

	Removes Salary Equity Funding¹	Changes the Funding Source for Job Spidering²	Appropriates Federal Fiscal Stimulus Funds³	Total House Changes
Salaries and wages	(\$1,219,235)			(\$1,219,235)
Operating expenses		(200,000)		(200,000)
Capital assets				
Grants				
Workforce 20/20				
Reed Act - Unemp. ins. computer modern.				
Federal fiscal stimulus funds			9,092,939	9,092,939
Total all funds	(\$1,219,235)	(\$200,000)	\$9,092,939	\$7,673,704
Less estimated income	(1,219,235)	0	9,092,939	7,873,704
General fund	\$0	(\$200,000)	\$0	(\$200,000)
FTE	0.00	0.00	0.00	0.00

¹ This amendment removes funding added in the executive budget for state employee salary equity adjustments.

² This amendment changes the funding source for costs associated with the agency's job spidering program from the general fund to federal fiscal stimulus funds.

³ This amendment appropriates federal fiscal stimulus funds from the American Recovery and Reinvestment Act of 2009 for Workforce Investment Act programs (\$5,068,883), state unemployment insurance and employment services (\$2,984,613), and administrative expenses relating to the unemployment compensation benefit increase (\$1,039,443).

Date:

BILL/RESOLUTION NO.

House

□

Legislative Council Amendment Number

Action Taken

Motion Made By

[illegible]

Total	Yes
-------	-----

Absent

Bill Carrier

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

as amended

Date: March 25, 2009
Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2016

House House Appropriations Education and Environment Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number Reconsider Bill amend 103

Action Taken ☒ Do Pass ☐ Do Not Pass ☐ Amended

Motion Made By Rep. Klein Seconded By Rep. Wald

Representatives	Yes	No	Representatives	Yes	No
Bob Skarphol – Chairman	✓		Joe Kroeber	✓	
Francis Wald – Vice Chairman	✓		Kenton Onstad		✓
Kathy Hawken			Clark Williams		
Matthew M. Klein	✓				
Bob Martinson	✓				

Total Yes 5 No 1

Absent 2

Bill Carrier _____

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

Reconsider

Roll Call Vote #: 2

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2016

House House Appropriations Education and Environment Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 0103

Action Taken ☒ Do Pass ☐ Do Not Pass ☐ Amended

Motion Made By Rep. Klein Seconded By Rep. Martinson

[illegible]

Total Yes 6 No 0

Absent 2

Bill Carrier

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

on amendment

Date: March 25, 2009
Roll Call Vote #: 3

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2016

House House Appropriations Education and Environment Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number .0103

Action Taken ☒ Do Pass ☐ Do Not Pass ☐ Amended

Motion Made By Rep. Klein Seconded By Rep. Wald

Representatives	Yes	No	Representatives	Yes	No
Bob Skarphol – Chairman	✓		Joe Kroeber	✓	
Francis Wald – Vice Chairman	✓		Kenton Onstad	✓	
Kathy Hawken			Clark Williams	✓	
Matthew M. Klein	✓				
Bob Martinson	✓				

Total Yes 7 No 0

Absent 1

Bill Carrier Rep. Klein

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

as amended

VR
4/1/09
108³

PROPOSED AMENDMENTS TO SENATE BILL NO. 2016

Page 1, line 2, after "Dakota" insert "; and to declare an emergency"

Page 1, line 12, replace "3,785,051" with "2,565,816" and replace "36,785,481" with "35,566,246"

Page 1, line 13, replace "(1,727,677)" with "(1,927,677)" and replace "11,424,804" with "11,224,804"

Page 1, line 19, replace "\$285,451" with "(\$1,133,784)" and replace "63,696,582" with "62,277,347"

Page 1, line 20, replace "266,969" with "(952,266)" and replace "61,931,140" with "60,711,905"

Page 1, line 21, replace "\$18,482" with "(\$181,518)" and replace "1,765,442" with "1,565,442"

Page 1, after line 22, insert:

"SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to job service North Dakota, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

Workforce Investment Act programs	\$5,068,883
State unemployment insurance and employment services	2,984,613
Unemployment compensation benefit increase - Administration	<u>1,039,443</u>
Total federal funds	\$9,092,939

Job service North Dakota may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available."

Page 2, line 6, after "funds" insert ", except funds under the federal American Recovery and Reinvestment Act of 2009,"

Page 2, after line 11, insert:

"SECTION 6. EMERGENCY. Section 2 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98035.0104 FN 3

2023

A copy of the statement of purpose of amendment is attached.

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2016 - Job Service North Dakota - House Action**

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$36,785,481	\$36,785,481	(\$1,219,235)	\$35,566,246
Operating expenses	11,424,804	11,424,804	(200,000)	11,224,804
Capital assets	20,000	20,000		20,000
Grants	8,438,220	8,438,220		8,438,220
Workforce 20/20	1,512,491	1,512,491		1,512,491
Reed Act - Unemp. ins. computer modern.	5,515,586	5,515,586		5,515,586
Federal fiscal stimulus funds			9,092,939	9,092,939
Total all funds	\$63,696,582	\$63,696,582	\$7,673,704	\$71,370,286
Less estimated income	61,931,140	61,931,140	7,873,704	69,804,844
General fund	\$1,765,442	\$1,765,442	(\$200,000)	\$1,565,442
FTE	284.05	284.05	0.00	284.05

Department No. 380 - Job Service North Dakota - Detail of House Changes

	Removes Salary Equity Funding¹	Changes the Funding Source for Job Spidering²	Appropriates Federal Fiscal Stimulus Funds³	Total House Changes
Salaries and wages	(\$1,219,235)			(\$1,219,235)
Operating expenses		(200,000)		(200,000)
Capital assets				
Grants				
Workforce 20/20				
Reed Act - Unemp. ins. computer modern.				
Federal fiscal stimulus funds			9,092,939	9,092,939
Total all funds	(\$1,219,235)	(\$200,000)	\$9,092,939	\$7,673,704
Less estimated income	(1,219,235)	0	9,092,939	7,873,704
General fund	\$0	(\$200,000)	\$0	(\$200,000)
FTE	0.00	0.00	0.00	0.00

¹ This amendment removes funding added in the executive budget for state employee salary equity adjustments.

² This amendment changes the funding source for costs associated with the agency's job spidering program from the general fund to federal fiscal stimulus funds.

³ This amendment appropriates federal fiscal stimulus funds from the American Recovery and Reinvestment Act of 2009 for Workforce Investment Act programs (\$5,068,883), state unemployment insurance and employment services (\$2,984,613), and administrative expenses relating to the unemployment compensation benefit increase (\$1,039,443).

Date: 4/1/09
Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2016

Full House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 0104

Action Taken adopt amendment 0104

Motion Made By Klein Seconded By Wald

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
Rep. Skarphol			Rep. Kroeber		
Rep. Wald			Rep. Onstad		
Rep. Hawken			Rep. Williams		
Rep. Klein					
Rep. Martinson					
Rep. Delzer			Rep. Glassheim		
Rep. Thoreson			Rep. Kaldor		
Rep. Berg			Rep. Meyer		
Rep. Dosch					
Rep. Pollert			Rep. Ekstrom		
Rep. Bellew			Rep. Kerzman		
Rep. Kreidt			Rep. Metcalf		
Rep. Nelson					
Rep. Wieland					

Total (Yes) _____ No _____

Absent _____

Floor Assignment Vote carries

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

Date: 4/1/09
Roll Call Vote #: 2

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2016

Full House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number 0104

Action Taken Do Pass as Amended

Motion Made By Klein Seconded By Wald

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan	✓				
Vice Chairman Kempenich					
Rep. Skarphol	✓		Rep. Kroeber	✓	
Rep. Wald	✓		Rep. Onstad	✓	
Rep. Hawken	✓		Rep. Williams	✓	
Rep. Klein	✓				
Rep. Martinson	✓				
Rep. Delzer		✓	Rep. Glassheim	✓	
Rep. Thoreson			Rep. Kaldor		
Rep. Berg			Rep. Meyer	✓	
Rep. Dosch	✓				
Rep. Pollert	✓		Rep. Ekstrom		
Rep. Bellew	✓		Rep. Kerzman	✓	
Rep. Kreidt	✓		Rep. Metcalf	✓	
Rep. Nelson	✓				
Rep. Wieland	✓				

Total (Yes) 19 No 1

Absent 5

Floor Assignment Rep. Klein

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

REPORT OF STANDING COMMITTEE

SB 2016: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (19 YEAS, 1 NAY, 5 ABSENT AND NOT VOTING). SB 2016 was placed on the Sixth order on the calendar.

Page 1, line 2, after "Dakota" insert "; and to declare an emergency"

Page 1, line 12, replace "3,785,051" with "2,565,816" and replace "36,785,481" with "35,566,246"

Page 1, line 13, replace "(1,727,677)" with "(1,927,677)" and replace "11,424,804" with "11,224,804"

Page 1, line 19, replace "\$285,451" with "(\$1,133,784)" and replace "63,696,582" with "62,277,347"

Page 1, line 20, replace "266,969" with "952,266" and replace "61,931,140" with "60,711,905"

Page 1, line 21, replace "\$18,482" with "(\$181,518)" and replace "1,765,442" with "1,565,442"

Page 1, after line 22, insert:

"SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to job service North Dakota, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

Workforce Investment Act programs	\$5,068,883
State unemployment insurance and employment services	2,984,613
Unemployment compensation benefit increase - Administration	<u>1,039,443</u>
Total federal funds	\$9,092,939

Job service North Dakota may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available."

Page 2, line 6, after "funds" insert ", except funds under the federal American Recovery and Reinvestment Act of 2009,"

Page 2, after line 11, insert:

"SECTION 6. EMERGENCY. Section 2 of this Act is declared to be an emergency measure."

Renumber accordingly

REPORT OF STANDING COMMITTEE (410)
April 2, 2009 1:22 p.m.

Module No: HR-55-5989
Carrier: Klein
Insert LC: 98035.0104 Title: .0200

STATEMENT OF PURPOSE OF AMENDMENT - LC 98035.0104 FN 3

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

2009 SENATE APPROPRIATIONS

CONFERENCE COMMITTEE

SB 2016

**REPORT OF CONFERENCE COMMITTEE
(ACCEDE/RECEDE)**

Bill Number 2016 (, as (re)engrossed): Date: 4/25/09

Your Conference Committee Senate Appropriations

For the Senate: 4/25 YES / NO For the House: 4/25 YES / NO

<u>Grundberg</u>	<u>1</u>	<u>✓</u>		<u>Klein</u>	<u>1</u>	<u>✓</u>	
<u>Holmberg</u>	<u>1</u>	<u>✓</u>		<u>Wald</u>	<u>1</u>	<u>✓</u>	
<u>Seymour</u>	<u>1</u>	<u>✓</u>		<u>Kroeber</u>	<u>1</u>	<u>✓</u>	

recommends that the (SENATE/HOUSE) (ACCEDE to) (RECEDE from)

the (Senate/House) amendments on (S/J/HJ) page(s) 1226 - 1227

✓ and place 2016 on the Seventh order.

_____, adopt (further) amendments as follows, and place _____ on the Seventh order:

_____, having been unable to agree, recommends that the committee be discharged and a new committee be appointed.

((Re)Engrossed) _____ was placed on the Seventh order of business on the calendar.

DATE: 4/25/09
CARRIER: Grundberg

LC NO.	of amendment
LC NO.	of engrossment
Emergency clause added or deleted	
Statement of purpose of amendment	

MOTION MADE BY: Holmberg

SECONDED BY: Klein

VOTE COUNT 6 YES 0 NO 0 ABSENT

17-30-09
No minutes found - not on clerk's computer either

REPORT OF CONFERENCE COMMITTEE

SB 2016: Your conference committee (Sens. Grindberg, Holmberg, Seymour and Reps. Klein, Wald, Kroeber) recommends that the **SENATE ACCEDE** to the House amendments on SJ pages 1226-1227 and place SB 2016 on the Seventh order.

SB 2016 was placed on the Seventh order of business on the calendar.

2009 TESTIMONY

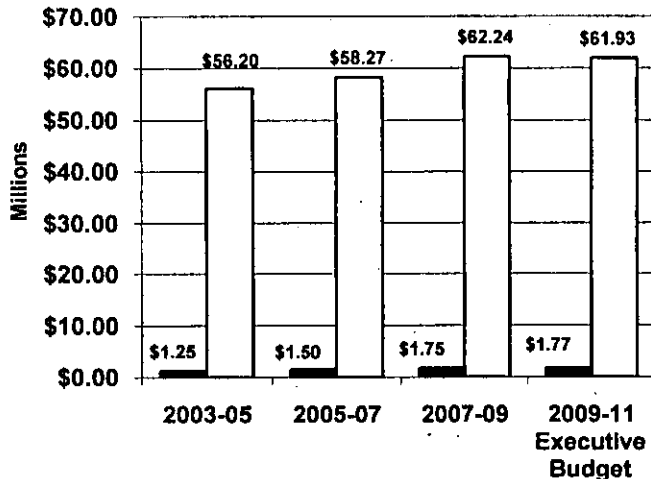
SB 2016

Department 380 - Job Service North Dakota
Senate Bill No. 2016

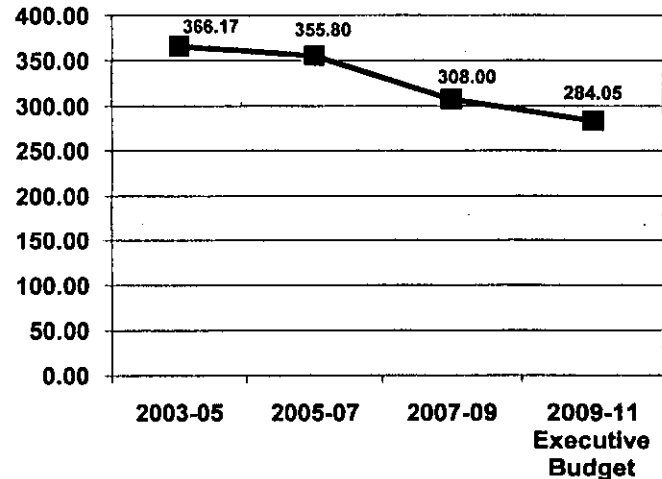
	FTE Positions	General Fund	Other Funds	Total
2009-11 Executive Budget	284.05	\$1,765,442	\$61,931,140	\$63,696,582
2007-09 Legislative Appropriations	308.00	1,746,960	62,243,126	63,990,086 ¹
Increase (Decrease)	(23.95)	\$18,482	(\$311,986)	(\$293,504)

¹The 2007-09 appropriation amounts include \$578,955 of other funds for the agency's share of the \$10 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for classified employees.

Agency Funding



FTE Positions



■ General Fund □ Other Funds

Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2009-11 Executive Budget	\$1,765,442	\$0	\$1,765,442
2007-09 Legislative Appropriations	1,746,960	0	1,746,960
Increase (Decrease)	\$18,482	\$0	\$18,482

First House Action

The Senate did not change the executive budget recommendation for Job Service North Dakota. Attached is a summary of first house action.

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Increases funding for Workforce 20/20 from \$1,499,506 to \$1,512,491	\$12,985	\$0	\$12,985
2. Provides funding of \$1,219,235 to address salary equity issues, including funding of \$58,058 for the related second-year salary increase	\$0	\$1,219,235	\$1,219,235
3. Deletes 23.95 FTE positions not requested by the agency	\$0	(\$2,286,003)	(\$2,286,003)
4. Adjusts funding for operating expenses to reflect inflationary adjustments and other budget changes for the 2009-11 biennium	\$15,185	(\$1,742,862)	(\$1,727,677)
5. Decreases funding from Reed Act distribution for the unemployment insurance modernization project from \$7,300,000 to \$5,515,586	\$0	(\$1,784,414)	(\$1,784,414)

Other Sections in Bill

Workforce 20/20 - Section 4 requires a minimum of 50 percent of the funding provided for Workforce 20/20 be used for projects for new or expanding businesses in North Dakota.

Continuing Appropriations

Federal advance interest repayment fund - North Dakota Century Code (NDCC) Section 52-04-22 - Collection of penalty and interest on delinquent unemployment insurance contribution reports and payment of any interest due on federal and nonfederal obligations of the unemployment insurance trust fund.

Unemployment insurance trust fund - NDCC Section 52-03-04 - Collection of unemployment insurance taxes and the payments unemployment benefits.

Job task analysis - NDCC Section 52-08-13 - Collection of fees for providing job task analysis services to employers that request such services and the payment of the expenses related to the activity.

Major Related Legislation

House Bill No. 1117 - This bill authorizes the sale of the land and building housing the Job Service North Dakota office in Jamestown.

House Bill No. 1118 - This bill authorizes the sale of land and buildings housing the Job Service North Dakota offices in Fargo and Grafton.

Senate Bill No. 2130 - This bill amends the continuing appropriation for the federal advance interest repayment fund to allow Job Service North Dakota to use money deposited in the fund for office building lease costs.

ATTACH:1

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2016 - Funding Summary**

	Executive Budget	Senate Changes	Senate Version
Job Service North Dakota			
Salaries and wages	\$36,785,481		\$36,785,481
Operating expenses	11,424,804		11,424,804
Capital assets	20,000		20,000
Grants	8,438,220		8,438,220
Workforce 20/20	1,512,491		1,512,491
Reed Act - Unemp. ins. computer modern.	5,515,586		5,515,586
Total all funds	\$63,696,582	\$0	\$63,696,582
Less estimated income	61,931,140	0	61,931,140
General fund	\$1,765,442	\$0	\$1,765,442
FTE	284.05	0.00	284.05
Bill Total			
Total all funds	\$63,696,582	\$0	\$63,696,582
Less estimated income	61,931,140	0	61,931,140
General fund	\$1,765,442	\$0	\$1,765,442
FTE	284.05	0.00	284.05

Senate Bill No. 2016 - Job Service North Dakota - Senate Action

The Senate did not change the executive budget recommendation for Job Service North Dakota.

1

Job Service North Dakota

Appropriations Committee Handout



Prepared for Appropriations Committee
by Job Service North Dakota
Senate Bill 2016
January 2009



Table of Contents

Tab 1 - Workforce 20/20 Biennium Report

Tab 2 - Flow of Funds Charts

Tab 3 - Job Service Quarterly Report Card

Tab 4 - ND New Jobs Training Program Report

Tab 5 - Unemployment Insurance Advisory Council Position Paper



Maren Daley
Executive Director

SENATE APPROPRIATIONS

Senator Ray Holmberg, Chair

Testimony
Senate Bill No. 2016

January 8, 2009

Chairman Holmberg, members of the Senate Appropriations Committee, thank you for allowing me to testify today in support of Senate Bill 2016. I am Maren Daley, proudly serving as the Executive Director of Job Service North Dakota.

To optimize the time allowed, I will discuss four areas that require attention, beginning with the area that most interests an appropriations committee – the appropriation request.

Then, I will discuss how Job Service North Dakota is funded. Third, I will talk about the performance measures we have developed into an agency "Report Card," which demonstrates how our agency monitors performance and the successes we have achieved. Fourth, I will describe a few of our major service initiatives, what we are doing to provide better workforce service to the state's businesses and job seekers, and review Job Service North Dakota's major outcomes for the biennium.

Today's Testimony

- I. Appropriation Request**
- II. Job Service Funding**
- III. Job Service "Report Card"**
- IV. Service Initiatives and Biennium Review**

I. APPROPRIATION REQUEST

As referenced in **SB2016**, the total 2009-11 executive budget recommendation for Job Service North Dakota is \$63,696,582 in budget authority.

The overall budget shows a \$293,504 decrease when comparing the 2007-09 biennium appropriation to the 2009-11 executive budget recommendation. (Note: "Base Level – Total all Funds" equals the 2007-09 biennium appropriation less the equity pool of \$578,955.) Major decreases, resulting from a \$2.9 million reduction in our contract with the Department of Human Services (DHS) for administering the Job Opportunities and Basic Skills (JOBS) program and a \$1.8 million reduction in the appropriation request of Reed Act funds for the Unemployment Insurance (UI) Modernization program, have been offset by a \$3.2 million increase to the Salaries and Wages line item to accommodate state employee equity and wage increases.

Our budget was also affected by the Consolidated Appropriations Act of 2008, which required states to return unspent funds from Workforce Investment Act (WIA) programs for youth, adults and dislocated workers. States statutorily have three years to spend WIA funds. However, this rescission reclaimed funds from states in the second year of the spending cycle – one full year before the spending deadline. While Congress was told the impact on states would be minimal, North Dakota (as well as many other states) dipped into current year funding to pay the rescission. (The U.S. Department of Labor (USDOL) has acknowledged a “disconnect” between their understanding of how workforce funds are “spent” and “obligated” in relation to the reality of what actually occurs in the states.) This return of badly needed job training dollars has resulted in a reduction of the 2009-11 appropriation request of \$404,501.

This budget request shows decreases in the major line items of operating expenses (-\$1,727,677) and Reed Act – UI Modernization (-\$1,784,414), resulting in a total decrease of \$3,512,091 for these line items when comparing the 2007-09 biennium appropriation to the 2009-11 executive budget recommendation.

The Full-Time Employees (FTEs) show a reduction of 23.95 FTEs when comparing the same time frames. The FTE reduction was due in large part to the loss of a major portion of our JOBS contract during the current biennium. The reduction was accomplished through attrition (6) and involuntary Reductions In Force (RIFs) (17).

To illustrate the effect the funding situation has had, Job Service has gone from 420.5 FTEs during the 1995-97 biennium to a proposed 284.05 FTEs in this 2009-11 budget request. That's almost a one-third reduction (136.45 positions) in 14 years. This has a drastic effect of reducing the amount of personalized service our staff is able to provide to customers. North Dakota can scarcely afford the effects of this unfortunate trend of underfunding key workforce development investments. With a growing economy in North Dakota, the state is facing workforce challenges, and we must continue to build on our ability to expand, attract and retain our workforce.

The Legislative Council request on behalf of the Senate Appropriations Committee chairman asked for the 2007-09 appropriation and the estimated 2007-09 spending. That information is summarized in the chart below. The significant differences between the appropriation and the revised budget include a reduction in salaries and fringe benefits due to the loss of a major portion of the JOBS contract mentioned above, as well as reduced expenditure of Reed Act funds for the UI Modernization project. Job Service North Dakota (JSND) spent less than the amount appropriated from the Reed Act due primarily to timing. The seven- to nine-year UI Modernization project is still in its early stages, and costs for initiation and planning have been relatively small. As the project develops to the execution phase, expenditures will increase to the expected, appropriated levels.

Job Service North Dakota 2007-2009 Appropriation to Revised Budget Comparison

	2007-2009 Biennium Appropriation	2007-2009 Revised Budget	Difference
Resources	\$63,990,086	\$54,587,509	-\$9,402,577
Uses:			
Salaries and Fringe	\$33,579,479	\$29,824,545	-\$3,754,934
Operating Expense	\$13,152,481	\$13,020,424	-\$132,057
Capital Assets	\$20,000	\$20,000	\$0
Grants, Benefits, Claims	\$8,438,220	\$8,438,220	\$0
Work Force 20/20	\$1,499,906	\$1,499,906	\$0
Reed Act - Unemployment	\$7,300,000	\$1,784,414	-\$5,515,586
	\$63,990,086	\$54,587,509	-\$9,402,577

Unemployment Insurance (UI) Modernization Effort – Reed Act Funding

The executive budget recommendation includes \$5,515,586 for upgrading and enhancing the Unemployment Insurance (UI) technology systems in order to provide improved services for both businesses and claimants throughout the state. In relation to this, we have solicited proposals for an independent analysis of our current technology systems that will include a recommended future state for our UI systems. The analysis will also provide a recommended, realistic direction for modernization, including architecture, costs, timeline, resources, pros, cons, and next steps.

The objectives of the modernization are:

1. Empower customers via additional self-service capabilities, including 24/7 access to Internet and Interactive Voice Response (IVR) systems
2. Provide a system that has user friendly features and is easy to learn
3. Utilize industry standard technologies to attract skilled Information Technology (IT) workers
4. Create a system that is flexible and easily maintainable
5. Enable business staff to maintain application parameters without IT intervention, resulting in faster customer service
6. Maximize internal efficiencies through the automation of manual processes for both business users and IT staff

Many lessons have been learned by interfacing with other states involved in similar projects. Several states have seen failures in execution for these types of projects, and we are working to avoid the pitfalls causing the failures by utilizing the best practices of states that have succeeded in their modernization efforts. While this approach tends to extend the project length slightly, it provides the basis for successful project completion.

One-time funding, from a federal Reed Act distribution, is available to fund the Unemployment Insurance (UI) Modernization program.

Enacted in 1954 as a result of tension between states and the federal government over unemployment insurance (UI) funding, the Reed Act provides for the transfer of excess dollars from federal unemployment trust funds to state trust funds. This transfer can occur in the event that the reserves in the federal employment security administration, loan, and extended benefits accounts exceed a certain threshold level. A distribution in 2002 was the fifth such transfer, and was part of the Economic Stimulus Package (HR 3090) passed by Congress several months before.

Reed Act

- **Established in the 1950s.**
- **Funds are distributed to the states when the three federal Unemployment Trust Fund accounts exceed their statutory ceilings.**
- **Reed Act funds may be used for these purposes only:**
 - **Payment of unemployment benefits**
 - **Administration of state UI laws**
 - **Administration of public employment service offices**

Note: Latter two purposes require specific legislative appropriation.

States may use Reed Act money to finance either regular UI benefits or administrative costs of UI and public employment offices. During the 2002 recession, many states used this money to finance regular UI benefits. Since North Dakota had a trust fund solvency plan, this money was not needed for payment of benefits. North Dakota's trust fund remains healthy and at an appropriate level to ensure that funds will be available to pay benefits to individuals who may need to utilize the services of the unemployment insurance program.

North Dakota's trust fund solvency allows JSND to use the Reed Act funding toward the one-time, initial costs of upgrading our outdated UI computer system.

The Unemployment Insurance Modernization program is a vitally important investment that will deliver substantial value and a good return on investment for the citizens of North Dakota.

Workforce 20/20

Our request is for funding of \$1,512,491, which I ask you to appropriate from the state's general fund. We have provided documentation on the performance of the Workforce 20/20 program, a summary of which can be found in the agency's Report Card behind Tab 3. The entire Workforce 20/20 report can be found behind Tab 1.

Workforce 20/20 supports Talent Expansion and Retention through skill development. The program assists in maintaining or improving employee job skills, especially when new technologies are introduced into the workplace. The program gives priority to manufacturing, and can assist other Target Industries as they upgrade equipment and processes to stay competitive in a global economy.

To participate in the program, employers must offer high-wage, high-demand careers, paying not less than 200 percent of the federal or state minimum wage. During the 2005-2007

Biennium, Workforce 20/20 funded 208 training projects. As of December 2008, funds had been obligated for 133 projects.

Senate Bill 2016 includes the provision that 50 percent of Workforce 20/20 funds must be used for projects for new or expanding businesses in North Dakota, which is the same policy we have followed since 2003. Currently for the biennium, 67.9 percent of funds have been provided for training to new or expanding businesses.

Over the past Biennium, JSND has implemented tighter rules for the matching funds employers are asked to commit to training projects. These rules will help JSND meet training requests from more employers. Our agency utilizes our business consultation network to promote the program to employers across the state.

The value of the Workforce 20/20 program to North Dakota can be measured by increased wages and employee retention by both the employer and North Dakota. Information provided by the employers for the 2005-2007 Biennium show the wages of employees who had received training increased an average of \$2.97 per hour and employers retained 69.1 percent of the trainees one year after training. (Eighty percent of the employees not retained after training were still working in North Dakota.) The report also shows that the state will recover its investment in Workforce 20/20 in 1.35 years (depending on tax brackets) through taxes paid on these higher wages.

Workers trained through Workforce 20/20 increased their wages by an average of \$2.97 per hour.

Employees who receive training through the program are: 1.) Staying in North Dakota; 2.) Receiving increased incomes; and 3.) Receiving increased skills the state's employers need to stay competitive.

Job Spidering

Last winter, Job Service introduced enhanced online labor exchange services, including a feature referred to as **Job Spidering**. Job Spidering is a powerful online employment search tool that provides fast access to a database of thousands of North Dakota jobs within a single Web site.

A portion of the cost of this enhancement to our online services was funded with general funds, in the 2007 budget. We are requesting a \$200,000 general fund appropriation to continue providing this Job Spidering service for employers and job seekers.

Job Spidering searches job listings from a variety of sources, including national and local job boards, Web sites for educational institutions, hospitals, government agencies, newspapers, and Web sites of businesses that employ 50 or more people. From these job listings, Job Spidering copies the pertinent information and publishes it on the Job Service North Dakota (JSND) Web site at FindJobsND.com. This service provides one-site access to the majority of online North Dakota jobs listed on the Internet.

Job Spidering saves employers the time they would spend posting jobs on multiple Web sites. Instead, they can post the job on their corporate Web site and let Job Spidering copy it to FindJobsND.com. When the job seeker clicks on a Spidered job listing on FindJobsND.com, the link directs him or her back to the Web site where the job was originally posted, thus preserving the promotional opportunities for local employers and community job boards.

Since its implementation on January 7, 2008, Job Spidering has increased the total number of job listings on FindJobsND.com by as much as 50 percent, from an average of 10,000 listings to almost 15,000 listings during the peak, late summer hiring season.

By increasing the number of total job listings, we help ensure FindJobsND.com remains the premier labor exchange Web site in North Dakota, attracts more job seekers to the Web site, and thereby provides employers a larger talent pool from which to hire. As of December, there were more than 12,500 active resumes available on the Web site for employers to search.

By Spidering all the jobs across the state into a single repository, FindJobsND.com has become a valuable source of workforce intelligence, providing a more accurate picture of the state's job market. Spidered job listings can be categorized by occupation and compared to the number of updated resumes registered on the system. This comparison helps us understand the relation of supply and demand for high-wage, high-demand careers.

Since January 2008, about 29 percent of the total Spidered job listings have been in healthcare and healthcare support, 14 percent have been management positions, 9 percent have been computer-related and engineering careers, as well as many others.

In addition to workforce intelligence, employers and job seekers who use FindJobsND.com have access to local JSND Customer Service Offices, workforce programs, and potential training opportunities that national job boards can't offer because they aren't dedicated to North Dakota.

New Jobs Training

The New Jobs Training program assists with Talent Expansion under the Talent Initiative by allowing employers to use tax withholdings to help offset the cost of employee training. "Primary Sector Businesses," including Target Industries, may qualify for the program if they are creating new, high-wage jobs by relocating to North Dakota or expanding current operations in the state. Funds are captured from the state income tax withholding generated from the new job positions that are created.

New Jobs Training depends on cooperative oversight by several state agencies, including Job Service North Dakota and the Tax Department, which administers collection of the new income tax withholdings that can then be applied to loans, repayable grants, or self-financing options employers may use to pay for training.

The results of the New Jobs Training program are summarized in the report found at Tab 4.

II. JOB SERVICE FUNDING

Job Service is unique in that virtually 100 percent of our workforce programs are federally funded, but state administered and locally delivered. Information on the funding flow for our major funding sources will aid in your understanding of how Job Service North Dakota is funded.

The **Federal/State Unemployment Insurance (UI) Program Flow of Funds** chart is found at Chart A under Tab 2. All states finance UI benefits primarily through contributions from subject employers on the wages of their covered workers. These taxes are deposited by the state to its account in the Unemployment Trust Fund (UTF) in the Federal Treasury, and are withdrawn as needed to pay benefits. Also, pursuant to the provisions of the Federal Unemployment Tax Act (FUTA), a federal tax is levied on covered employers at a current rate of 6.2 percent on wages up to \$7,000 a year paid to an employee. The law, however, provides a credit against federal tax liability of up to 5.4 percent (in states meeting certain Federal requirements) to employers who pay state taxes timely under an approved state UI program. This credit is allowed regardless of the amount of the tax paid to the state by the employer. Accordingly, in states meeting the specified requirements, employers pay an effective federal tax of 0.8 percent, or a maximum \$56 per covered employee, per year. The current net effective FUTA rate of 0.8 percent has two components: 1.) The permanently authorized FUTA tax rate of 0.6 percent, and 2.) Beginning in 1977, Congress added a 0.2 percent surcharge to the permanent tax rate. Congress imposed the 0.2 percent surcharge to retire a deficit created by Congress under a federally funded supplemental benefits program, which lengthened the duration of unemployment benefits beyond the normal 39 weeks of regular and extended unemployment benefits. The 0.2 percent surcharge has been extended several times, due largely to federal budget deficit considerations, and is currently authorized through December 31, 2009.

The FUTA funds are used to fund the administration of UI benefits and operation of the employment service under the Wagner-Peyser Act. It is important to note that Wagner-Peyser funding has not increased since 1981, and has lost buying power every year since then. In addition to the loss of buying power, higher industry demand for skilled workers impacts our ability to meet the demands of employers and job seekers.

The **Workforce Investment Act (WIA) Flow of Funds** charts are found at Charts B1 – B5 under Tab 2. To receive WIA funds, states must have a federally approved state WIA plan. North Dakota's plan has been developed in partnership with the Workforce Development Council and other state agencies, and aligns with the state's workforce needs via the Talent Initiative.

Job Service works closely with job seekers to assess their skills and determine whether training is needed to help them fulfill employers' needs and make them more qualified candidates for high-wage, high-demand careers.

Decisions to fund training are based on appropriateness for the individual, but with North Dakota's skill needs in mind. Our Business Consultants and Target Industry Liaison visit with employers and associations to collect business and economic information (workforce intelligence) that helps us determine which job skills are in high demand. This, along with labor market information, allows us to better serve both employers and job seekers.

From July 2007 through December 2008, JSND funded training for more than 430 people through WIA. Many of these training enrollments were in Target Industries, including more than 20 enrollments for technology-based business, more than 25 for energy, and more than 40 for manufacturing. Several other important industries were also assisted by WIA, including training for healthcare and trucking and transportation.

Title I of WIA authorizes three separate funding streams to states for activities focused on adults, dislocated workers, and youth. A formula determines the distribution of funds to each of these streams.

Federal funding to North Dakota for WIA programs has decreased over the last several years, even though the overall cost per participant in WIA programs has increased. WIA

WIA Funding Levels for North Dakota

	PY 2002	PY 2008	Difference
Adult	\$2,369,063	\$2,148,467	- 9.31%
Dislocated Worker	\$1,198,337	\$1,171,808	- 2.21%
Youth	\$3,430,651	\$2,269,746	- 33.84%

Adult formula funding has declined 9.31 percent from Program Year 2002 (PY02, or year beginning July 2002) to PY08. WIA Dislocated Worker formula funding has decreased by 2.21 percent, and WIA Youth funding has decreased by 33.8 percent from PY02 to PY08.

Despite decreases, Job Service continues to serve high numbers of individuals, and serve them well. Federal performance indicators evaluate whether our clients got a job, kept the job, and whether their average earnings increased. We met our WIA negotiated performance measures for Program Year PY07. 'Goals met' is defined as exceeding the U.S. Department of Labor's (USDOL's) requirements to qualify for incentive funds.

Attaining negotiated performance measures is not an easy lay-up. We are continually challenged by increasing expectations and changes in the labor market and local economies.

The fraction of the labor force that is seeking work but cannot find it determines the unemployment rate. As we all know, North Dakota's seasonally adjusted unemployment rate is low at 3.3 percent for November 2008, compared to a national unemployment rate of 6.7 percent.

The labor force participation rate is the share of the noninstitutionalized population, 16 years and older, working or seeking work, compared to the Current Population Survey (CPS) estimate of that total population. North Dakota's labor force participation rate for 2007 was 74.3 percent, compared to 66 percent nationally.

Low unemployment and high labor force participation indicate that relatively few North Dakotans are available to seek work, and those that are seeking are probably facing barriers to finding or maintaining employment in the state's robust economy. That is a key challenge for us: we are serving more "hard-to-serve" clients with barriers to entering employment.

The next point behind the numbers that is important to recognize is how our levels of service compare to other states. In PY06, North Dakota ranked 18th for the number of WIA participants served. However, we rank 49th among states for population and receive WIA funds as a minimally funded state. As can be seen on the following table, North Dakota serves a substantial number of participants when compared to many other states.

We're getting the job done for our state by using WIA resources to get more job seekers qualified to enter the employment market, and we are achieving our performance results.

PROGRAM YEAR 2006 PARTICIPANTS AND EXITERS

State	Adults				Dislocated Workers				Older Youth				Younger Youth			
	Participants	Rank	Exiters	Rank	Participants	Rank	Exiters	Rank	Participants	Rank	Exiters	Rank	Participants	Rank	Exiters	Rank
AK	1,017	44	344	50	467	46	253	46	223	39	86	40	935	35	511	34
AL	6,011	31	3,672	28	3,049	26	1,731	23	964	20	464	18	1,905	29	1,061	24
AR	27,147	17	21,549	13	520	43	189	48	319	37	114	37	2,147	27	656	29
AZ	7,086	27	3,703	27	2,840	28	1,346	26	745	25	329	25	2,257	26	932	26
CA	46,336	11	37,022	11	25,862	3	16,108	3	7,188	1	5,347	1	17,444	2	10,916	1
CO	5,265	33	2,705	33	2,084	29	1,166	29	1,060	18	439	19	1,912	28	836	28
CT	30,997	15	27,807	12	1,727	32	721	33	509	29	225	30	651	39	471	35
DC	1,000	45	798	42	169	51	125	50	190	41	52	47	540	43	86	50
DE	904	46	552	46	377	48	196	47	70	49	45	49	459	45	253	43
FL	27,387	16	17,424	16	7,638	12	3,950	10	3,039	6	1,649	2	7,931	6	5,227	4
GA	5,569	32	2,565	35	4,321	21	1,782	22	1,292	14	537	14	4,760	11	1,378	14
HI	3,618	37	2,991	30	520	44	286	42	71	48	59	44	640	40	270	42
IA	1,154	43	696	43	1,925	31	746	32	464	31	227	29	727	38	367	38
ID	202,054	2	87,348	3	982	36	599	37	312	38	167	32	778	36	355	39
IL	76,673	9	42,742	9	17,562	4	7,277	5	3,604	3	1,303	5	7,127	7	2,583	8
IN	31,158	14	19,565	15	4,189	23	2,050	21	1,624	10	1,013	7	2,269	24	882	27
KS	48,813	10	43,721	8	812	39	382	41	368	34	139	35	1,335	33	442	36
KY	6,346	29	3,291	29	4,838	19	1,604	25	1,045	19	414	21	2,615	21	1,221	21
LA	108,652	4	54,821	7	2,892	27	1,701	24	1,106	17	465	17	2,715	18	1,280	18
MA	8,454	24	7,467	20	6,536	15	3,934	11	790	23	398	22	2,548	23	1,328	15
MD	107,908	5	72,908	4	2,055	30	1,229	28	618	28	133	36	2,262	25	623	30
ME	828	49	502	47	1,122	34	687	34	329	35	158	33	613	41	352	40
MI	14,849	19	6,587	22	13,872	6	5,547	7	3,711	2	1,476	4	10,286	4	4,517	5
MN	2,789	39	1,534	38	3,796	24	2,055	20	935	21	422	20	3,254	15	1,294	17
MO	7,774	25	3,751	26	6,290	16	2,597	16	1,704	9	510	16	3,593	14	1,240	19
MS	76,884	8	41,518	10	64,975	2	35,331	2	1,131	15	608	12	3,232	16	2,283	10
MT	631	51	312	51	529	42	285	43	97	44	53	46	417	47	132	49
NC	8,655	23	4,473	23	8,018	10	3,613	13	1,386	13	573	13	5,019	10	2,156	11
ND	15,568	18	10,995	17	1,245	49	1,152	49	1,157	42	79	41	545	42	251	44
NE	846	47	426	48	577	41	283	44	399	33	143	34	414	48	248	45
NH	689	50	399	49	910	37	643	35	41	50	40	50	533	44	342	41
NJ	6,131	30	2,773	32	7,617	13	3,626	12	670	26	288	27	6,014	8	2,474	9
NM	2,237	40	1,432	39	504	45	393	40	405	32	225	31	1,469	31	1,064	23
NV	1,349	42	1,053	40	1,046	35	619	36	144	43	75	42	1,018	34	601	32
NY	394,751	1	256,482	1	96,919	1	64,966	1	2,780	7	1,554	3	15,616	3	9,711	2
OH	34,676	13	7,798	19	8,732	8	3,145	14	3,304	4	1,287	6	8,430	5	2,859	6
OK	79,509	6	56,865	6	1,410	33	773	31	483	30	253	28	1,356	32	609	31
OR	4,188	36	2,457	37	4,214	22	2,313	18	655	27	299	26	2,762	17	1,234	20
PA	6,819	28	3,876	25	11,660	7	5,717	6	1,863	8	907	8	5,979	9	2,584	7
PR	11,090	22	2,795	31	4,720	20	1,328	27	3,076	5	535	15	21,375	1	8,808	3
RI	830	48	604	44	588	40	405	39	88	46	55	45	235	50	154	48
SC	7,757	26	4,081	24	7,460	14	3,091	15	1,446	12	795	9	2,612	22	1,295	16
SD	1,605	41	577	45	443	47	272	45	202	40	94	39	735	37	394	37
TN	14,003	21	6,909	21	5,545	17	2,550	17	1,593	11	623	10	4,547	12	2,104	12
TX	36,864	12	21,461	14	14,531	5	8,228	4	NA	NA	NA	NA	NA	NA	NA	NA
UT	133,988	3	109,163	2	847	38	426	38	NA	NA	NA	NA	NA	NA	NA	NA
VA	4,529	34	2,698	34	5,469	18	2,266	19	774	24	392	23	2,712	19	1,210	22
VI	190	53	181	53	23	53	11	53	17	51	12	51	26	51	18	51
VT	329	52	193	52	201	50	112	51	77	47	46	48	432	46	215	47
WA	77,349	7	64,562	5	7,771	11	4,520	9	1,120	16	619	11	3,721	13	1,801	13
WI	4,440	35	2,460	36	8,649	9	4,604	8	835	22	368	24	2,691	20	1,061	25
WV	2,941	38	1,014	41	3,159	25	949	30	320	36	104	38	1,604	30	528	33
WY	14,632	20	8,245	18	31	52	29	52	93	45	66	43	366	49	229	46
Nat. T	1,723,269		1,081,867		383,238		208,911		55,436		26,264		175,563		83,446	

Source: State Annual Report data, 1/07/08

The **Job Opportunities and Basic Skills (JOBS)** program is designed to get recipients of Temporary Assistance for Needy Families (TANF) to work and off assistance quickly and for the long term.

Despite the loss of a portion of our JOBS contract I mentioned earlier, we continue to serve JOBS participants via the remaining portion of our contract. Job Service North Dakota (JSND) administers the full JOBS program in Rolette and Cass Counties, and, across the rest of the state, serves individuals who are employed at a level below self-sufficiency at the time they go on TANF.

Our performance levels show continued strong results in helping North Dakota and the Department of Human Services (DHS) meet Federal TANF performance requirements. DHS reports for the first nine months of 2008 show that JSND has exceeded the federally required work participation rate of 50 percent each month, achieving rates between 53 and 66 percent.

Helping individuals become and stay fully employed is something we do well at Job Service, and fits within the strategic goals of the Talent Initiative. By helping these and all job seekers to become better job candidates, Job Service North Dakota is expanding North Dakota's workforce and strengthening its position in today's global economy.

III. JOB SERVICE "REPORT CARD"

Mr. Chairman, I would now like to draw the committee's attention to Tab 3 in the handout, which contains what we call the Job Service North Dakota (JSND) "Report Card." The Report Card represents JSND's continuing attention to performance review and evaluation. We are committed to monitoring the services we provide the citizens of North Dakota and looking for ways to do it better.

The Report Card monitors six primary service delivery areas in the agency and talking points for each measure:

- A. Unemployment Insurance
- B. Workforce Investment Act
- C. Workforce 20/20
- D. Wagner-Peyser (Labor Exchange)
- E. Employment Statistics
- F. JOBS Work Participation Rate

Please join me in turning to Tab 3 as I briefly review each section of the Quarterly Report Card and demonstrate to you how JSND is looking at the areas relevant to improving the condition of North Dakota's economy. Our agency believes that workforce development is economic development and we are proud of the role we play in that process.

IV. SERVICE INITIATIVES AND BIENNIUM REVIEW

Next, Mr. Chairman, I thought it would be helpful for you to hear about our major service initiatives, including our part in the Talent Initiative, ensuring that workforce development is indeed economic development. This initiative is part of the way we fulfill our mission of providing customer-focused services to meet the current and emerging workforce needs of the state.

The North Dakota Talent Initiative:
Workforce Development
for Economic Development

On July 31 and August 1, 2006, the North Dakota Workforce Development Council, the North Dakota Youth Development Council, the State Commission on National and Community Service, three state legislators, and key players of the state's workforce system, met to develop an action agenda to implement and achieve the goals stated in the State Strategic Plan submitted to the United States Department of Labor. The session identified six talent strategies and committed the stakeholders and partners to ten areas for continuous improvement to meet the key workforce challenges of North Dakota. Partners met again this summer and reaffirmed the strategic direction for addressing North Dakota's workforce needs. Briefly, the plan outlines the following:

Major Outcome Goals:

- Increase the quantity and quality of North Dakota's workforce
- Transition from a workforce to a talent-force through a workforce improvement focus

Organizing Pillars, Principles, and Priorities:

- **Expand** talent in North Dakota
- **Attract** talent to North Dakota
- **Retain** talent in North Dakota

Job Service North Dakota (JSND) is committed to its mission of providing customer-focused services to meet the State's current and emerging workforce needs. In full support of the statewide Talent Initiative, we have reengineered our in-person job seeker service delivery, targeting skill assessment and development in relation to the State's high-wage, high-demand, and targeted industry workforce needs. We have upgraded our online customer services to provide North Dakota with a single point for labor exchange services.

It is important to note that career security in today's environment takes on a connotation of skills security, rather than job security. This has been stated as, "Jobs come and go, but skills are forever." JSND is well prepared to meet changing workforce needs. We believe that skill development will remain integral to a strong workforce. Aligning workforce skills with employment opportunities will remain critical to North Dakota in all economic cycles.

In addition, JSND supports strategic workforce initiatives authorized during the 2007 Legislative Session. These initiatives were assigned to the Department of Commerce within the appropriations legislation:

- Career Promotion - promote North Dakota's high-wage, high-demand, and target industry opportunities to North Dakota students, teachers, parents and guidance counselors
- Expansion of the Internship Program
- Development of the Workforce Intelligence Council

Enhanced Unemployment Insurance Services

In order to increase points of access for our customers and provide more efficient services, Job Service North Dakota (JSND) has placed an intense focus upon providing service to our Unemployment Insurance (UI) customers online. This focus has resulted in successful implementation of online services for both our business and claimant customers.

In January 2005, JSND launched its online UI service for businesses. Employers are now able to file their quarterly employment reports, as well as make payments online using our **UI EASY** system.

Since their introduction, JSND has been continually improving upon the services, and has created a truly customer friendly system for employers to utilize. It has been gratifying to review the customer survey results obtained from employers, with many noting our system's ease of use. If our customers do encounter any difficulties, however, our UI field staff has been successful in teaching employers about our online services and answering any questions they may have.

We place the success of our employer system at the forefront of our business planning; not only for the convenient service it provides to our customers, but because the system is critical for the successful internal operations of our UI tax area. With increasing workloads, and a declining staffing level, appropriate automation is key to maintaining quality, timely services to the employers of North Dakota.

While the initial number of employers utilizing electronic reporting was encouraging, increased participation was desired in order to achieve improved data integrity, more efficient data entry, and faster processing. In the 2007 legislative session, Job Service introduced a bill to increase the level of employer usage. This bill required large employers, those with 100 employees or more, to file their quarterly reports electronically. As a result of this legislation, Job Service has seen increased usage of our electronic systems.

At the present time, 29 percent of employers, representing 72 percent of the total employee wage credits filed in North Dakota, provide their quarterly reports electronically. Of these businesses, 63 percent make their payments online.

Recognizing the need to take further advantage of automation and increase the number of employers utilizing electronic reporting, JSND is introducing legislation during this session that will lower the employer size threshold required to file quarterly reports electronically.

In May 2005, Job Service launched our online unemployment insurance services for claimants. This system provided claimants with the ability to file new claims, reopen existing claims, and certify their weekly eligibility for benefits online using **UI ICE**. This system has provided another access point for claimants, and gives our customers more timely service.

Since implementation, the number of claimants using the **UI ICE** system has grown substantially, with approximately 40 percent of all claimants currently using **UI ICE** to file their unemployment insurance claims.

As with our employer-based system, we are continually enhancing and expanding upon the services provided via the claimant system. Since implementing the original **UI ICE** system in 2005, additional functionality has been added to the system, allowing individuals to complete their periodic eligibility reviews online rather than requiring them to travel to a local office for completion.

Because customer feedback is critical to the success of our services and enhancements, we asked each of our **UI ICE** users to complete a survey of their experience using the system. Based on these survey results, and the recognition by JSND of a need to provide quick and accessible information to the citizens we serve, JSND added an Online Status Page to our systems in early 2008.

With this status page, customers can quickly gain information on the status of their claim for unemployment insurance, as well as providing them with helpful information to speed them through the claim process and assist them during their period of unemployment.

In addition, with federal funding received through a competitive grant process, JSND was able to implement a new system that offers reemployment services online. Using this innovative approach, claimants receive a portion of their reemployment services online using the **UI ICE** system. Services provided include information on coping with job loss, searching for jobs, as well as information on writing cover letters and resumes.

Along with our enhanced online services, cost controls and customer demand led JSND to offer our claimants electronic payment options for weekly benefits. Because of federal funding reductions for postage costs, JSND moved to a debit card payment method for unemployment insurance benefits in the fall of 2007, saving over \$60,000 per year in postage charges. In the spring of 2008, we completed the necessary programming and began providing another option, direct-deposit, to our customers. Claimants can now have their weekly benefit payments deposited directly into their personal bank accounts.

While the demand and necessity for Internet-based services continues to grow, JSND recognizes the need to continue providing services to all groups within North Dakota, including

those who do not embrace technology. In order to continue effectively serving these individuals, JSND continues to provide services via conventional methods we have used for many years.

JSND is extremely proud of our UI section and its staff that has continued to demonstrate diligence and compassion for our customers. For three straight years, 2006-2008, JSND has been the top performer nationally for issuing timely and high-quality appeals decisions. In addition, in 2007, our UI Area was the top performer nationally for issuing timely and proper UI benefit payments.

Demonstrating flexibility and cooperation with our federal partners, the UI Area also successfully implemented Emergency Extended Unemployment Compensation (EEUC) in July 2008, in accordance with federal requirements.

Additionally, JSND continues to work closely with the Unemployment Insurance Advisory Council for advice regarding issues relating to the operations, effectiveness, fairness, and efficiency of the Unemployment Insurance program. To that end, the Council has drafted a position paper (Tab 5) on its stance regarding JSND proposals to the legislature.

Enhanced Online Services for Recruitment and Job Seeking

In addition to Job Spidering, mentioned in the appropriation request, the January 2008 upgrade to the Job Service North Dakota online labor exchange site, FindJobsND.com, included several new capabilities, such as a new quick search for candidate resumes. Resume searches can filter by occupation, experience, salary, education level and qualifications. The search criteria may be further filtered using skills, keywords, driver's license, resume modification date, shift availability and minimum age. Employers may even create a Virtual Recruiter to periodically execute automatic resume searches based on employer-selected search criteria.

For employers, using the e-mail or message center features enables them to contact the individuals found in the resume searches. The employer can inform the job seekers about the details of a job listing or set up appointments for an interview.

Employers can set their job orders so job seekers can apply via the company's Web site, and FindJobsND.com offers employers links to labor market wage rates incorporated within the job order form. All this can be completed without ever leaving the FindJobsND.com site.

Because FindJobsND.com is a free service, even small or rural employers have access to the largest collection of job seekers and resumes in the state.

Likewise, services for job seekers have been enhanced. FindJobsND.com has a new look and feel for input and search capabilities, and the new resume builder is easier to navigate and includes references. The zip code radius search can find jobs within 5, 10, 25 or 50 miles of a ZIP code – a great feature for rural communities.

Job seekers can complete a self-assessment of skills, work values, and interests to identify potential careers or occupations that best suit them. This self assessment can be matched to occupations or help identify training needs of the job seeker.

When viewing job orders, job seekers will be able to see requirements of the job order, links to other job listings from the same employer, and occupational information and workforce intelligence relative to the listed occupation. There are also built-in communications features, so job seekers can send their application information and resumes directly to employers.

Unlike other national job boards, FindJobsND.com has the added benefit of our local customer service staff being available for assistance. JSND staff successfully completed training for the new system prior to its implementation, and is prepared to introduce employers and job seekers to the online labor exchange service and help answer their questions.

Another feature of the JSND online services is the Labor Market Analyzer – a powerful online Labor Market Information (LMI) tool, accessible as a Web site at ndworkforceintelligence.com. Accurate and timely workforce intelligence is essential to making informed business decisions, and providing user-friendly, online access to this information helps our agency execute the Talent Initiative and bolster economic prosperity.

The Labor Market Analyzer provides information to individuals seeking jobs, and employers looking to recruit talent and assess the labor market for their emerging workforce needs. Training providers can use the information to successfully promote their programs, while workforce professionals will utilize data during career promotion and counseling. JSND customer service staff uses wage, employment, projections, and other information to assist employers and job seekers in understanding their fit in the labor market.

The Labor Market Analyzer allows for researching economic indicators such as consumer price index, tax revenues, property values and building permits. Survey data for population and other Census Bureau information may be exported into Microsoft Excel, text files, graphs and printed reports. Searches can be created for employers, and profiles built and compared for occupations, areas and industries. Comparisons of labor market, economic and demographic data over time and geographic areas will foster informed decision making.

Rapid Response

We work hard to establish strong relationships with North Dakota's employers and help them address their workforce needs. When employers are faced with substantial temporary or permanent layoff events, we engage in rapid response assistance.

Rapid response is ongoing collaborative work that often begins at the worksite shortly after a layoff is announced. There, we introduce affected workers to available assistance and begin relationships that often last beyond reemployment. We help workers locate supportive service assistance, explain unemployment compensation, assess their skills in relation to the state's employment needs, and provide training assistance throughout the course of their

unemployment. Occupations being laid off are also shared with our other Customer Service Offices across the state to accelerate reemployment within North Dakota.

We've recently collaborated with several large businesses, providing help in filing unemployment compensation claims right at the worksite. This helps workers quickly address their most immediate need – temporary financial assistance, and it demonstrates the employers' concern for their workers.

Some of our most notable Rapid Response events over the past biennium have included the Northwood tornado recovery, MeritCare, Bobcat, and Imation, which included Workforce Innovation in Regional Economic Development (WIRED) grant and Regional Innovation Grant (RIG) proposals.

Comments such as that from Janna Diggs, human resources representative from the Gwinner Bobcat plant, reflect our value to employers and workers:

"Bobcat Company-Gwinner has been very pleased with the assistance provided by Job Service. [The Job Service staff] is a valuable resource and works closely with our company to ensure that our employees are informed and any questions are resolved promptly. [The staff] is a true gem!"

Parental Responsibility Initiative for the Development of Employment (PRIDE)

In March 2008, Job Service North Dakota (JSND) expanded the Parental Responsibility Initiative for the Development of Employment (PRIDE) program. The program was originally launched through a partnership of the North Dakota Child Support Enforcement Division, JSND, and the Southwest District Court, and was designed to increase child support collections by addressing the unemployment and underemployment of noncustodial parents in the Dickinson and Grand Forks areas. Due to the success of both employment and child support compliance in the pilot sites, the program was expanded to include PRIDE services in Bismarck, Fargo and Minot.

Noncustodial parents receive one-on-one case management employment services. The services include job-search assistance, financial support services, and instruction for job retention skill development. The caseworkers also refer some noncustodial parents to local treatment providers to address substance abuse issues or mental health needs. Now operating in five locations across the state, the PRIDE program is successfully helping individuals become employed, resulting in timelier child support payments and improved parental relationships with children.

The PRIDE Program received a national award for Innovative Partnership at the 17th National Child Support Enforcement Training Conference awards ceremony in Washington, D.C., in September 2007. Because of its tremendous success, other states plan to replicate our PRIDE program, and two Canadian provinces have asked about it.

Veterans Services

Job Service North Dakota Veterans Employment Representatives supported the North Dakota National Guard's Reintegration Program by providing employment and training services to over 500 Veterans returning from Iraq and Afghanistan.

Also, a special Veteran's job fair earlier this year was very successful in Bismarck.

Job Fairs and Employment Services

Our Customer Service Area has increased job fair activity to respond to employers' demand for workers. Today, in fact, our Bismarck office is hosting a job fair in an effort to align individuals permanently laid off from manufacturing jobs with employers who are looking for workers. We are committed to holding additional fairs directed at specific worker populations as needed.

Our local Customer Service Offices have also held "Reverse Job Fairs." For example, when Grand Forks' North American Foods plant closed, and as the company's dislocated workers came off their shifts, Job Service North Dakota made available more than 15 employers from across the state that were ready to hire.

We are currently collaborating with the Department of Corrections and Rehabilitation to hold a job fair for ex-offenders, an important Target Population for the state's workforce.

In addition to job fairs, our Customer Service Offices collaborate statewide to respond to western North Dakota's demand for oil field workers. Our major offices work with the Northwest Training Quadrant to promote floor hand oil field training offered through Williston State College, including use of Workforce Investment Act (WIA) resources to enroll candidates.

Labor Market Information

Our Labor Market Information (LMI) Center is ranked first in the nation in five of the 13 Bureau of Labor Statistics covered employment and wage program performance measures. The measures are tracked to ensure the program is being run with effectiveness and provides accurate, timely, and relevant data to all stakeholders. The LMI Center also ranked second in three measures and no lower than sixth in the five remaining measures.

The **HOTJOBS** brochure, created by the LMI Center in May 2008, emphasizes the fastest-growing, highest-paying jobs in North Dakota. More than 8,000 copies of the brochure have been distributed to date, with one of the biggest customers being the Bank of North Dakota, which now includes **HOTJOBS** brochures in its student financial aid packets.

Collaboration with Partner Agencies

Strong partnerships were integral for Job Service North Dakota (JSND) this biennium. We were honored for outstanding performance and our innovative approach to outreach and partnerships in several areas.

JSND staff reviewed the state's Talent Initiative with Chambers of Commerce, the Motor Carriers Association, and other groups.

We have assisted the N.D. Department of Commerce with its Experience North Dakota events, sending customer service and labor market information staff to assist attendees.

The N.D. Multi-Program Collaboration Workgroup, of which JSND is a member, received the Innovative Partnership award from the Office of Child Support Enforcement.

Closer collaboration and participant tracking is happening with our workforce partners at the Department of Human Services and Tribal Employment and Training, which will improve the job prospects for this important population.

Collaboration with National Workforce Partners

Job Service North Dakota is actively involved in the workforce development system at a national level. I have served the National Association of State Workforce Agencies (NASWA) as Chair of the Labor Market Information Committee, Chair of the Veterans' Affairs Committee, and Vice Chair and Chair of the Employment and Training Committee. I have also testified before Congress for NASWA and participated in NASWA conferences as workshop moderator and presenter.

Internal Agency Changes

Job Service North Dakota has demonstrated successful staff recruitment, including the following key leadership positions: Director of Unemployment Insurance; Human Resources Manager; Finance Manager; and Customer Service Area (CSA) managers in the western half of the state, CSAs I and II. We are also currently seeking a replacement Director of Planning & Support.

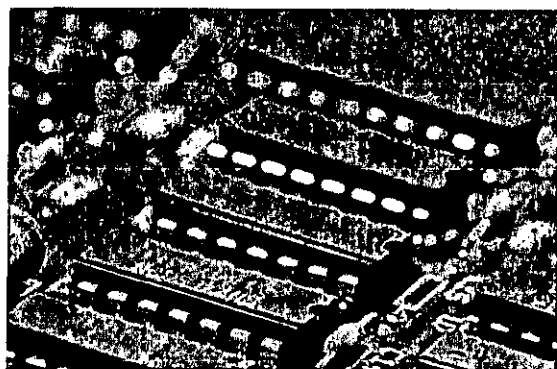
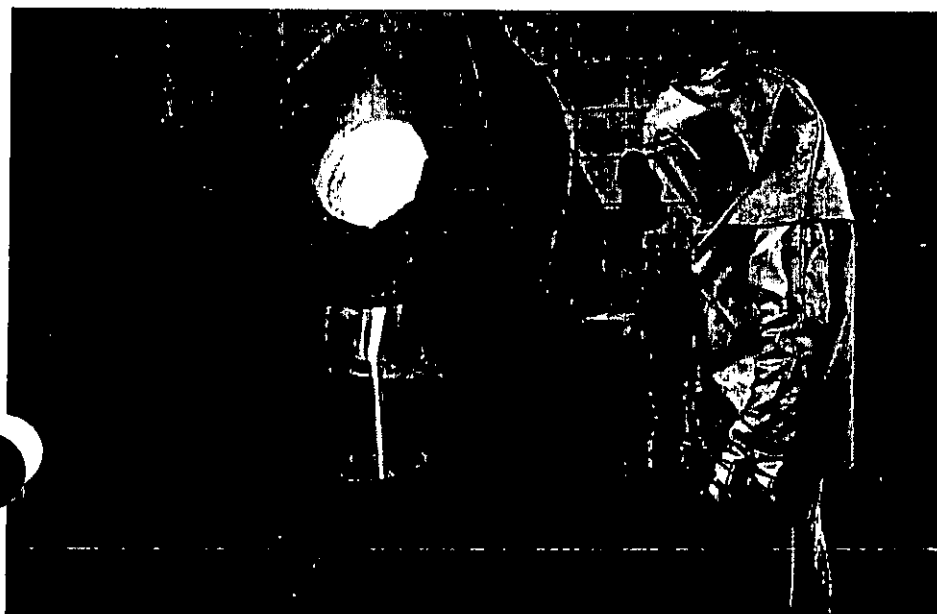
Within the last year and a half, we have moved our local Customer Service Offices in Valley City and Jamestown to improve flexibility and cost savings.

CLOSING

Mr. Chairman, thank you again for this opportunity to tell you about the exciting ways Job Service North Dakota is working to propel the state's economy to a more successful future. We are honored to work with you and all our other partners in creating an exciting future for North Dakota's businesses and workers.

WORKFORCE 20/20

Biennium Report
July 2005 – June 2007



Prepared by Job Service North Dakota
October 7, 2008

Workforce 20/20 Training Program Background

In 1991, the North Dakota Legislative Assembly enacted the Workforce 2000 Training Program (renamed Workforce 20/20 in 2005) to assist North Dakota employers in training and upgrading their workers' skills. This state funded training program was designed to fill gaps left by federally funded training programs that generally target long term-unemployed individuals, dislocated workers, and other disadvantaged groups.

In the last 20 years, rapid advances in technology, global competition, and introduction of new work methods has placed an ever-increasing burden upon North Dakota's employers. As employers in North Dakota implement new technology and work methods, the need for highly skilled workers continues to increase. This is where the Workforce 20/20 program can assist employers. The Workforce 20/20 Program offers employers the ability to access training programs through project grants that are used to fund the training of the workers needed to compete in today's technologically advanced and global economy.

Workforce 20/20 can provide funding assistance to employers for current workers and new employees. First, companies can access assistance to help upgrade the skills of current workers when new technologies and/or new production work methods are introduced. Second, it is available to companies that are expanding or locating to the state to help with training new employees. The objective of Workforce 20/20 is to help communities attract and retain companies and make North Dakota a better place to work, live, and do business.

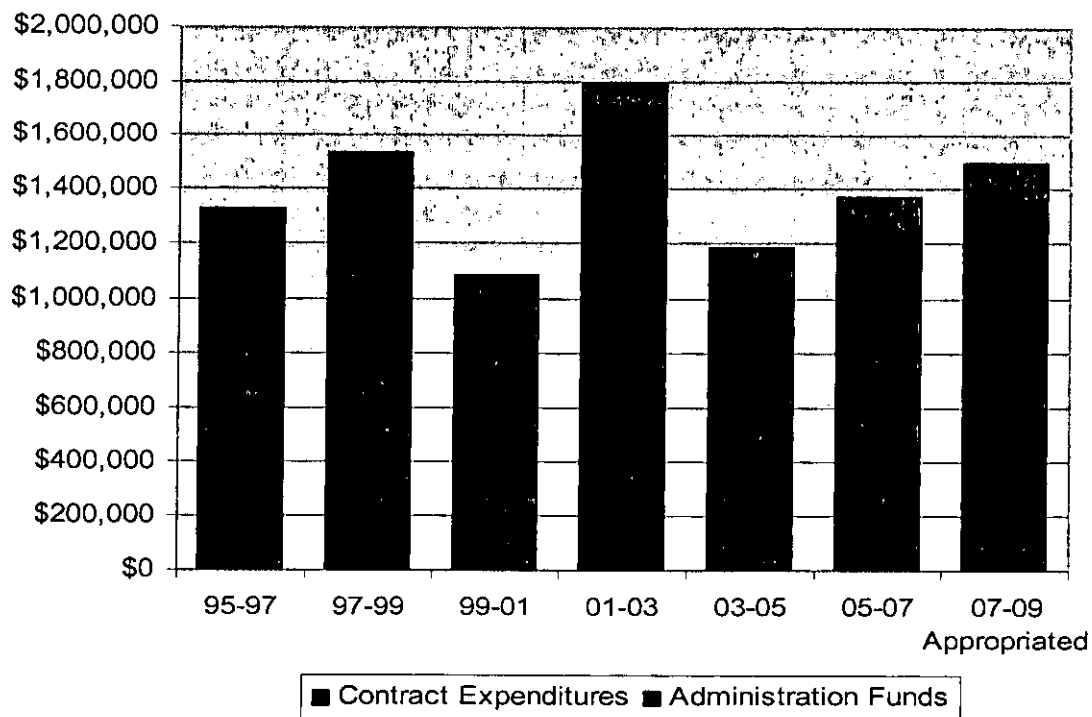
The 2005 – 2007 Biennium in Review

Between 2005 and 2007 the following positive economic growth occurred in North Dakota: 1.) Average annual employment increased by 13,584 employees; 2.) The number of business establishments increased by 429; 3.) Total annual wages increased by 15.3% from \$9.8 to \$11.3 billion; and 4.) The seasonally adjusted average annual unemployment rate remained stable between 3.2% and 3.4%.

For the 2005-2007 Biennium, the North Dakota Legislature increased funding for the Workforce 20/20 program by 19%. With the economic growth that was occurring, the increased funding allowed the Workforce 20/20 program to award employers \$1,237,312.00 for 208 training projects; a significant increase over the 160 projects funded in the previous Biennium. During the 2005-2007 Biennium, 90.6% of all funds awarded went to expanding or new business entities.

Despite negative trends in the national economy, North Dakota's economy has seen growth in the energy, manufacturing, value-added agriculture, and technology sectors. Today, North Dakota's challenge is finding people to fill positions in these industry sectors when the unemployment rate is low and the labor force participation rate is high. In order to support the increased demand for a skilled workforce and the growing number of businesses in these sectors, the Workforce 20/20 program gives North Dakota a valuable tool to attract and retain both employers and employees.

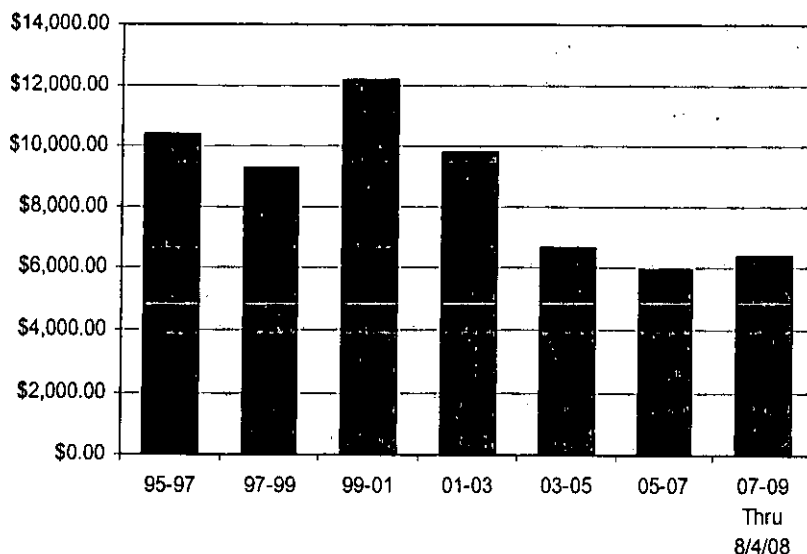
Workforce 20/20, Funds Expended; Historical Overview 1995 – 2009



Comment

The North Dakota Legislative Assembly appropriates the Workforce 20/20 Program funds and unspent funds at the end of a Biennium are returned to the North Dakota General Fund. For the 2007-2009 Biennium, the amount presented is the total funds appropriated for the Biennium. Through August 8, 2008 of the 2007 -2009 Biennium, \$687,163.14 had been obligated to 110 contracts.

Workforce 20/20, Average Contract Grant Awarded; Historical Overview 1995 – 2009



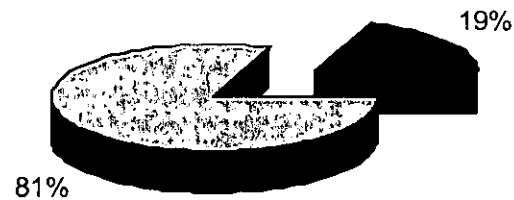
Comment

Costs of technology and training associated with implementation of new equipment and changing work methods continue to increase every year for North Dakota employers. Increased funding for the 2005-2007 Biennium allowed the program to invest in 208 training contracts with an average investment of \$5,949 per contract.

During the 2005-2007 Biennium, the Workforce 20/20 Program was able to help defray the cost of employee training by awarding employers with grants ranging from \$200 to \$56,880.

Workforce 20/20, Value of Matching Contributions from Employers; 2005 – 2007

Source	Funds
Workforce 20/20 Funds	\$1,237,311.79
Employer In-kind Match	\$5,127,034.67
Total Training Funds	\$6,364,346.46

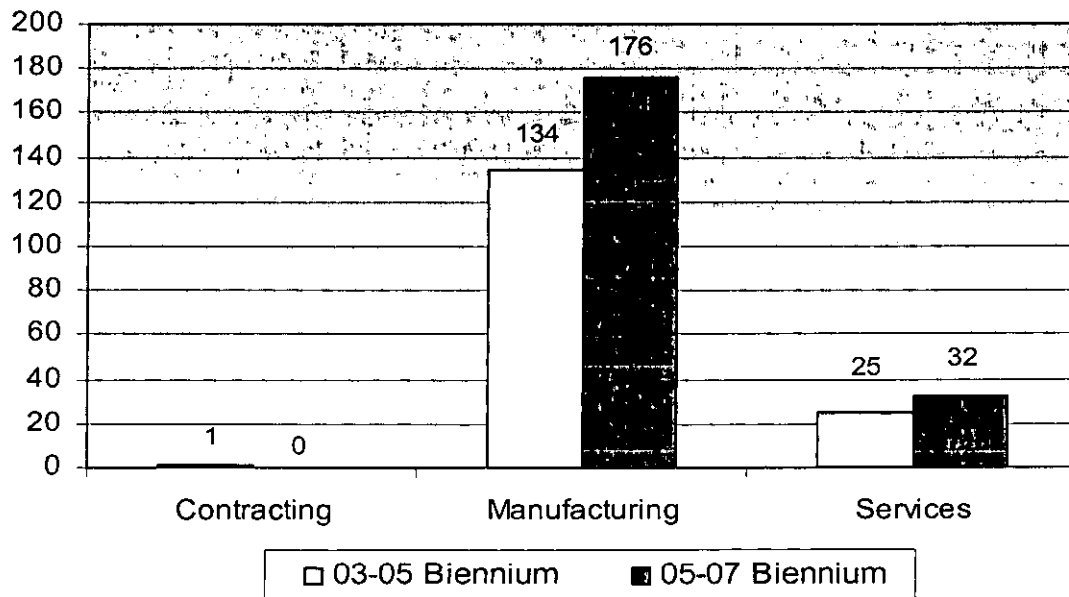


Comment

North Dakota Century Code Section 52-08.1-03 requires encouragement of companies to participate with in-kind contributions.

For the 2005-2007 Biennium, employers matched at a level of \$4.14 for every grant dollar received from Workforce 20/20. Employers' matching monetary funds are used for the employees' wages and benefits paid during training and portions of the training fees not covered by Workforce 20/20 grants. In addition, the matching funds include valuation of in-kind contributions of training space, training equipment, training supplies, purchases of new equipment, and technical assistance.

Workforce 20/20, Contracts Awarded By Industry; 2003 - 2007



Comment

Under the Workforce 20/20 statute, Job Service North Dakota gives priority to applicants that: 1.) Are compatible with statewide economic development strategies; 2.) Demonstrate business and community financial support and participation; 3.) Coordinate activities and resources with other training programs; 4.) Provide for followup and evaluation of the program; 5.) Provide training in occupations that pay not less than 200% of the federal and state minimum wage; and 6.) Provide training for unemployed and employed residents of North Dakota for new and expanding businesses. As depicted here, the business sectors with the most potential for promoting statewide economic development has been the manufacturing and high tech service sectors for the last two Bienniums.

Workforce 20/20, Expenditures on New and Expanding Industry; 2005 - 2007

Comment

In an effort to enhance the growth potential of existing companies and to expand the overall economic growth and development in North Dakota, the Workforce 20/20 program has targeted at least fifty (50) percent of the available funds to new and expanding businesses. During the 2005-2007 Biennium, 90.64% of the funding went to new and expanding businesses to train 2,168 of the 2,331 total workers trained during the Biennium.

Type of Business	Contracts Awarded	Workers Trained	Expenditures	Percentage
Expanding	157	1,874	\$940,280.89	75.99%
New	15	294	\$181,178.13	14.64%
Subtotal	172	2,168	\$1,121,459.02	90.64%
Existing	36	163	\$115,852.77	9.36%
Total	208	2,331	\$1,237,311.79	100.00%

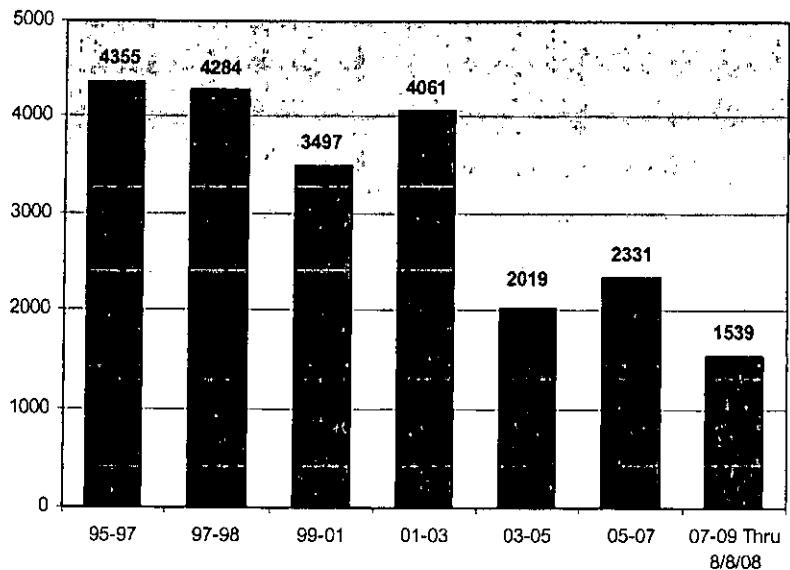
Workforce 20/20, Employees Trained; Historical Overview 1993 – 2007

Comment

The amount of funding available each Biennium does have some impact on the number of employees who receive training. However, the number of employees trained each Biennium is much more dependent upon the economic viability of the proposals received from employers.

With the large quantity of proposals competing for limited dollars, the selection of employers who will receive grants goes beyond just training a large volume of employees. The overall economic impact must be considered, such as wages, generation of out-of-state revenue, and other economic benefits to the community or state.

Since inception of the program through the Biennium ending June 30, 2007, employers have used the Workforce 20/20 program to train 21,355 employees.



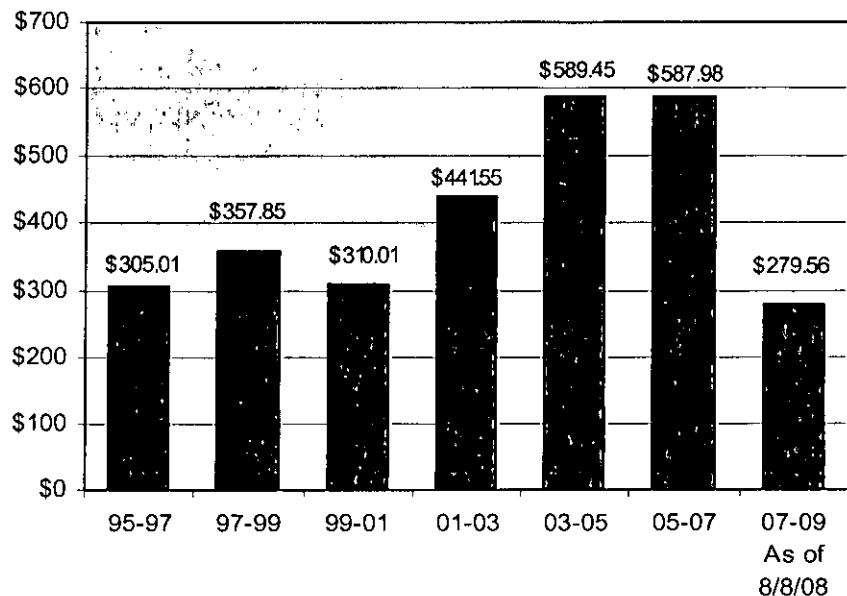
Workforce 20/20, Cost per Employee; Historical Overview 1995 – 2009

Comment

Cost per employee can vary from year to year based on the amount of Workforce 20/20 funds expended, the number of employees trained, and the rising cost of education.

However, compared to other states with similar new employee and incumbent worker training programs, North Dakota's spending appears reasonable.

Please see **Appendix A** for a comparison of how North Dakota's spending compares to other states.

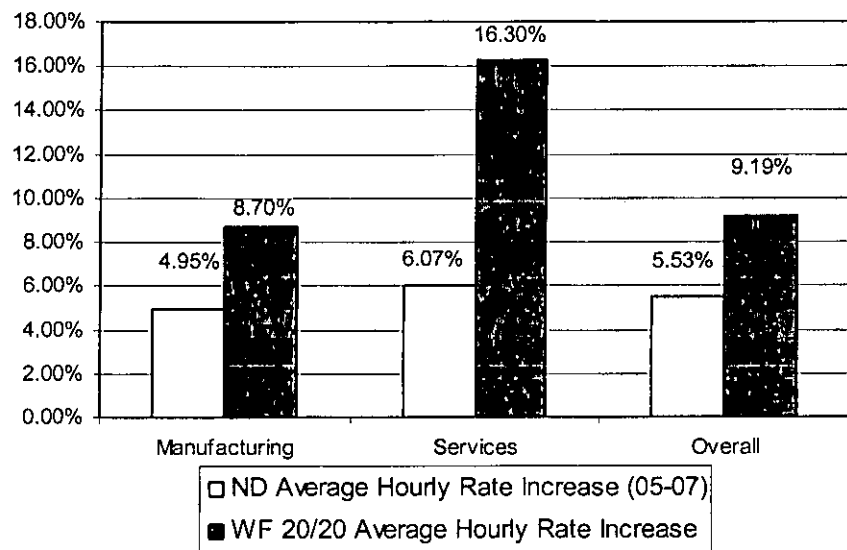


Workforce 20/20, Average Hourly Wage Rate Increases by Industry; 2003 – 2005

Comment

Hourly wage rates are collected prior to training and one year after training. The chart at the right shows how employees receiving training had average hourly wage rate increases at levels exceeding North Dakota's statewide industry averages in both industry sectors.

Under the Workforce 20/20 Program, North Dakota Century Code Section 52-08.1-02 gives priority to customized training, retraining, and upgrade training in occupations that pay not less than 200% of the federal and state minimum wage. During the 05-07 Biennium, two hundred percent of the federal and state minimum wage was \$10.30 per hour.



The average hourly wage increase for the employees retained one year after training was **9.19%**. Statewide during the same time period, the average hourly wage rate increases for the manufacturing and service sectors was only 5.53%.

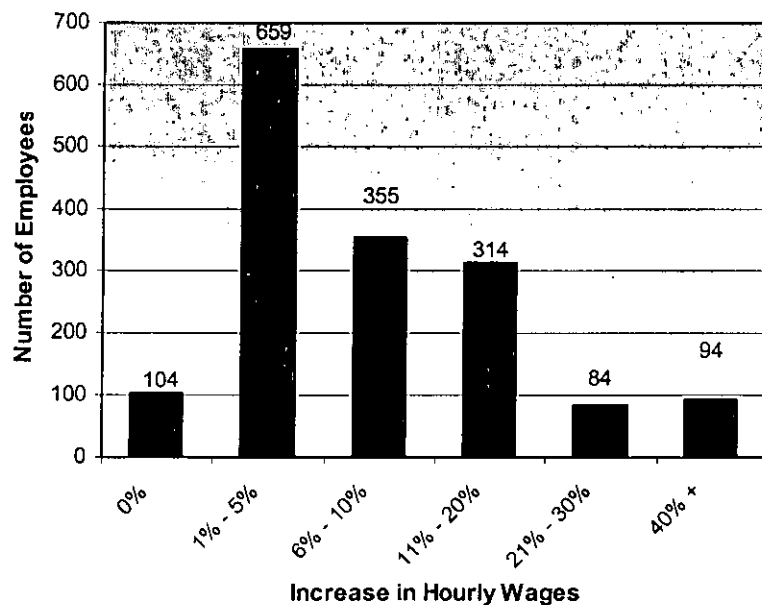
Source: North Dakota Workforce 20/20 Program follow-up monitoring reports and the following Job Service North Dakota's Labor Market Information publications; *North Dakota Employment & Wages; 2006 Annual Wages*, and *North Dakota Employment & Wages; 2007 Annual Wages*

Workforce 20/20, Distribution of Pay Raises One Year after Training; 2003 - 2005

Comment

Out of the 208 contracts granted during 2005 - 2007, 183 (88%) contracts reported an increase in hourly wages for the 1,610 employees retained one year after training.

Of the 1,610 employees retained one year after training, only 104 (6.5%) employees had not received an increase in hourly wages. In 2007, the statewide North Dakota average hourly wage was \$15.91. However, the average hourly wage for these 104 employees who had not received a pay increase was \$23.21 an hour.



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North Dakota's Return on Investment for Workforce 20/20; 2005 – 2007

Wage Increases and Employee Retention

The value of the Workforce 20/20 Program to North Dakota can be measured by increased wages and employee retention by both the employer and North Dakota. Information provided by the employers for the 2005-2007 Biennium show the wages of employees who had received training increased an average of \$2.97 per hour and employers retained 69.1% of the trainees one year after training. In the previous Biennium, Workforce 20/20 Program trainees had an average hourly wage increase of \$3.55 per hour and the employers had a retention rate of 71.6%.

Despite an overall smaller average hourly wage increase for the 2005-2007 Biennium, the Workforce 20/20 Program trainees in the manufacturing and service industry sectors received hourly wage increases that averaged 9.19% after training. During the Biennium, the statewide average hourly wage increase was 5.53% for these industry sectors.

The employee retention rate of 69.1% may appear low, but 80% of the employees not retained after training were still working in North Dakota and the majority of them were receiving equivalent or improved wages. To verify this, North Dakota's Unemployment Insurance wage records were used track the employment status of the employees not retained after training.

The bottom line for North Dakota; out of the 2,331 employees who received Workforce 20/20 funded training, only 132 (5.7%) did not have North Dakota wages nine months (1st Qtr 2008) after the 2005-2007 Biennium ended.

Financial Impact for North Dakota

The Workforce 20/20 Training Program is funded with state dollars, but it is important to note that the program requires an in-kind funding match from the employers. During the 2005-2007 Biennium, the Workforce 20/20 program invested an average of \$588.00 per employee and the employer share averaged \$2,200.00 (see graph on Page 3).

Using income tax withholding contribution percentages calculated by the North Dakota Tax Department, it takes North Dakota 1.35 years to recover the \$588.00 Workforce 20/20 investment through state income taxes withheld from employees who have received training. The 1.35 years is based on the average hourly wage of \$23.78 earned by each employee one year after training. However, due to overtime pay, commissions, and bonuses, the recovery period through state income taxes can be much shorter. Also, the recovery period calculation does not consider increased collections of state sales taxes, motor vehicle excise taxes, fuel taxes, property taxes, or other excise taxes trainees may pay as a result of earning higher wages.

The Workforce 20/20 Training Program is an excellent asset to North Dakota. Employees who receive training through the program are: 1.) Staying in North Dakota; 2.) Receiving increased incomes; and 3.) Receiving increased skills needed by the state's employers to remain competitive.

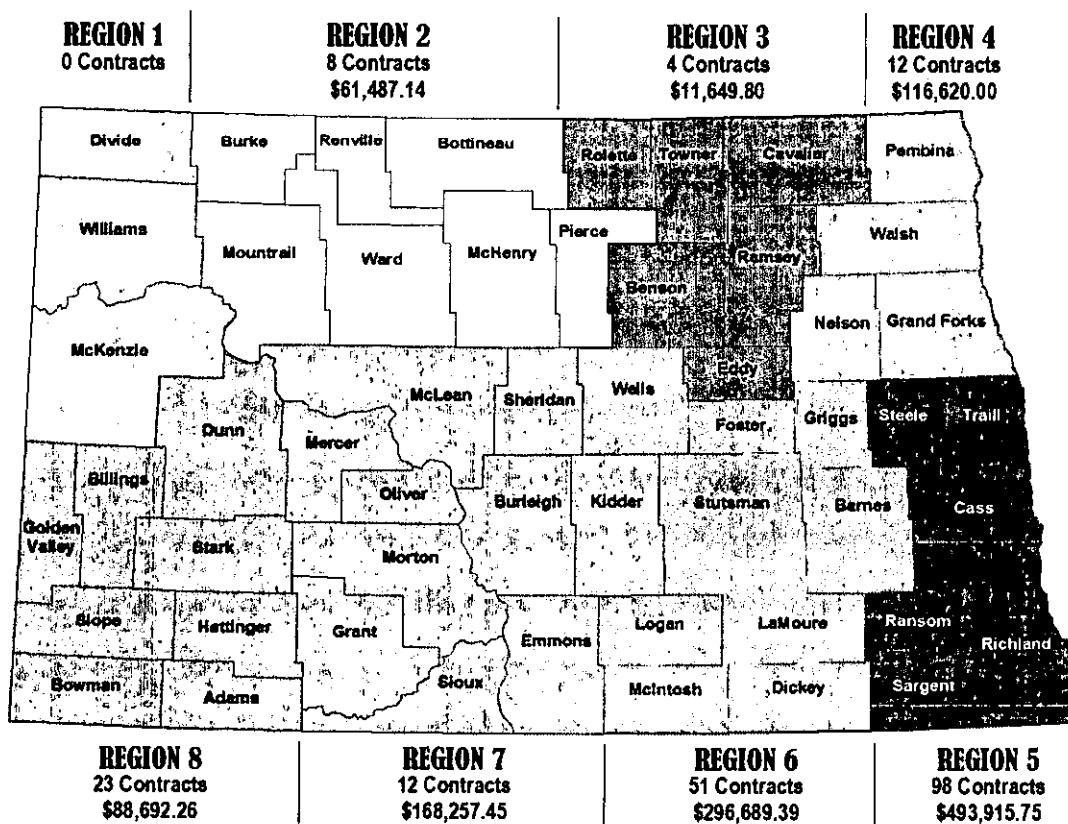
Geographical Distribution Workforce 20/20 Grants; 2005 - 2007

Comment

This map depicts the geographical distribution of Workforce 20/20 funds for the 2005-2007 Biennium. This Biennium is highlighted because it is the most recent Biennium for which all contracts are closed and future fund adjustments are not required.

WORKFORCE 20/20 PROGRAM

Funds Spent by Service Region During the '05 - '07 Biennium



Source: Job Service North Dakota, Workforce Programs

Other Indicators Relating to the Effectiveness of the Workforce 20/20 Program

Comment

The effectiveness of a program goes beyond just measuring the increased numbers of businesses and employees benefiting from the program. The effectiveness of a program can also be gauged by comments of those customers using the program. The following employer comments attest to the success of the Workforce 20/20 Program during the 2005–2007 Biennium.

Contract WF-06-05

"This is a great program which enables us to remain competitive in the national marketplace."

Contract WF-11-05

"It is great for an area with limited resources to have such a program such as this to bring in technical help."

Contract WF-12-05

"Workforce 20/20 is an exceptional program that helps a small business like us compete in a difficult market."

Contract WF-76-05

"This type of advanced welding technique enables our workers to be competitive with out-of-state companies."

Contract WF-85-05

"The paper work was easy to understand and the response time was great."

Contract WF-89-05

"Great resource for local manufacturers trying to improve the skills of their employees."

Contract WF-148-05

"Donna & her team went above & beyond in guiding us through the process to approval, which is tremendous in allowing us to continue to provide training needed for our staff."

Contract WF-176-05

"Workforce 20/20 is a valuable tool that allows our business to offer training to our employees that would otherwise be too costly."

Appendix A

Workforce 20/20; How North Dakota's Training Spending Compares to Other States

State	Name of Program	Program Year	Expenditures	Trainees	Cost Per Trainee
¹ Nebraska	Worker Training Program	2006 - 2007	\$1,657,720.00	17,751	\$88.31
² Tennessee	Incumbent Worker Training Program	2005 – 2006	\$2,657,738.00	9,742	\$211.22
² Kentucky	Grant-in-Aid	2006 – 2007	\$8,663,102.00	34,369	\$252.06
North Dakota	Workforce 20/20	2005 – 2007	\$1,370,572.79	2,331	\$587.98
⁴ Montana	Incumbent Worker Training Pilot Program	2007 - 2008	\$172,644.00	281	\$614.39
⁵ Massachusetts	Workforce Training Fund	2006 – 2007	\$24,000,000.00	32,145	\$746.61
⁶ Minnesota	Minnesota Job Skills Partnership	2006 – 2007	\$9,300,000.00	12,282	\$757.21
⁷ Wyoming	Workforce Development Training Fund	2006 – 2007	\$2,143,437.00	2,499	\$857.72
⁸ Indiana	Training Acceleration Grant Program	2006 – 2007	\$18,839,921.00	17,680	\$1,065.61
⁹ California	Employment Training Panel Program	2005 – 2006	\$89,100,000.00	79,000	\$1,089.87
¹⁰ Hawaii	Employment and Training Fund Program	2006 – 2007	\$1,646,612.00	1,491	\$1,104.38
¹¹ Texas	Skills Development Fund	2006 – 2007	\$25,059,808.00	20,831	\$1,203.01
¹² Iowa	Iowa's Jobs Training Program	2006 - 2007	\$2,732,004.00	1,025	\$2,665.37

¹Nebraska Workforce Development, Department of Labor; Worker Training Program Annual Report July 2006 - June 2007

²Tennessee Department of Labor and Workforce Development; Annual Narrative Report – Program Year 2006

³Annual Report 2006-2007; Bluegrass Skills Corporation, Kentucky Cabinet for Economic Development

⁴Montana Legislative Fiscal Division; Performance Management Report – April 15, 2008

⁵Massachusetts Workforce Training Fund; Annual Report Fiscal Year 2007

⁶Minnesota Job Skills Partnership, Annual Program Summary

⁷Workforce Development Training Fund, Annual Report FY 2007

⁸Indiana Workforce Development; Annual Report 2007

⁹Employment Training Panel; Annual Report 2005-2006

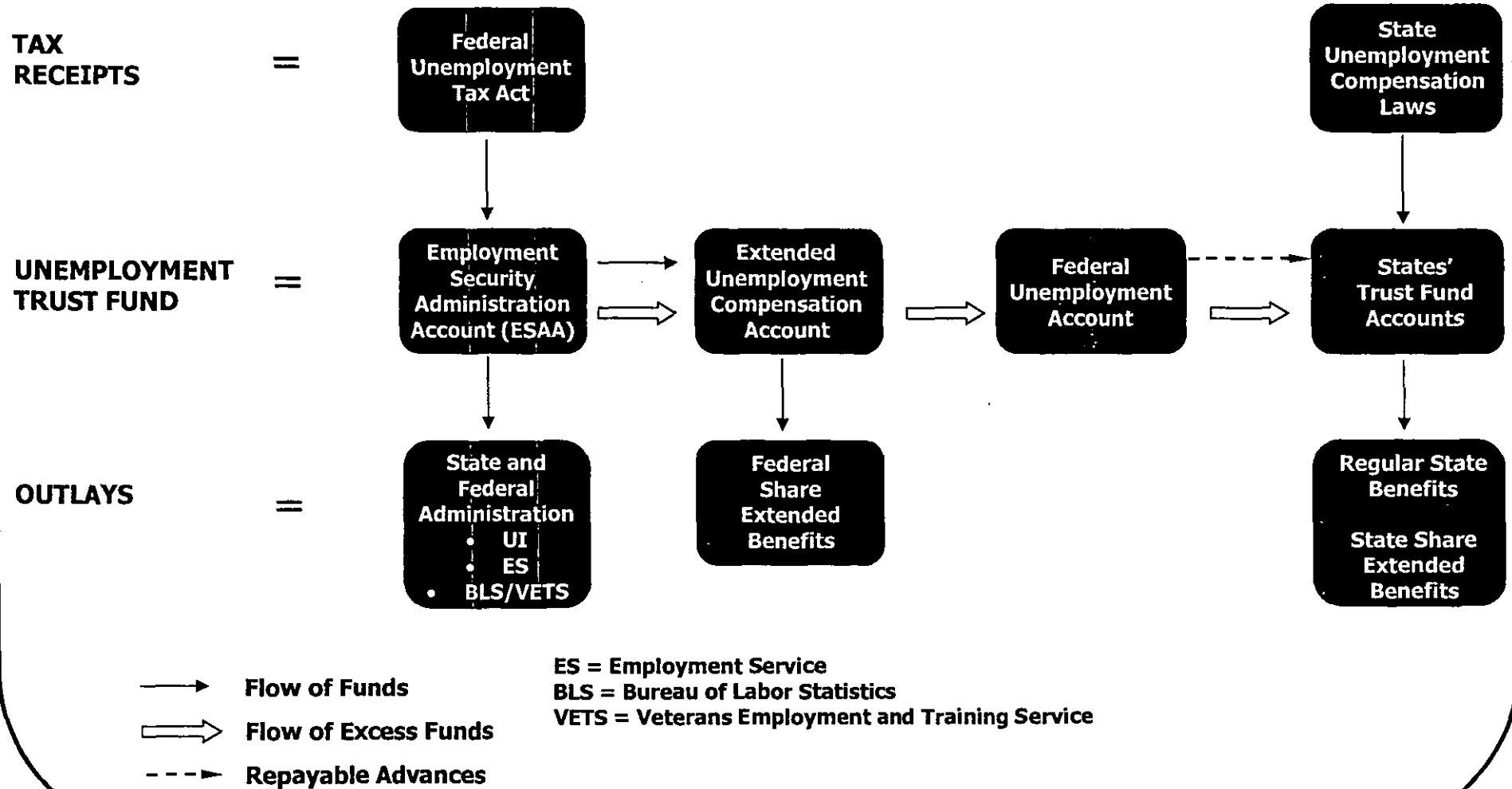
¹⁰Employment and Training Fund Program; 2006-2007 Annual Report

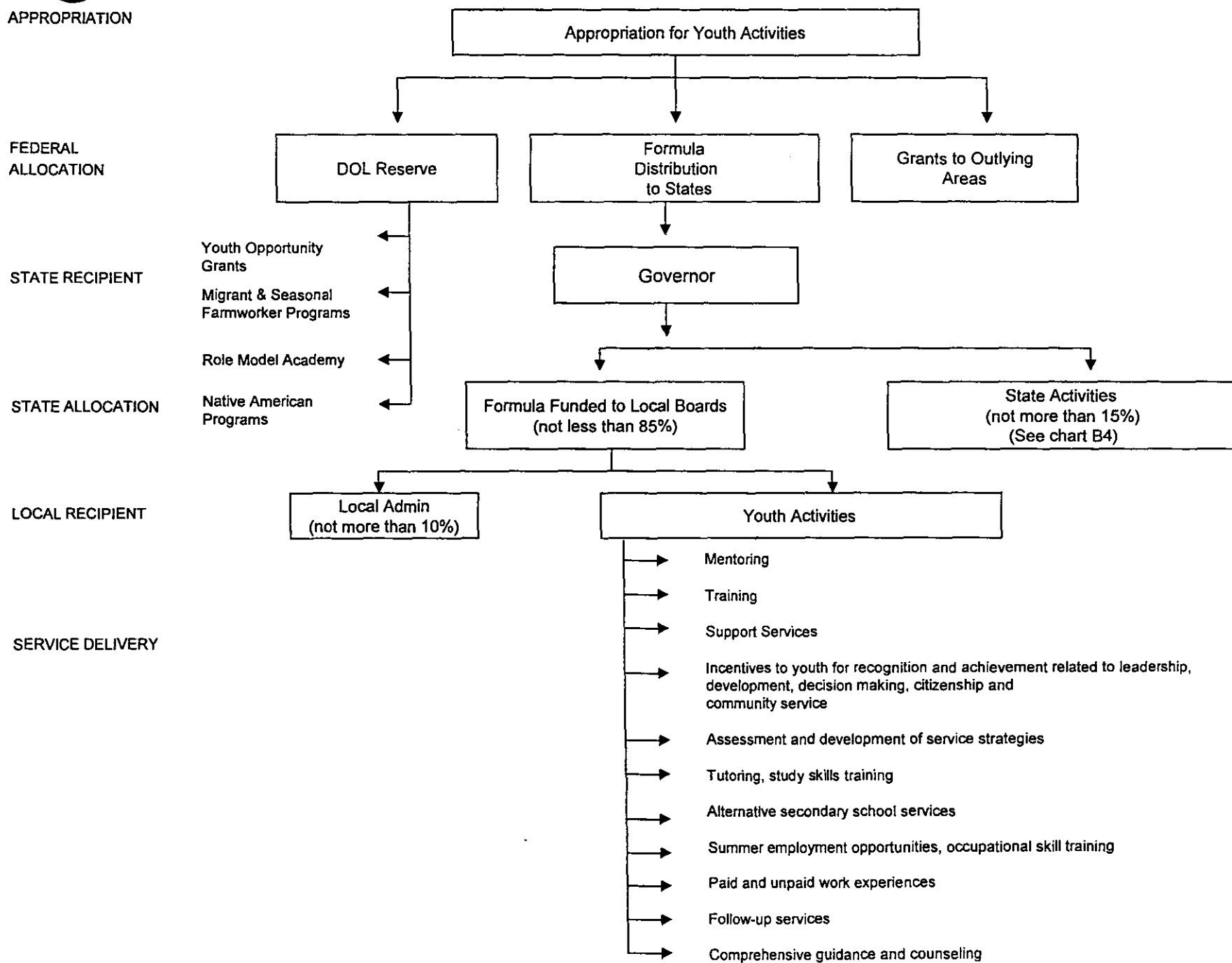
¹¹Texas Workforce Commission Skills Development Fund; Annual Report Fiscal Year 2007

¹²Iowa Department of Economic Development, FY 2007 Workforce – Business Service Training Annual Report

CHART A

FEDERAL/STATE UNEMPLOYMENT INSURANCE (UI) PROGRAM FEDERAL UNEMPLOYMENT TRUST FUND FLOW OF FUNDS





APPROPRIATION

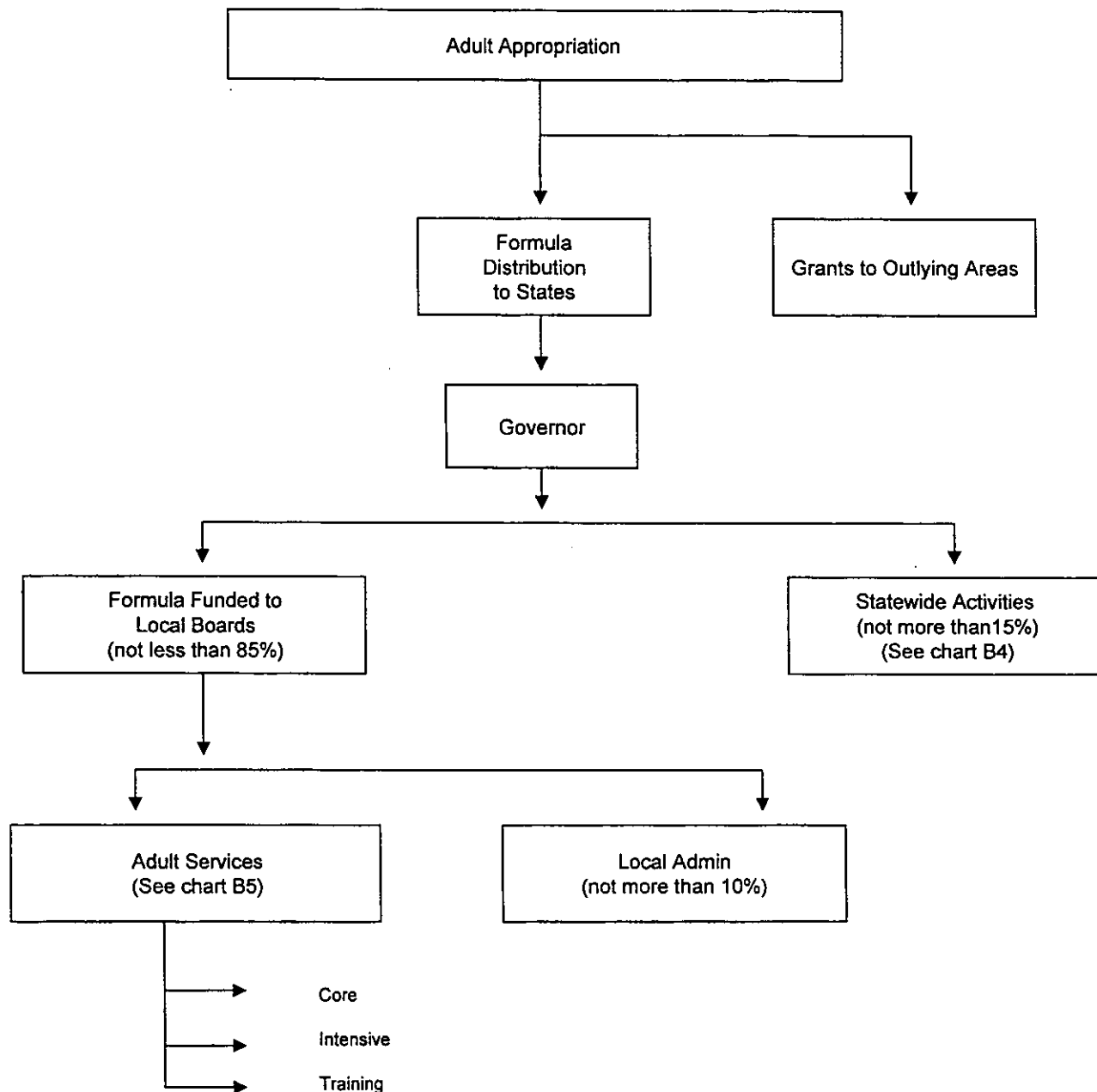
FEDERAL ALLOCATION

STATE RECIPIENT

STATE ALLOCATION

LOCAL RECIPIENT

SERVICE DELIVERY



APPROPRIATION

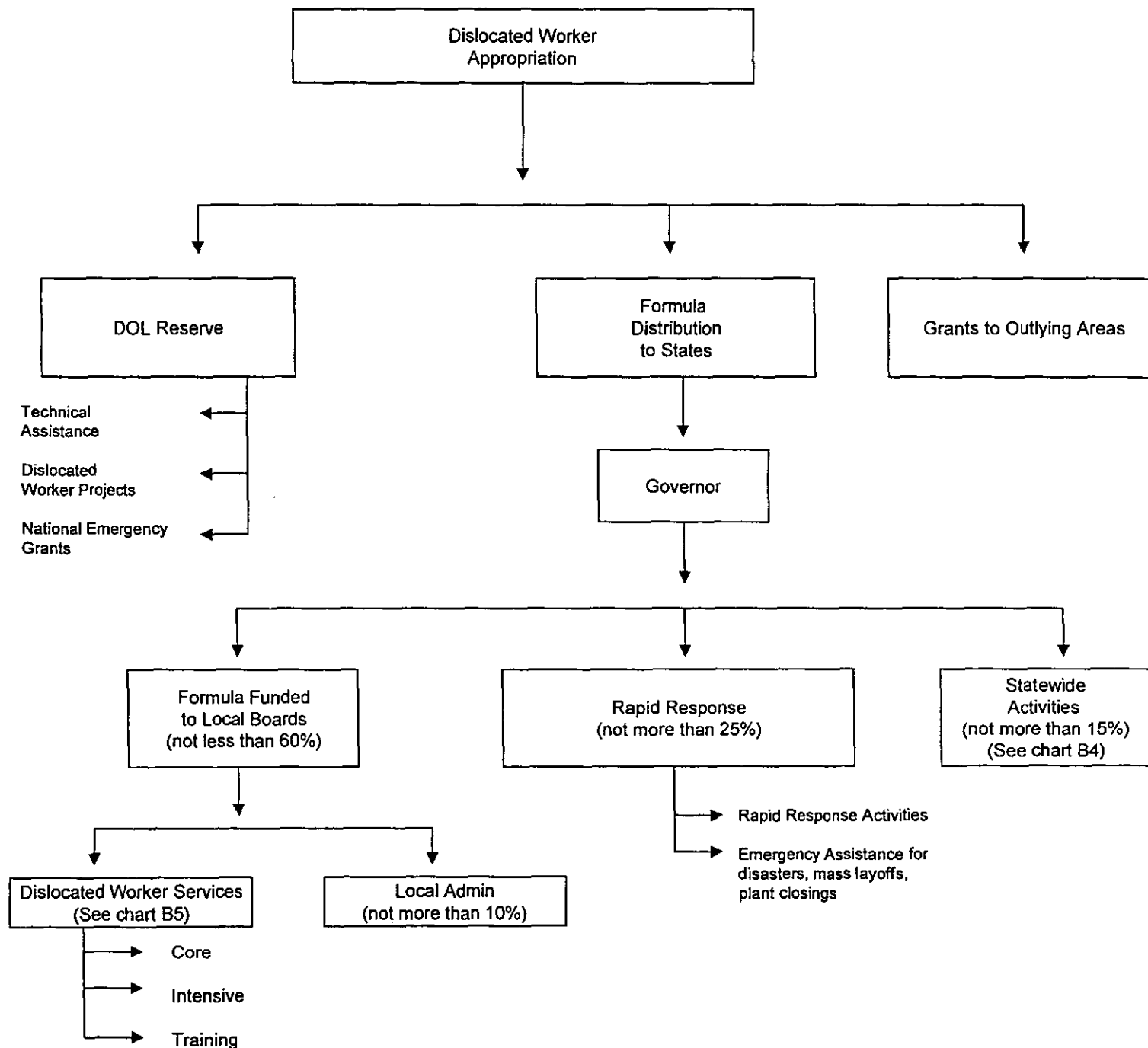
FEDERAL ALLOCATION

STATE RECIPIENT

SERVICE DELIVERY

STATE ALLOCATION

LOCAL RECIPIENT



APPROPRIATION

Appropriation for
Youth Activities
(See chart B1)

Adult
Appropriation
(See chart B2)

Dislocated Worker
Appropriation
(See chart B3)

STATE ALLOCATION

State Activities
(Not more than 15% From Each
Funding Stream)

SERVICE DELIVERY

Mandatory Activities

- Disseminating a list of eligible providers of youth activities
- Providing additional assistance to local areas that have high concentrations of eligible youth
- Disseminating State list of eligible providers of training services
- Conducting evaluations of WIA activities
- Providing incentive grants to local areas
- Providing technical assistance
- Assisting in establishment and operation of one-stop delivery systems
- Operating a fiscal and management accountability information system

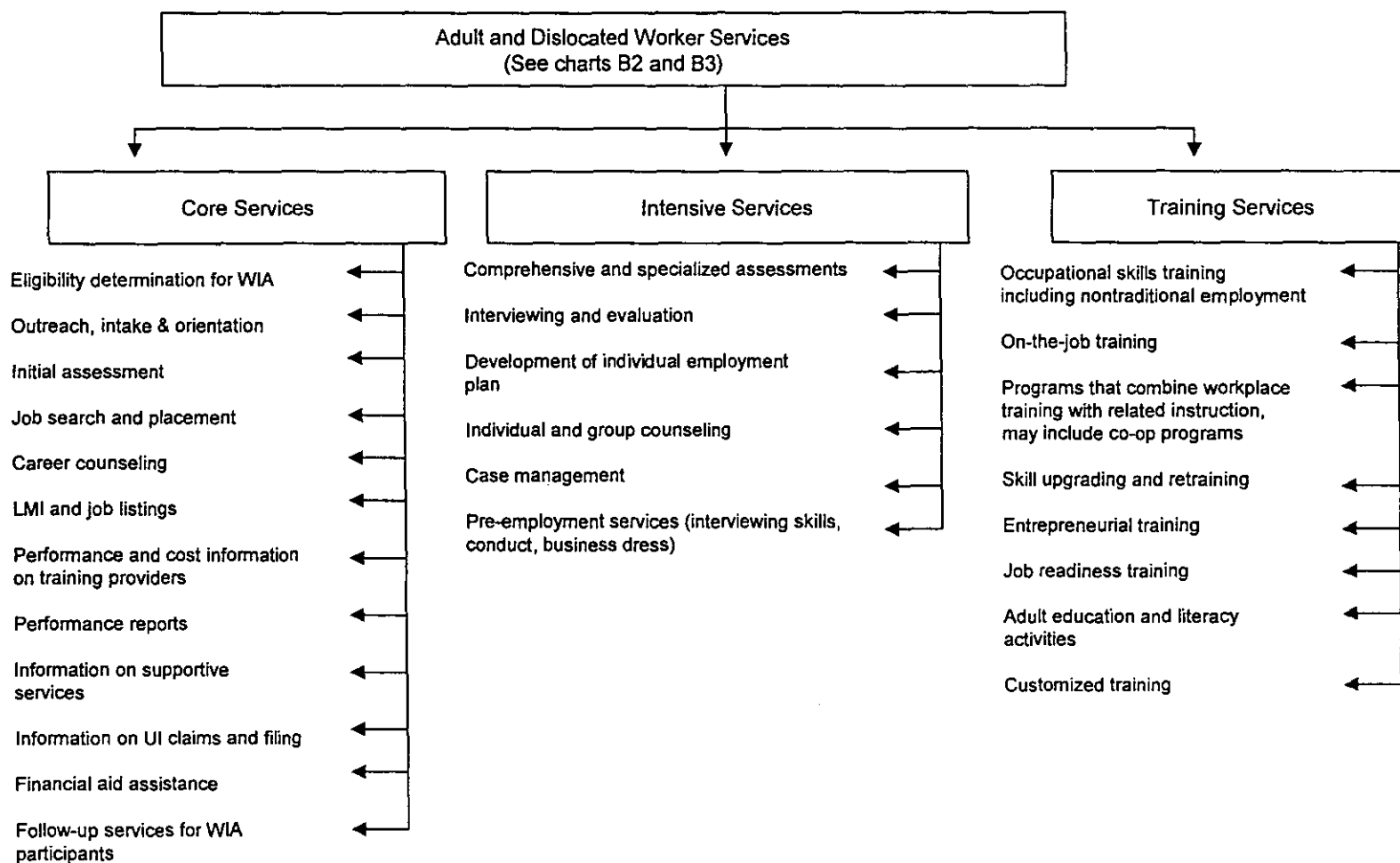
Allowable Activities

- Carrying out on a statewide basis, youth activities described as local elements and requirements
- State administration of WIA programs (not more than 5%)
- Capacity building and technical assistance to local areas
- Conduct research and demonstrations
- Implement innovative incumbent worker training programs
- Establish and implement programs targeted to empowerment zones and enterprise communities
- Support for identification of eligible providers
- Implementation of innovative programs for displaced homemakers
- Implementation of programs to increase the number of people training for or placed in non-traditional employment
- Carrying out other activities necessary to assist local areas to carry out required or optional local employment and training activities

APPROPRIATION

STATE ALLOCATION

SERVICE DELIVERY



JSND Quarterly Report Card
September 2008 with updates as noted

A. Unemployment Insurance

Exhibit A: Trust Fund Reconciliation Report **EXHIBIT A**

1) Trust Fund Activity (10-1-2008 through 12-31-2008)

	Actual		Projected in 11-2008		Numerical Difference		Percentage Error
Trust Fund Balance - Beginning ⑩	135,715,156.86		135,715,156.86		0.00		0.00%
UI Benefits Paid	-11,525,622.64	①	-10,732,000.00	②	-793,622.64	③	7.39%
Tax Rated Income Received	12,208,910.03	④	12,029,000.00	⑤	179,910.03	⑥	1.50%
Reimbursable Net Change	-41,099.31		0.00		-41,099.31		0.00%
Extended Benefits Paid	0.00		0.00		0.00		0.00%
Interest	1,630,814.41		1,622,000.00		8,814.41		0.54%
Reed Act Cash Activity	-193,742.31		-250,000.00		56,257.69		-22.50%
Trust Fund Balance - Ending	137,794,417.04	⑦	138,384,156.86	⑧	-589,739.82	⑨	-0.43%

① - ⑨ Trust Fund Reconciliation Report (Exhibit A) cross references. ⑩ Includes \$13,665,754.56 Reed Act Cash.

Emergency Unemployment Compensation 08 benefit payments from 7-1-2008 through 12-31-2008 were \$4,456,519.

2) Claims Center Metrics

Standard	Oct 2008		Nov 2008		Dec 2008	
	Volume	Time	Volume	Time	Volume	Time
Average Speed Of Answer	6236	1:50	10203	3:42	15185	10:07
Average Talk Time		5:50		5:59		5:31
% Claims via UI ICE (Internet)	35.2%		36.6%		33.7%	

Standard	Oct 2007		Nov 2007		Dec 2007	
	Volume	Time	Volume	Time	Volume	Time
Average Speed Of Answer	4076	:40	7246	1:17	9441	2:35
Average Talk Time		5:08		5:40		5:05
% Claims via UI ICE (Internet)	41.5%		26.5%		25.2%	

3) Payment Accuracy – Weeks: 200740 – 200839 – Latest Available

Total Dollars Paid in Population	\$41,104,743	
Sample Size	360	
	Percentage Of Dollars	95% Confidence Interval (+ / -)
Proper Payments	93.0%	2.3%
Overpayments	7.0%	2.3%
Total	100.0%	
Underpayments	0.3%	0.2%

Over/Underpayment may be due to claimant errors, agency errors, employer errors or errors resulting from actions, or inactions, of the parties in combination

4) Electronic Reporting and Payment Statistics – Latest Available

UI/EASY	2006-4	2007-1	2007-2	2007-3	2007-4	2008-1	2008-2	2008-3
# EMPLOYERS	2,109	2,225	2,447	2,543	2,619	2,843	2,970	3,060
WAGE CREDITS	78,100	85,157	89,440	94,978	105,485	123,395	131,865	128,454
ACH DEBITS	1,284	1,502	1,653	1,706	1,608	1,893	1,888	2,100

OTHER ELECTRONIC *	2006-4	2007-1	2007-2	2007-3	2007-4	2008-1	2008-2	2008-3
# EMPLOYERS	N/A	2581	2580	2681	2701	2799	2,975	3,032
WAGE CREDITS	N/A	152,243	158,156	160,029	161,865	164,889	158,397	170,059

* Secure FTP, Magnetic Tape, CD, Diskette

JSND Quarterly Report Card
December 2008 (with updates as noted)

A. Unemployment Insurance

Exhibit A: Trust Fund Reconciliation Report Exhibit A

1) Trust Fund Activity (10-1-2008 through 12-31-2008)

	Actual	Projected in 11-2008	Numerical Difference	Percentage Error
Trust Fund Balance - Beginning ①	135,715,156.86	135,715,156.86	0.00	0.00%
UI Benefits Paid	-11,525,622.64 ①	-10,732,000.00 ②	-793,622.64 ③	7.39%
Tax Rated Income Received	12,208,910.03 ④	12,029,000.00 ⑤	179,910.03 ⑥	1.50%
Reimbursable Net Change	-41,099.31	0.00	-41,099.31	0.00%
Extended Benefits Paid	0.00	0.00	0.00	0.00%
Interest	1,630,814.41	1,622,000.00	8,814.41	0.54%
Reed Act Cash Activity	-193,742.31	-250,000.00	56,257.69	-22.50%
Trust Fund Balance - Ending	137,794,417.04 ⑦	138,384,156.86 ⑧	-589,739.82 ⑨	-0.43%

① - ⑨ Trust Fund Reconciliation Report (Exhibit A) cross references. ⑨ Includes \$13,665,754.56 Reed Act Cash.

Emergency Unemployment Compensation 08 benefit payments from 7-1-2008 through 12-31-2008 were \$4,456,519.

2) Claims Center Metrics

Standard	Nov 2008	Dec 2008	Jan 2009
	Volume	Volume	Volume
	Time	Time	Time
Average Speed Of Answer	10203 3:42	15185 10:07	13369 11:04
Average Talk Time	5:59	5:31	5:13
% Claims via UI ICE (Internet)	36.6%	33.7%	41.9%

Standard	Nov 2007	Dec 2007	Jan 2008
	Volume	Volume	Volume
	Time	Time	Time
Average Speed Of Answer	7246 1:17	9441 2:35	11144 1:54
Average Talk Time	5:40	5:05	4:54
% Claims via UI ICE (Internet)	26.5%	25.2%	27.1%

3) Payment Accuracy – Weeks: 200740 – 200839 – Latest Available

Total Dollars Paid in Population	\$41,104,743
Sample Size	360
	Percentage Of Dollars
Proper Payments	93.0%
Overpayments	7.0%
Total	100.0%
Underpayments	0.3%
	95% Confidence Interval (+ / -)
	2.3%
	2.3%
	0.2%

Over/Underpayment may be due to claimant errors, agency errors, employer errors or errors resulting from actions, or inactions, of the parties in combination

4) Electronic Reporting and Payment Statistics – Latest Available

UI EASY	2007-1	2007-2	2007-3	2007-4	2008-1	2008-2	2008-3	2008-4
# EMPLOYERS	2,225	2,447	2,543	2,619	2,843	2,970	3,060	3,102
WAGE CREDITS	85,157	89,440	94,978	105,485	123,395	131,865	128,454	127,207
ACH DEBITS	1,502	1,653	1,706	1,608	1,893	1,888	2,100	1,939

OTHER ELECTRONIC *	2007-1	2007-2	2007-3	2007-4	2008-1	2008-2	2008-3	2008-4
# EMPLOYERS	2,581	2,580	2,681	2,701	2,799	2,975	3,032	3,086
WAGE CREDITS	152,243	158,156	160,029	161,865	164,889	158,397	170,059	163,935

*How
year 2009
testimony*

B. Workforce Investment Act (WIA)

Economic Analysis of WIA Funds Spent in North Dakota during Program Year 2007

Background - During Program Year 2007 (July 1, 2007 through June 30, 2008) JSND spent \$4,722,488 of federal funds on WIA programs. These new dollars to North Dakota's economy were used to help approximately 10,933 Adults, 193 Dislocated Workers, and 713 Youth for a total for 11,839 individuals with some sort of career advancement. This money is mainly used to pay for tuition, books, and fees, but is also used for items such as tools or work clothes, or for support services such as relocation or travel expense and job search activities. In order to qualify for WIA assistance, individuals must meet certain requirements.

Economic Impact - As previously mentioned \$4,722,488 in WIA funds were spent in the state during PY 2007. According to IMPLAN Pro, a software program that estimates the effects of money entering an area based on the economic dynamics of that area, this money had an additional economic impact of \$2,898,885 dollars for a total impact of \$7,621,373. IMPLAN Pro is widely used in North Dakota in performing economic impact analyses.

WORKFORCE INVESTMENT ACT

Negotiated Performance Measures Summary

Program Year 2008 For the Period Ending 9/30/2008

Performance Measure	Negotiated Performance Level	Actual Performance Level	Percent of Negotiated Level Achieved
---------------------	------------------------------	--------------------------	--------------------------------------

Adult Common Measures Results At-A-Glance

Exit Period Covered by Measures: Jan 07 to Dec 07

Entered Employment Rate	77.0%	$\frac{330}{452} = 73.0\%$	94.8%
Employment Retention Rate*	83.5%	$\frac{299}{371} = 80.6\%$	96.5%
Average Earnings*	\$9,400.00	$\frac{3,216,699}{298} = \$10,794.20$	106.8%
Average	100.0%		102.1%

Dislocated Worker Common Measures Results At-A-Glance

Exit Period Covered by Measures: Jan 07 to Dec 07

Entered Employment Rate	84.5%	$\frac{93}{111} = 83.8\%$	99.2%
Employment Retention Rate*	90.5%	$\frac{127}{138} = 92.0\%$	101.7%
Average Earnings*	\$11,400.00	$\frac{1,637,595}{126} = \$12,996.80$	114.0%
Average	100.0%		104.9%

Youth Common Measures Results At-A-Glance

Exit Period Covered by Measures: Jan 07 to Dec 07

Placement In Employment or Educ.	64.0%	$\frac{194}{303} = 64.0\%$	100.0%
Attainment of Degree or Certificate	43.5%	$\frac{138}{288} = 47.9\%$	110.1%
Literacy/Numeracy Gains**	20.0%	$\frac{5}{49} = 10.2\%$	52.5%
Total Youth Average	100.0%		87.53%

*PY 08 Exit Period Covered – July 06 to June 07

**PY 08 Participation Period Covered – Oct 07 to Sept 08

from Feb 2009 testimony

B. Workforce Investment Act (WIA)

Economic Analysis of WIA Funds Spent in North Dakota during Program Year 2007

Background - During Program Year 2007 (July 1, 2007 through June 30, 2008) JSND spent \$4,722,488 of federal funds on WIA programs. These new dollars to North Dakota's economy were used to help approximately 10,933 Adults, 193 Dislocated Workers, and 713 Youth for a total for 11,839 individuals with some sort of career advancement. This money is mainly used to pay for tuition, books, and fees, but is also used for items such as tools or work clothes, or for support services such as relocation or travel expense and job search activities. In order to qualify for WIA assistance, individuals must meet certain requirements.

Economic Impact - As previously mentioned \$4,722,488 in WIA funds were spent in the state during PY 2007. According to IMPLAN Pro, a software program that estimates the effects of money entering an area based on the economic dynamics of that area, this money had an additional economic impact of \$2,898,885 dollars for a total impact of \$7,621,373. IMPLAN Pro is widely used in North Dakota in performing economic impact analyses.

WORKFORCE INVESTMENT ACT

Negotiated Performance Measures Summary

Program Year 2008 For the Period Ending 12/31/2008

Performance Measure	Negotiated Performance Level	Actual Performance Level	Percent of Negotiated Level Achieved
---------------------	------------------------------	--------------------------	--------------------------------------

Adult Common Measures Results At-A-Glance

Exit Period Covered by Measures: Apr 07 to Mar 08

Entered Employment Rate	77.0%	$\frac{326}{451} = 72.3\%$	93.9%
Employment Retention Rate*	83.5%	$\frac{308}{383} = 80.4\%$	96.3%
Average Earnings*	\$9,400.00	$\frac{3,378,340}{308} = \$10,968.60$	116.7%
Average	100.0%		102.3%

Dislocated Worker Common Measures Results At-A-Glance

Exit Period Covered by Measures: Apr 07 to Mar 08

Entered Employment Rate	84.5%	$\frac{89}{107} = 83.2\%$	98.5%
Employment Retention Rate*	90.5%	$\frac{103}{115} = 89.6\%$	99.0%
Average Earnings*	\$11,400.00	$\frac{1,364,692}{103} = \$13,249.40$	116.2%
Average	100.0%		104.6%

Youth Common Measures Results At-A-Glance

Exit Period Covered by Measures: Apr 07 to Mar 08

Placement In Employment or Educ.	64.0%	$\frac{187}{290} = 64.5\%$	100.8%
Attainment of Degree or Certificate	43.5%	$\frac{142}{268} = 53.0\%$	121.8%
Literacy/Numeracy Gains***	20.0%	$\frac{5}{49} = 10.2\%$	51.0%
Total Youth Average	100.0%		91.2%

C. Workforce 20/20 (as of December 31, 2008)

from Jan 09 testimony

Exhibit C: Appropriations/Expenditures/Balance Report Exhibit C
Exhibit D: 2005-2007 Biennium Wage Increase and Follow-Up Report Exhibit D

Appropriations for the Biennium: \$1,499,906 (\$1,349,915 is budgeted for training projects)									
Target	New			Expanding			Existing		
	Standard =50% or greater of total expended; Actual expended = 67.9%								
	Amount	# of Contracts	# of Individuals/ Average Cost	Amount	# of Contracts	# of Individuals/ Average Cost	Amount	# of Contracts	# of Individuals/ Average Cost
Obligated (includes expended)	\$9,706.05	4	23/\$422	\$452,506.16	70	1014/\$446	\$489,701.24	59	1161/\$422
Expended	\$9,706.05	4	23/\$422	\$272,646.16	61	527/\$517	\$133,407.89	38	363/\$368
Unobligated Balance	\$398,001.66								

Return On Investment (ROI) for Workforce 20/20 – The value of the Workforce 20/20 program to North Dakota can be measured by increased wages and employee retention by both the employer and North Dakota. Information provided by the employers for the 2005-2007 Biennium show the wages of employees who had received training increased an average of \$2.97 per hour and employers retained 69.1 percent of the trainees one year after training. (Eighty percent of the employees not retained after training were still working in North Dakota.) The report also shows that the state will recover its investment in Workforce 20/20 in 1.35 years (depending on tax brackets) through taxes paid on these higher wages.

[Next update scheduled for September 2010.]

D. WAGNER-PEYSER

WAGNER-PEYSER

Negotiated Performance Measures Summary
Program Year 2008 For the Period Ending 09/30/2008

Performance Measure	Negotiated Performance Level	Actual Performance Level	Percent of Negotiated Level Achieved
---------------------	------------------------------	--------------------------	--------------------------------------

Exit Period Covered by Measures: Jan 07 to Dec 07

Entered Employment Rate	72.5%	$\frac{20,250}{30,339} = 73.3\%$	101.1%
Employment Retention Rate*	85.0%	$\frac{24,094}{28,034} = 85.9\%$	101.1%
Average Earnings*	\$9,600.00	\$12,189	127.0%

C. Workforce 20/20

From Feb '09 to May

Exhibit C: Appropriations/Expenditures/Balance Report Exhibit C

Exhibit D: 2005-2007 Biennium Wage Increase and Follow-Up Report Exhibit D

Appropriations for the Biennium: \$1,499,906 (\$1,349,915 is budgeted for training projects)									
Target	New			Expanding			Existing		
	Standard =50% or greater of total expended; Actual expended = 66.0%								
	Amount	# of Contracts	# of Individuals/ Average Cost	Amount	# of Contracts	# of Individuals/ Average Cost	Amount	# of Contracts	# of Individuals/ Average Cost
Obligated (includes expended)	\$9,706.05	4	23/\$422	\$454,516.70	71	1,017/\$447	\$511,568.64	67	1,207/\$424
Expended	\$9,706.05	4	23/\$422	\$296,021.16	62	541/\$547	\$147,867.89	42	556/\$266
Unobligated Balance	\$374,123.61								

Return On Investment (ROI) for Workforce 20/20 – The value of the Workforce 20/20 program to North Dakota can be measured by increased wages and employee retention by both the employer and North Dakota. Information provided by the employers for the 2005-2007 Biennium show the wages of employees who had received training increased an average of \$2.97 per hour and employers retained 69.1 percent of the trainees one year after training. (Eighty percent of the employers not retained after training were still working in North Dakota.) The report also shows that the state will recover its investment in Workforce 20/20 in 1.35 years (depending on tax brackets) through taxes paid on these higher wages. [Next update scheduled for September 2010.]

D. WAGNER-PEYSER

WAGNER-PEYSER

Negotiated Performance Measures Summary
Program Year 2008 For the Period Ending 12/31/2008

Performance Measure	Negotiated Performance Level	Actual Performance Level	Percent of Negotiated Level Achieved
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Exit Period Covered by Measures: Apr 07 to Mar 08

Entered Employment Rate	72.5%	$\frac{21,145}{30,123} = 70.2\%$	96.8%
Employment Retention Rate*	85.0%	$\frac{25,161}{29,247} = 86.0\%$	101.2%
Average Earnings*	\$9,600.00	\$12,247	127.6%

WAGNER-PEYSER SERVICES TO VETERANS

Negotiated Performance Measures Summary Program Year 2008 For the Period Ending 09/30/2008

Performance Measure	Negotiated Performance Level	Actual Performance Level	Percent of Negotiated Level Achieved
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All Veterans

Exit Period Covered by Measures: Jan 07 to Dec 07

Entered Employment Rate (EER)	69.0%	$\frac{1842}{2678} = 68.8\%$	99.9%
Employment Retention Rate* (ERR)	87.0%	$\frac{2197}{2526} = 87.0\%$	100.0%
Average Earnings (AR)	\$15,300	\$15,058	98.4%
Disabled Veterans (EER)	56.0%	$\frac{205}{346} = 59.2\%$	105.7%
Disabled Veterans (ERR)	84.0%	$\frac{254}{293} = 86.7\%$	103.2%
Disabled Veterans (AE)	\$15,500	\$14,141	91.2%

DVOP

Exit Period Covered by Measures: Jan 07 to Dec 07

Disabled Veterans (EER)	52.0%	$\frac{69}{130} = 53.1\%$	102.1%
Disabled Veterans (ERR)	80.0%	$\frac{54}{67} = 80.6\%$	100.8%

LVER

Exit Period Covered by Measures: Jan 07 to Dec 07

Entered Employment Rate (EER)	62.0%	$\frac{209}{304} = 68.8\%$	111.0%
Employment Retention Rate* (ERR)	80.0%	$\frac{254}{307} = 82.7\%$	103.4%

DVOP/LVER Consolidated

Exit Period Covered by Measures: Jan 07 to Dec 07

Entered Employment Rate (EER)	68.0%	$\frac{468}{724} = 64.6\%$	95.0%
Employment Retention Rate* (ERR)	85.0%	$\frac{533}{630} = 84.6\%$	99.5%
Average Earnings (AE)	\$14,500	\$14,279	98.5%

* PY 08 Exit Period Covered – July 06 to June 07

WAGNER-PEYSER SERVICES TO VETERANS

Negotiated Performance Measures Summary
Program Year 2008 For the Period Ending 12/31/2008

Performance Measure	Negotiated Performance Level	Actual Performance Level	Percent of Negotiated Level Achieved
---------------------	------------------------------	--------------------------	--------------------------------------

All Veterans

Exit Period Covered by Measures: Apr 07 to Mar 08

Entered Employment Rate (EER)	69.0%	$\frac{1656}{2472} = 67.0\%$	97.1%
Employment Retention Rate* (ERR)	87.0%	$\frac{2161}{2518} = 85.8\%$	98.6%
Average Earnings (AR)	\$15,300	\$15,138	98.9%
Disabled Veterans (EER)	56.0%	$\frac{222}{383} = 58.0\%$	103.6%
Disabled Veterans (ERR)	84.0%	$\frac{286}{344} = 83.1\%$	98.9%
Disabled Veterans (AE)	\$15,500	\$14,158	91.3%

DVOP – Disabled Veterans

Exit Period Covered by Measures: Apr 07 to Mar 08

Disabled Veterans (EER)	52.0%	$\frac{66}{125} = 52.8\%$	101.5%
Disabled Veterans (ERR)	80.0%	$\frac{79}{99} = 79.8\%$	99.8%

LVER- Recently Separated Vets

Exit Period Covered by Measures: Apr 07 to Mar 08

Entered Employment Rate (EER)	62.0%	$\frac{181}{250} = 72.4\%$	116.8%
Employment Retention Rate* (ERR)	80.0%	$\frac{239}{286} = 83.6\%$	104.5%

DVOP/LVER Consolidated - Total Vets & Eligible Persons

Exit Period Covered by Measures: Apr 07 to Mar 08

Entered Employment Rate (EER)	68.0%	$\frac{431}{672} = 69.2\%^{**}$	101.8%
Employment Retention Rate* (ERR)	85.0%	$\frac{534}{630} = 84.8\%$	99.8%
Average Earnings (AE)	\$14,500	\$14,345	98.9%

E. Employment Statistics in North Dakota

LABOR FORCE, incl. Unemployment Rate

Nov Jan 09 testimony

- North Dakota's not seasonally adjusted unemployment rate for the month of November 2008 was 2.8%.
- The rate is 0.3% higher than prior month's 2.5% and 0.2% above the same period a year ago (2.6%).
- Nine of the ten lowest rate counties continue to be western and related to oil activity.
- Slope County's rate was 0.7% and held lowest position. Counties with large reservation presence held highest rates (Benson 6.1%, and Rolette 8.4%).
- The November rate places North Dakota in 1st position among all states, followed by Wyoming at (3.0%).
- Michigan regained the highest rate in the nation (9.1%), overtaking Rhode Island (8.5%).
- All Plains States were higher than year ago, with Minnesota a full 2.0% higher.
- The seasonally adjusted US rate was 6.7%; 0.2% above prior month and 2.0% above a year ago (4.7%).
 - North Dakota's seasonally adjusted rate is approximately half of the Nation in November (3.3%).
- These statistics produced by the Labor Market Information Center of Job Service North Dakota utilize standard methodology developed by the U.S. Bureau of Labor Statistics as a requirement for use by all states.

NORTH DAKOTA LABOR FORCE DATA

	November 2008	October 2008	November 2007
Unemployment Rate	2.8%	2.5%	2.6%
Unemployed	10,327	9,205	9,258
Employed	355,641	362,642	352,846
Labor Force	365,968	371,847	362,104
Not Adjusted—UNEMPLOYMENT RATES —Plains States			
Iowa	4.0%	3.9%	3.5%
Kansas	4.8%	4.4%	3.8%
Minnesota	6.0%	5.3%	4.0%
Missouri	6.4%	6.2%	4.9%
Nebraska	3.4%	3.2%	2.9%
South Dakota	3.2%	2.8%	2.6%
U.S. Seasonally Adjusted Rate	6.7%	6.5%	4.7%
N.D. Seasonally Adjusted Rate	3.3%	3.4%	3.0%

The employed and unemployed above are persons by place of residence.

The unemployment rate is the ratio of people actively seeking work compared to those in the labor force (employed plus unemployed).

**The U.S. rate is seasonally adjusted; all others are not seasonally adjusted.*

E. Employment Statistics in North Dakota

LABOR FORCE, incl. Unemployment Rate

- North Dakota's not seasonally adjusted unemployment rate for the month of December 2008 was 3.4%.
- Much of the layoff and closure activity reported in the media happened after the December reference period and will be reflected in 2009 data months.
- Slope County's rate was 0.8% and held lowest position. Counties with large reservation presence held highest rates (Benson 6.6%, and Rolette 9.6%).
- The December rate places North Dakota in 1st position among all states, followed by Wyoming at (3.5%).
 - Seasonal adjustment flips position of the two top states (WY 3.4% & ND 3.5%).
- Michigan now posts double digit unemployment (10.4%), followed by Rhode Island (9.6%).
- All Plains States were considerably higher than year ago. In fact, all 50 states posted higher rates.
- The seasonally adjusted US rate was 7.2%; 0.4% above prior month and 2.3% above a year ago (4.9%).
 - North Dakota's seasonally adjusted rate is less than half of the Nation in December (3.5%).
- These statistics produced by the Labor Market Information Center of Job Service North Dakota utilize standard methodology developed by the U.S. Bureau of Labor Statistics as a requirement for use by all states.

NORTH DAKOTA LABOR FORCE DATA

	December 2008	November 2008	December 2007
Unemployment Rate	3.4%	2.8%	3.3%
Unemployed	12,392	10,296	11,972
Employed	352,537	355,744	349,645
Labor Force	364,929	366,040	361,617
Not Adjusted—UNEMPLOYMENT RATES —Plains States			
Iowa	4.8%	4.0%	4.2%
Kansas	4.9%	4.8%	4.0%
Minnesota	7.6%	6.6%	6.7%
Missouri	7.0%	6.5%	5.2%
Nebraska	3.8%	3.5%	2.7%
South Dakota	3.9%	3.2%	3.1%
U.S. Seasonally Adjusted Rate	7.2%	6.8%	4.9%
N.D. Seasonally Adjusted Rate	3.5%	3.3%	3.2%

The employed and unemployed above are persons by place of residence.

The unemployment rate is the ratio of people actively seeking work compared to those in the labor force (employed plus unemployed).

**The U.S. rate is seasonally adjusted; all others are not seasonally adjusted.*

from jnn 09
estimating

NOVEMBER 2008 NONFARM EMPLOYMENT (estimates)

Statewide	CURRENT MONTH NOVEMBER 2008	PREVIOUS MONTH OCTOBER 2008	OVER MONTH CHANGE		YEAR AGO NOVEMBER 2007	OVER YEAR CHANGE	
			Number	Percent		Number	Percent
Total Nonfarm	369,100	369,700	-600	-0.2%	364,100	5,000	1.4%
Natural Resources & Mining	5,800	5,800	0	0.0%	5,200	600	11.5%
Construction	20,200	21,600	-1,400	-6.5%	19,600	600	3.1%
Manufacturing	26,100	26,200	-100	-0.4%	26,000	100	0.4%
Wholesale Trade	19,800	19,800	0	0.0%	19,500	300	1.5%
Retail Trade	44,400	43,400	1,000	2.3%	43,900	500	1.1%
Transportation, Warehouse & Utilities	15,400	15,300	100	0.7%	14,400	1,000	6.9%
Information	7,500	7,500	0	0.0%	7,600	-100	-1.3%
Financial Activities	20,000	19,900	100	0.5%	20,000	0	0.0%
Professional and Business Services	30,500	30,600	-100	-0.3%	30,300	200	0.7%
Educational and Health Services	51,700	51,700	0	0.0%	51,200	500	1.0%
Leisure and Hospitality	33,100	33,600	-500	-1.5%	32,700	400	1.2%
Other Services	15,600	15,500	100	0.6%	15,400	200	1.3%
Government	79,000	78,800	200	0.3%	78,300	700	0.9%

Total Nonfarm employment decreased by 600 jobs or 0.2 percent from the previous month, while the annual growth rate increased 1.4 percent or 5,000 jobs over last year.

In November, Retail Trade had the greatest over-the-month percent increase of 2.3 percent and the largest over-the-month absolute increase of 1,000 jobs. The seasonal factor of the up coming holiday shopping season was the main reason for this increase.

Natural Resources and Mining had the largest percent increase over-the-year of 11.5 percent, while Transportation Warehousing, & Utilities posted the largest absolute increase adding 1,000 jobs for the year.

During the same 12-month period the not seasonally adjusted U.S. employment decreased by approximately 2,050,000 jobs or 1.47 percent

Eleven of the thirteen major industries in North Dakota showed over-the-year increases. Financial Activities reported zero growth for the year and only Information posted an over-the-year decrease.

DECEMBER 2008 NONFARM EMPLOYMENT (estimates)

Statewide	CURRENT MONTH DECEMBER 2008	PREVIOUS MONTH NOVEMBER 2008	OVER MONTH CHANGE		YEAR AGO DECEMBER 2007	OVER YEAR CHANGE	
			Number	Percent		Number	Percent
Total Nonfarm	365,000	368,300	-3,300	-0.9%	363,100	1,900	0.5%
Natural Resources & Mining	5,700	5,800	-100	-1.7%	5,200	500	9.6%
Construction	18,100	20,100	-2,000	-10.0%	18,200	-100	-0.5%
Manufacturing	25,000	26,100	-1,100	-4.2%	25,900	-900	-3.5%
Wholesale Trade	19,600	19,800	-200	-1.0%	19,600	0	0.0%
Retail Trade	44,400	44,200	200	0.5%	44,300	100	0.2%
Transportation, Warehouse & Utilities	15,200	15,400	-200	-1.3%	14,100	1,100	7.8%
Information	7,500	7,500	0	0.0%	7,500	0	0.0%
Financial Activities	19,900	19,900	0	0.0%	20,200	-300	-1.5%
Professional and Business Services	30,000	30,400	-400	-1.3%	29,800	200	0.7%
Educational and Health Services	51,800	51,700	100	0.2%	51,400	400	0.8%
Leisure and Hospitality	33,100	33,000	100	0.3%	32,800	300	0.9%
Other Services	15,600	15,500	100	0.6%	15,500	100	0.6%
Government	79,100	78,900	200	0.3%	78,600	500	0.6%

Total Nonfarm employment decreased by 3,300 jobs or 0.9 percent from the previous month, while the annual growth rate increased 0.5 percent or 1,900 jobs over last year.

In December, Other Services had the greatest over-the-month percent increase of 0.6 percent, while Retail Trade and Government had the largest over-the-month absolute increase of 200 jobs each.

Natural Resources and Mining had the largest over-the-year percent of 9.6 percent, while Transportation Warehousing, & Utilities posted the largest absolute increase adding 1,100 jobs for the year.

During the same 12-month period the not seasonally adjusted U.S. employment decreased by approximately 2,815,000 jobs or 2.03 percent.

Eight of the thirteen major industries in North Dakota showed over-the-year increases. Wholesale Trade and Information reported zero growth for the year and Construction, Manufacturing and Financial Activities posted over-the-year decreases.

**F. Work Participation Rate for only the State JOBS portion of the total available clients
From Preliminary Data on JOBS Program Participation by County**

Sept. 2008	55% (preliminary)
August 2008	53% (preliminary)
July 2008	57% (preliminary)
June 2008	61%
May 2008	61%
April 2008	66%
March 2008	64%
Feb. 2008	56%
Jan. 2008	62%
Dec. 2007	53%
Nov. 2007	44%
October 2007	47%

Talking Points for September 2008 Quarterly Report Card

A. Unemployment Insurance (UI)

Trust Fund Activity

- The trust fund balance including Reed Act Cash as of 12-31-2008 was \$137.8M, \$590,000 (0.43%) less than the \$138.4M projected.
- Benefits for 2008-4 were \$794,000 (7.39%) more than projected.
- Income for 2008-4 was \$180,000 (1.50%) more than projected.
- Interest for 2008-4 was \$9,000 (0.54%) more than projected.
- Reed Act usage for 2008-4 was \$56,000 (22.50%) less than projected.

From Jan 09 meeting
Claims Center Metrics – Variance in talk time and speed of answer is attributable to increased volume and Extended Benefit questions.

B. Workforce Investment Act (WIA)

Overall, WIA programs continue to demonstrate good progress toward meeting their goals in employing people, keeping them employed and increasing or replacing earnings. The one exception is Literacy/Numeracy Gains. The Literacy/Numeracy negotiated level is 20% for PY 08. For the first reporting quarter ending 9/30/08, ND's actual performance was 10.2%. The 10.2% is a result of three factors:

- A high number of enrolled youth with learning disabilities (with ND's low unemployment rate we are serving a substantial percentage of youth with barriers to employment.)
- Short term enrollments such as Certified Nursing Assistant (CNA) training and a short period of time to affect math reading and language levels and
- Staff still learning methodology and operational parameters of the Literacy/Numeracy gain measure.

Staff members are committed to capturing positive performance results for the Literacy and Numeracy Gains measure, including use of incentives to encourage participants to complete the program and post-test. Performance rates for the Literacy/Numeracy measure are expected to improve during the remainder of the year.

C. Workforce 20/20

The 67.9% expenditure rate for new or expanding businesses far exceeds the target of expending 50% or more for new (expanding businesses.

D. Labor Exchange

Overall, the Wagner-Peyser program continues to demonstrate good progress toward meeting the goals in employing people, keeping them employed and increasing or replacing earnings.

E. Employment Statistics in North Dakota – No additional talking points.

Talking Points for September 2008 Quarterly Report Card

A. Unemployment Insurance (UI)

Trust Fund Activity

The trust fund balance including Reed Act Cash as of 12-31-2008 was \$137.8M, \$590,000 (0.43%) less than the \$138.4M projected.

- Benefits for 2008-4 were \$794,000 (7.39%) more than projected.
- Income for 2008-4 was \$180,000 (1.50%) more than projected.
- Interest for 2008-4 was \$9,000 (0.54%) more than projected.
- Reed Act usage for 2008-4 was \$56,000 (22.50%) less than projected.

Claims Center Metrics – Variance in speed of answer is likely attributable to volume, call arrival patterns, and Extended Benefit questions.

B. Workforce Investment Act (WIA)

Overall, WIA programs continue to demonstrate good progress toward meeting their goals in employing people, keeping them employed and increasing or replacing earnings. The one exception is Literacy/Numeracy Gains. The Literacy/Numeracy negotiated level is 20% for PY 08. For the first reporting quarter ending 9/30/08, ND's actual performance was 10.2%. The 10.2% is a result of three factors:

- A high number of enrolled youth with learning disabilities (with ND's low unemployment rate we are serving a substantial percentage of youth with barriers to employment.)
- Short term enrollments such as Certified Nurse Aid training and a short period of time to affect math reading and language levels and
- Staff awareness on how the literacy/Numeracy measure is calculated.

Staff members are committed to capturing positive performance results for the Literacy and Numeracy Gains measure, including use of incentives to encourage participants to complete the program and post-test. Performance rates for the Literacy/Numeracy measure are expected to improve during the remainder of the year.

C. Workforce 20/20

At the end of the first year of the biennium, the 67.9% expenditure rate for new or expanding businesses far exceeds the target of expending 50% or more for new or expanding businesses.

D. Labor Exchange

- Overall, the Wagner-Peyser program continues to demonstrate good progress toward meeting the goals in employing people, keeping them employed and increasing or replacing earnings.
- Customer traffic has increased in our customer service offices and we continue to make every effort to serve North Dakota's Workforce.

E. Employment Statistics in North Dakota – No additional talking points.

from Feb 09

ND New Jobs Training Program Reported Through June 30, 2008

North Dakota New Jobs Training Program Overview

The North Dakota New Jobs Training Program was enacted into law in 1993 by the North Dakota Legislative Assembly. The purpose of this state-funded workforce training program is to provide a mechanism for primary-sector businesses and industries to secure funding to help offset the cost of creating new employment opportunities through business expansion or relocation to North Dakota.

Under the New Jobs Training Program, the business obtains funds in the form of a loan, grant, or self-financing option. The loan may be obtained from a commercial lender, a local development corporation, the Bank of North Dakota, or other qualified lender. A grant may be obtained from a state, a city, or local economic development corporation.

Funds under the New Jobs Training Program are made available through the capture of the state income tax withholding generated from the permanent, full-time new positions that are created. Reimbursements to repay the loan (plus interest) are made directly to the lender. Reimbursements for a grant are made directly to the granting community or local economic development corporation. Under the self-financing option, 60 percent of the allowable state income tax withholding can be reimbursed directly to the participating business. State income tax withholding can be captured for up to a ten year period or until the loan is repaid, or the self-financing or grant obligations have been met, whichever comes first.

To qualify, the business must be in a primary-sector industry, either locating to the state or expanding employment in the state. A "*primary sector business*" is an individual, corporation, limited liability company, partnership, or association which through the employment or labor adds value to a product, process, or service that results in the creation of new wealth. The term includes tourism, but does not include production agriculture.

Other qualifying criteria includes: 1.) A new employer locating in North Dakota must create a minimum of five new jobs; 2.) An existing business must increase its base employment level by a minimum of one new job; 3.) A business must not be closing or reducing its operation in one area of the state and relocating substantially the same operation to another area of the state; and 4.) Employees in the eligible new positions must be paid a minimum of \$10.00 per hour plus benefits by the end of the first year of employment in the new position created.

If the business creates the number of new jobs identified in the North Dakota New Jobs Training Program agreement at the wage rates projected, most loans, grants, or self-financing options will be reimbursed in less than the ten year program period. Early reimbursement takes place when:

- Average tax liabilities are used to calculate the amount of state income tax withholding credit available, but the actual withholding reported is used to credit reimbursements.
- Most individuals have more state income tax withheld than their actual tax liability.
- The agreement does not build in salary increases during the ten year period, resulting in larger withholdings.

North Dakota New Jobs Tax Credit Activity

Since the inception of the program, Job Service North Dakota has entered into **223** North Dakota New Jobs Training Program agreements for a total of 16,640 new jobs and North Dakota income tax credits totaling \$37.4 million have been made available to employers. As of June 30, 2008, employers have earned \$16.51 million in New Jobs tax credits. At this time, North Dakota income tax credits totaling \$20.89 million are available to 157 active agreements over the next ten years. Based on a review of completed and closed agreements, employers are claiming 64.35% of the projected credits available to them.

North Dakota New Jobs Training Program Performance

Since the start of the program, **66** (29.6%) of the 223 agreements are no longer active and the files have been closed. These 66 closed agreements were used as a sample to review the job creation performance and average investment per new job created.

Job Creation Performance and Investment Summary					
Closed Agreements	Reported New Jobs	Projected New Jobs	Job Creation Rate	Tax Credits Claimed	Average Investment per New Job
66	6,974	7,833	89.03%	\$8.8 million	\$1,266

While tax credits will cause a reduction in state revenues, this reduction is offset by the positive economic impacts the new jobs create in North Dakota (see table below). Other states have job creation tax credit programs, but historical data from other states is limited for doing state to state comparisons. However, many states have set caps on the amount of tax credits that can be claimed for each new job position. These caps range from \$1,500 in Maryland and California to \$12,500 in North Carolina. Compared to other states with limits on available tax credits, North Dakota's average investment comes in lower than the lowest tax credit cap set by any state.

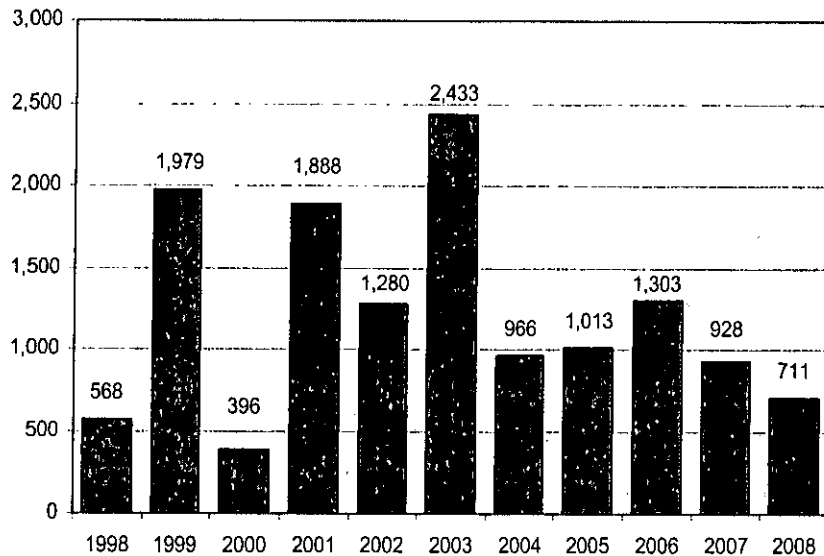
The most recent biennium for which House Bill 1019 Accountability Measures are available is the 2003 – 2005 Biennium. During the 2003 – 2005 Biennium, employers filled 1,805 proposed new job positions. The following is a wage and employment summary for the 1,805 new job positions.

ND New Jobs Training Program Accountability Measures (03-05 Biennium)								
Program Activity		Post Training		1 Year After Training				Average Annual ND Salary (2005)
New Positions Filled	Actual Participants	Participants Employed	Average Annual Salary	Participants Employed	Average Annual Salary	Average Annual ND Income Tax Paid Per Participant	Average Annual Tax Credit Investment Per Individual	
1,805	1,773	1,428	\$33,654	1,428	\$37,105	\$490	\$234	\$29,955

Actual Participants – cumulative number of participants, eliminating: duplicate records and records with invalid or missing SSN's.

After the initial training period, 80.5% (1,428 / 1,773) of all trainees were still employed. One year after training, all 1,428 individuals could be found employed within North Dakota using Job Service North Dakota's unemployment wage records and were generating an aggregate annual payroll of \$53 million. Total wages in North Dakota for 2005 were \$9.83 billion.

New Jobs Training Program, Projected New Positions by Calendar Years 1998 - 2008



Comment

These figures are a combination of projected new positions from open agreements and the actual number of new positions from closed agreements to be created by employers who entered into New Jobs Training agreements with Job Service North Dakota. The projected number of new positions created can fluctuate from year to year due to agreement amendments allowing the employer to increase the projected number of new positions.

Employers report the number of new positions filled each quarter when they claim their North Dakota income tax withholding credit from the North Dakota State Tax Department.

The actual number of new positions created is not fully known until the employer files the final quarterly *New Jobs Credit Withholding Statement* and the New Jobs Training agreement is closed.

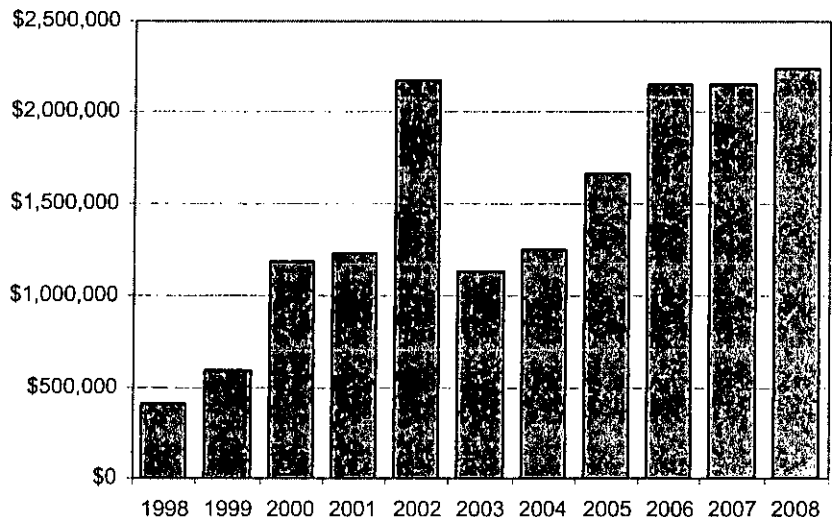
Since North Dakota state income tax is not withheld from the payroll of out-of-state residents, employers are not allowed to claim a credit for positions filled by out-of-state residents.

New Jobs Training Program, Tax Credits Claimed By Fiscal Years; 1998 - 2008

Comment

The amount of state income tax withholding credit available to an employer is based on the following criteria:

- The number of permanent, full-time new positions created.
- The wage rate paid to individuals filling the new positions.
- A withholding formula provided by the North Dakota State Tax Department is applied to the actual annual salary of the new jobs being created.
- The formula is applied to the annual gross wages of the new jobs created, and is then multiplied by the number of new positions in each pay category.
- This figure is then multiplied by 10 (the maximum number of years under the program) to establish the maximum state income tax withholding credit available under a ND New Jobs Training Program.



Under a ND New Jobs Training agreement, an employer has up to 10 years from the effective date of the agreement to claim the North Dakota income tax withholding credit. Employers claim their income tax withholding credits through filing quarterly reports with the ND State Tax Department. Through June 30, 2008, the ND State Tax Department issued tax credits totaling \$16.51 million to employers. As of June 30, 2008, approximately \$20.89 million worth of tax credits remained available to employers participating in the ND New Jobs Training Program.

Highlights of the ND New Jobs Training Program:

- Closed agreements, comprising 29.6 % of the total agreements since inception, have achieved a job creation rate of 89.03% (Actual New Positions - 6,974 / Projected New Positions - 7,833).
- For the 6,974 new jobs created by the closed agreements, North Dakota's average investment was \$1,266 per new job. In other states, tax credits are allowed in amounts ranging from \$1,500 to \$12,500 per new job created.
- Closed agreements had an average life of 4.4 years.
- During the 2003 – 2005 Biennium, 80.5% of all individuals hired for new positions were still employed after the initial training period.
- Of those hired for new positions and retained for one year after the initial training period during the 2003 – 2005 Biennium, 100% (1,428) were still employed in North Dakota.
- One year after training, the average annual salary of those hired for new positions during the 2003 – 2005 Biennium was \$37,105. This is 23.8% higher than North Dakota's statewide average annual salary for the year ending 2005.
- Based on an average annual salary of \$37,105, each new position created during the 2003 – 2005 Biennium generates \$490 in income tax revenue for the state. The average annual North Dakota income tax credit paid to employers for each new position is \$234.

Job Service North Dakota
North Dakota New Jobs Training Program
1000 E. Divide Avenue
PO Box 5507
Bismarck, North Dakota 58506-5507
Telephone: (701) 328-3358
Fax: (701) 328-4894
TTY: (800) 366-6888

Job Service North Dakota is an equal opportunity employer/program provider.
Auxiliary aids and services are available upon request to individuals with disabilities.

Eric Boren
Chairperson, UI Advisory Council
803 Washington Ave.
Devils Lake, ND 58301

December 10, 2008

The Honorable George J. Keiser
North Dakota Representative
Chairperson, House IBL Committee
422 Toronto Drive
Bismarck, ND 58503-0276

The Honorable Jerry Klein
North Dakota Senate
Chairperson, Senate IBL Committee
P O Box 265
Fessenden ND 58438-0265

Gentlemen:

As the Chairperson for the Job Service North Dakota (JSND) Unemployment Insurance (UI) Advisory Council, I have been asked to inform you and your committee of our findings over the last year on the subjects tasked to us by North Dakota legislation.

Listed below are our findings and recommendations as of today:

- 1) We feel Ms. Daley and her team are to be commended for their innovative solutions and approaches in the utilization of federal administrative funds.
- 2) We are comfortable with the adequacy of the Unemployment Insurance Trust Fund which is well within our target range. We recognize that this adequacy is due to strong employment; however, we are aware that some North Dakota companies may have layoffs or terminations due to the economy which could draw down the Trust Fund.
- 3) We believe that JSND is doing an excellent job in phasing in many new opportunities for employers and claimants to use electronic communication methods. Enhancements such as *UI EASY* will reduce the time spent by employers in reporting wages and will reduce operating costs for the agency. We support the lowering of the threshold of electronic reporting to grow the base of employers using the system. Claimant convenience has been enhanced by Direct Deposit of benefit funds and there are more electronic opportunities available to claimants for researching new jobs and reporting their search activities.
- 4) The Board extends hearty CONGRATULATIONS to Job Service North Dakota employees on their core performance measures as rated by the federal Department of Labor. The newly developed North Dakota UI Report Card will be especially helpful in providing a concise snapshot of performance.
- 5) Special recognition goes to the Job Service Appeals staff for being ranked the NUMBER ONE state in the nation for their appeals performance among all other small states. This is the third year in a row that JSND has won this award.

We felt this was an appropriate time to let you know our findings and will make ourselves available for any questions or comments from you or your committee. We also will be available to testify this next session if it is deemed necessary by the committee.

If you or any of the committee members have any questions or concerns, don't hesitate to call or write. All of us on the Council would be happy to discuss any of these issues with you.

Thank you for your time,

Eric Boren
UI Advisory Council Chairperson

cc: House IBL Committee Members
Senate IBL Committee Members
Governor Hoeven
House Majority & Minority Leaders
Senate Majority & Minority Leaders

*SB 2016
February 26, 2009
Attachment # 1*

Job Service North Dakota

Appropriations Handout



Prepared for House Education and Environment Division
by Job Service North Dakota
Senate Bill 2016
February 2009



Maren Daley
Executive Director

**HOUSE EDUCATION
AND ENVIRONMENT DIVISION**
Representative Bob Skarphol, Chair

Testimony
Senate Bill No. 2016

February 26, 2009

Chairman Skarphol, members of the House Education and Environment Division, thank you for allowing me to testify today in support of Senate Bill 2016. I am Maren Daley, proudly serving as the Executive Director of Job Service North Dakota.

To optimize the time allowed, I will discuss four areas that require attention, beginning with the area that most interests an appropriations committee -- the appropriation request.

Then, I will discuss how Job Service North Dakota is funded. Third, I will talk about the performance measures we have developed into an agency "Report Card," which demonstrates how our agency monitors performance and the successes we have achieved. Fourth, I will invite the directors of our Customer Service and Unemployment Insurance areas to describe a few of our major service initiatives, what we are doing to provide better workforce service to the state's businesses and job seekers, and review Job Service North Dakota's major outcomes for the biennium.

Today's Testimony

- I. Appropriation Request**
- II. Job Service Funding**
- III. Job Service "Report Card"**
- IV. Service Initiatives and Biennium Review**

I. APPROPRIATION REQUEST

As referenced in **SB2016**, the total 2009-11 executive budget recommendation for Job Service North Dakota is \$63,696,582 in budget authority.

The overall budget shows a \$293,504 decrease when comparing the 2007-09 biennium appropriation to the 2009-11 executive budget recommendation. (Note: "Base Level – Total all Funds" equals the 2007-09 biennium appropriation less the equity pool of \$578,955.) Major decreases, resulting from a \$2.9 million reduction in our contract with the Department of Human Services (DHS) for administering the Job Opportunities and Basic Skills (JOBS) program and a \$1.8 million reduction in the appropriation request of Reed Act funds for the Unemployment Insurance (UI) Modernization program, have been offset by a \$3.2 million increase to the Salaries and Wages line item to accommodate state employee equity and wage increases.

Our budget was also affected by the Consolidated Appropriations Act of 2008, which required states to return unspent funds from Workforce Investment Act (WIA) programs for youth, adults and dislocated workers. States statutorily have three years to spend WIA funds. However, this rescission reclaimed funds from states in the second year of the spending cycle – one full year before the spending deadline. While Congress was told the impact on states would be minimal, North Dakota (as well as many other states) dipped into current year funding to pay the rescission. (The U.S. Department of Labor (USDOL) has acknowledged a “disconnect” between their understanding of how workforce funds are “spent” and “obligated” in relation to the reality of what actually occurs in the states.) This return of badly needed job training dollars has resulted in a reduction of the 2009-11 appropriation request of \$404,501.

This budget request shows decreases in the major line items of operating expenses (-\$1,727,677) and Reed Act – UI Modernization (-\$1,784,414), resulting in a total decrease of \$3,512,091 for these line items when comparing the 2007-09 biennium appropriation to the 2009-11 executive budget recommendation.

The Full-Time Employees (FTEs) show a reduction of 23.95 FTEs when comparing the same time frames. The FTE reduction was due in large part to the loss of a major portion of our JOBS contract during the current biennium. The reduction was accomplished through attrition (6) and involuntary Reductions In Force (RIFs) (17).

To illustrate the effect the funding situation has had, Job Service has gone from 420.5 FTEs during the 1995-97 biennium to a proposed 284.05 FTEs in this 2009-11 budget request. That's almost a one-third reduction (136.45 positions) in 14 years. This has a drastic effect of reducing the amount of personalized service our staff is able to provide to customers. North Dakota can scarcely afford the effects of this unfortunate trend of underfunding key workforce development investments. With a growing economy in North Dakota, the state is facing workforce challenges, and we must continue to build on our ability to expand, attract and retain our workforce.

The Legislative Council request on behalf of the Senate Appropriations Committee chairman asked for the 2007-09 appropriation and the estimated 2007-09 spending. That information is summarized in the chart below. The significant differences between the appropriation and the revised budget include a reduction in salaries and fringe benefits due to the loss of a major portion of the JOBS contract mentioned above, as well as reduced expenditure of Reed Act funds for the UI Modernization project. Job Service North Dakota (JSND) spent less than the amount appropriated from the Reed Act due primarily to timing. The seven- to nine-year UI Modernization project is still in its early stages, and costs for initiation and planning have been relatively small. As the project develops to the execution phase, expenditures will increase to the expected, appropriated levels.

**Job Service North Dakota
2007-2009 Appropriation to Revised Budget Comparison**

	2007-2009 Biennium Appropriation	2007-2009 Revised Budget	Difference
Resources	\$63,990,086	\$54,587,509	-\$9,402,577
Uses:			
Salaries and Fringe	\$33,579,479	\$29,824,545	-\$3,754,934
Operating Expense	\$13,152,481	\$13,020,424	-\$132,057
Capital Assets	\$20,000	\$20,000	\$0
Grants, Benefits, Claims	\$8,438,220	\$8,438,220	\$0
Work Force 20/20	\$1,499,906	\$1,499,906	\$0
Reed Act - Unemployment	\$7,300,000	\$1,784,414	-\$5,515,586
	<u>\$63,990,086</u>	<u>\$54,587,509</u>	<u>-\$9,402,577</u>

Unemployment Insurance (UI) Modernization Effort – Reed Act Funding

The executive budget recommendation includes \$5,515,586 for upgrading and enhancing the Unemployment Insurance (UI) technology systems in order to provide improved services for both businesses and claimants throughout the state. In relation to this, we have solicited proposals for an independent analysis of our current technology systems that will include a recommended future state for our UI systems. The analysis will also provide a recommended, realistic direction for modernization, including architecture, costs, timeline, resources, pros, cons, and next steps.

The objectives of the modernization are:

1. Empower customers via additional self-service capabilities, including 24/7 access to Internet and Interactive Voice Response (IVR) systems
2. Provide a system that has user friendly features and is easy to learn
3. Utilize industry standard technologies to attract skilled Information Technology (IT) workers
4. Create a system that is flexible and easily maintainable
5. Enable business staff to maintain application parameters without IT intervention, resulting in faster customer service
6. Maximize internal efficiencies through the automation of manual processes for both business users and IT staff

Many lessons have been learned by interfacing with other states involved in similar projects. Several states have seen failures in execution for these types of projects, and we are working to avoid the pitfalls causing the failures by utilizing the best practices of states that have succeeded in their modernization efforts. While this approach tends to extend the project length slightly, it provides the basis for successful project completion.

One-time funding, from a federal Reed Act distribution, is available to fund the Unemployment Insurance (UI) Modernization program.

Enacted in 1954 as a result of tension between states and the federal government over unemployment insurance (UI) funding, the Reed Act provides for the transfer of excess dollars from federal unemployment trust funds to state trust funds. This transfer can occur in the event that the reserves in the federal employment security administration, loan, and extended benefits accounts exceed a certain threshold level. A distribution in 2002 was the fifth such transfer, and was part of the Economic Stimulus Package (HR 3090) passed by Congress several months before.

Reed Act

- Established in the 1950s.
- Funds are distributed to the states when the three federal Unemployment Trust Fund accounts exceed their statutory ceilings.
- Reed Act funds may be used for these purposes only:
 - Payment of unemployment benefits
 - Administration of state UI laws
 - Administration of public employment service offices

Note: Latter two purposes require specific legislative appropriation.

States may use Reed Act money to finance either regular UI benefits or administrative costs of UI and public employment offices. During the 2002 recession, many states used this money to finance regular UI benefits. Since North Dakota had a trust fund solvency plan, this money was not needed for payment of benefits. North Dakota's trust fund remains healthy and at an appropriate level to ensure that funds will be available to pay benefits to individuals who may need to utilize the services of the unemployment insurance program.

North Dakota's trust fund solvency allows JSND to use the Reed Act funding toward the one-time, initial costs of upgrading our outdated UI computer system.

The Unemployment Insurance Modernization program is a vitally important investment that will deliver substantial value and a good return on investment for the citizens of North Dakota.

Workforce 20/20

Our request is for funding of \$1,512,491, which I ask you to appropriate from the state's general fund. We have provided documentation on the performance of the Workforce 20/20 program, a summary of which can be found in section C of the agency's Report Card behind Tab 3. The entire Workforce 20/20 report can be found behind Tab 1.

An integral component of North Dakota's Talent Initiative efforts, Workforce 20/20 supports Talent Expansion and Retention through skill development. The program assists in maintaining or improving employee job skills, especially when new technologies are introduced into the workplace. The program gives priority to manufacturing, and can assist other Target Industries as they upgrade equipment and processes to stay competitive in a global economy.

To participate in the program, employers must offer high-wage, high-demand careers, paying not less than 200 percent of the federal or state minimum wage. During the 2005-2007

Biennium, Workforce 20/20 funded 208 training projects. As of December 2008, funds had been obligated for 133 projects.

Senate Bill 2016 includes the provision that 50 percent of Workforce 20/20 funds must be used for projects for new or expanding businesses in North Dakota, which is the same policy we have followed since 2003. Currently for the biennium, 67.9 percent of funds have been provided for training to new or expanding businesses.

Over the past Biennium, JSND has implemented tighter rules for the matching funds employers are asked to commit to training projects. These rules will help JSND meet training requests from more employers. Our agency utilizes our business consultation network to promote the program to employers across the state.

The value of the Workforce 20/20 program to North Dakota can be measured by increased wages and employee retention by both the employer and North Dakota. Information provided by the employers for the 2005-2007 Biennium show the wages of employees who had received training increased an average of \$2.97 per hour and employers retained 69.1 percent of the trainees one year after training. (Eighty percent of the employees not retained after training were still working in North Dakota.) The report also shows that the state will recover its investment in Workforce 20/20 in 1.35 years (depending on tax brackets) through taxes paid on these higher wages.

Workers trained through Workforce 20/20 increased their wages by an average of \$2.97 per hour.

Employees who receive training through the program are: 1.) Staying in North Dakota; 2.) Receiving increased incomes; and 3.) Receiving increased skills the state's employers need to stay competitive.

Job Spidering

Last winter, Job Service introduced enhanced online labor exchange services, including a feature referred to as **Job Spidering**. Job Spidering is a powerful online employment search tool that provides fast access to a database of thousands of North Dakota jobs within a single Web site.

A portion of the cost of this enhancement to our online services was funded with general funds, in the 2007 budget. We are requesting a \$200,000 general fund appropriation to continue providing this Job Spidering service for employers and job seekers.

Job Spidering searches job listings from a variety of sources, including national and local job boards, Web sites for educational institutions, hospitals, government agencies, newspapers, and Web sites of businesses that employ 50 or more people. From these job listings, Job Spidering copies the pertinent information and publishes it on the Job Service North Dakota (JSND) Web site, FindJobsND.com, providing one-site access to the majority of online North Dakota job listings. When a job seeker clicks on a Spidered job listing on FindJobsND.com, the link directs him or her back to the Web site where the job was originally posted, thus preserving the promotional opportunities for local employers and community job boards.

Since its implementation on January 7, 2008, Job Spidering has increased the total number of job listings on FindJobsND.com by as much as 50 percent, from an average of 10,000 listings to almost 15,000 listings during the peak, late summer hiring season.

Your assistance in funding the Spidering feature has helped make FindJobsND.com the premier labor exchange Web site in North Dakota. It attracts more job seekers to the site, providing employers with a larger talent pool from which to hire. As of December, there were more than 12,500 active resumes available on the Web site for employers to search.

By Spidering all the jobs across the state into a single repository, FindJobsND.com has become a valuable source of workforce intelligence, providing a more accurate picture of the state's job market. Resumes and job openings can be compared in number and by occupation, giving the state a real-time picture of occupational shortages, occupational growth and current hiring needs.

In addition to workforce intelligence, employers and job seekers who use FindJobsND.com have access to local JSND Customer Service Offices, workforce programs, and potential training opportunities that national job boards can't offer because they aren't dedicated to North Dakota.

New Jobs Training

The New Jobs Training program assists with Talent Expansion under the Talent Initiative by allowing employers to use tax withholdings to help offset the cost of employee training. "Primary Sector Businesses," including Target Industries, may qualify for the program if they are creating new, high-wage jobs by relocating to North Dakota or expanding current operations in the state. Funds are captured from the state income tax withholding generated from the new job positions that are created.

New Jobs Training depends on cooperative oversight by several state agencies, including Job Service North Dakota and the Tax Department, which administers collection of the new income tax withholdings that can then be applied to loans, repayable grants, or self-financing options employers may use to pay for training.

The results of the New Jobs Training program are summarized in the report found at Tab 4.

II. JOB SERVICE FUNDING

Job Service is unique in that virtually 100 percent of our workforce programs are federally funded, but state administered and locally delivered. Information on the funding flow for our major funding sources will aid in your understanding of how Job Service North Dakota is funded.

The **Federal/State Unemployment Insurance (UI) Program Flow of Funds** chart is found at Chart A under Tab 2. All states finance UI benefits primarily through contributions from subject employers on the wages of their covered workers. These taxes are deposited by the state to its account in the Unemployment Trust Fund (UTF) in the Federal Treasury, and are withdrawn as needed to pay benefits.

Also, pursuant to the provisions of the Federal Unemployment Tax Act (FUTA), a federal tax is levied on covered employers at a current rate of 6.2 percent on wages up to \$7,000 a year paid to an employee. The law, however, provides a credit against federal tax liability of up to 5.4 percent (in states meeting certain Federal requirements) to employers who pay state taxes timely under an approved state UI program. This credit is allowed regardless of the amount of the tax paid to the state by the employer. Accordingly, in states meeting the specified requirements, employers pay an effective federal tax of 0.8 percent, or a maximum \$56 per covered employee, per year.

The current net effective FUTA rate of 0.8 percent has two components: 1.) The permanently authorized FUTA tax rate of 0.6 percent, and 2.) Beginning in 1977, Congress added a 0.2 percent surcharge to the permanent tax rate. Congress imposed the 0.2 percent surcharge to retire a deficit created by Congress under a federally funded supplemental benefits program, which lengthened the duration of unemployment benefits beyond the normal 39 weeks of regular and extended unemployment benefits. The 0.2 percent surcharge has been extended several times, due largely to federal budget deficit considerations, and is currently authorized through December 31, 2009.

The FUTA funds are used to fund the administration of UI benefits and operation of the employment service under the Wagner-Peyser Act. It is important to note that Wagner-Peyser funding has not increased since 1981, and has lost buying power every year since then. In addition to the loss of buying power, higher industry demand for skilled workers impacts our ability to meet the demands of employers and job seekers.

The **Workforce Investment Act (WIA) Flow of Funds** charts are found at Charts B1 – B5 under Tab 2. To receive WIA funds, states must have a federally approved state WIA plan. North Dakota's plan has been developed in partnership with the Workforce Development Council and other state agencies, and aligns with the state's workforce needs via the Talent Initiative.

Under the WIA plan, Job Service works closely with job seekers to assess their skills and determine whether training is needed to help them fulfill employers' needs and make them

more qualified candidates for high-wage, high-demand careers. Decisions to fund training are based on appropriateness for the individual, but with North Dakota's skill needs in mind.

From July 2007 through December 2008, JSND funded training for more than 430 people through WIA. Many of these training enrollments were in Target Industries, including more than 20 enrollments for technology-based business, more than 25 for energy, and more than 40 for manufacturing. Several other important industries were also assisted by WIA, including training for healthcare and trucking and transportation.

Title I of WIA authorizes three separate funding streams to states for activities focused on adults, dislocated workers, and youth. A formula determines the distribution of funds to each of these streams.

Federal funding to North Dakota for WIA programs has decreased over the last several years, even though the overall cost per participant in WIA programs has increased. WIA

WIA Funding Levels for North Dakota			
	PY 2002	PY 2008	Difference
Adult	\$2,369,063	\$2,148,467	- 9.31%
Dislocated Worker	\$1,198,337	\$1,171,808	- 2.21%
Youth	\$3,430,651	\$2,269,746	- 33.84%

Adult formula funding has declined 9.31 percent from Program Year 2002 (PY02, or year beginning July 2002) to PY08. WIA Dislocated Worker formula funding has decreased by 2.21 percent, and WIA Youth funding has decreased by 33.8 percent from PY02 to PY08.

Despite decreases, Job Service continues to serve high numbers of individuals, and serve them well. Federal performance indicators evaluate whether our clients got a job, kept the job, and whether their average earnings increased. We met our WIA negotiated performance measures for Program Year PY07. 'Goals met' is defined as exceeding the U.S. Department of Labor's (USDOL's) requirements to qualify for incentive funds.

Attaining negotiated performance measures is not an easy lay-up. We are continually challenged by increasing expectations and changes in the labor market and local economies. Our state's low unemployment and high labor force participation indicate that relatively few North Dakotans are available to seek work, and those that are seeking are probably facing barriers to finding or maintaining employment in the state's robust economy. That is a key challenge for us: we are serving more "hard-to-serve" clients with barriers to entering employment.

In addition to these factors, North Dakota ranks 49th among states for population and receives WIA funds as a minimally funded state. However, North Dakota ranked 18th for the number of WIA participants served in Program Year 2006. As can be seen in the following table, North Dakota serves a substantial number of participants when compared to many other states.

We're getting the job done for our state by using WIA resources to get more job seekers qualified to enter the employment market, and we are achieving our performance results.

III. JOB SERVICE “REPORT CARD”

Mr. Chairman, I would now like to draw the committee’s attention to Tab 3 in the handout, which contains what we call the Job Service North Dakota (JSND) “Report Card.” The Report Card represents JSND’s continuing attention to performance review and evaluation. We are committed to monitoring the services we provide the citizens of North Dakota and looking for ways to do it better.

The Report Card monitors six primary service delivery areas in the agency and talking points for each measure:

- A. Unemployment Insurance
- B. Workforce Investment Act
- C. Workforce 20/20
- D. Wagner-Peyser (Labor Exchange)
- E. Employment Statistics
- F. JOBS Work Participation Rate

Please join me in turning to Tab 3 as I briefly review each section of the Quarterly Report Card and demonstrate how JSND is looking at the areas designed to improve North Dakota’s economy. Our agency believes that workforce development is economic development and we are proud of the role we play in that process.

IV. SERVICE INITIATIVES AND BIENNIUM REVIEW

Mr. Chairman, members of the committee, I am Beth Zander, Customer Service Area Director for Job Service North Dakota, and I would like to tell you more about our major service initiatives, including our role in the Talent Initiative, ensuring that workforce development is economic development.

The North Dakota Talent Initiative:
Workforce Development
for Economic Development

In 2006, the North Dakota Workforce Development Council, the North Dakota Youth Development Council, the State Commission on National and Community Service, legislators, and key players of the state’s workforce system, developed an action agenda to implement and achieve the goals in the State Strategic Plan submitted to the U.S. Department of Labor. The session identified six talent strategies and committed the stakeholders and partners to 10 areas for continuous improvement to meet the key workforce challenges of North Dakota. Partners met again last summer and reaffirmed the strategic direction for addressing North Dakota’s workforce needs. Briefly, the plan outlines the following:

Major Outcome Goals:

- Increase the quantity and quality of North Dakota’s workforce
- Transition from a workforce to a talent-force through a workforce improvement focus

Organizing Pillars, Principles, and Priorities:

- **Expand** talent in North Dakota

- **Attract** talent to North Dakota

- **Retain** talent in North Dakota

Job Service North Dakota (JSND) is committed to its mission of providing customer-focused services to meet the State's current and emerging workforce needs. In full support of the statewide Talent Initiative, we have reengineered our in-person job seeker service delivery, targeting skill assessment and development in relation to the State's high-wage, high-demand, and targeted industry workforce needs. It is our goal to make sure that every job seeker who comes through our doors leaves a better job candidate. We have also upgraded our online customer tools to provide North Dakota with a single point for labor exchange services.

In addition, JSND supports strategic workforce initiatives authorized during the 2007 Legislative Session by working with and supplying information to the partner agencies to which the initiatives were assigned.

Enhanced Online Services for Recruitment and Job Seeking

In addition to Job Spidering, mentioned in the appropriation request, the January 2008 upgrade to the Job Service North Dakota online labor exchange site, FindJobsND.com, included several new capabilities, such as a new quick search for candidate resumes. Resume searches can filter by occupation, experience, salary, education level and qualifications. The search criteria may be further filtered using skills, keywords, driver's license, resume modification date, shift availability and minimum age. Employers may even create a Virtual Recruiter to periodically execute automatic resume searches based on employer-selected search criteria.

Because FindJobsND.com is a free service, even small or rural employers have access to the largest collection of job seekers and resumes in the state.

Likewise, services for job seekers have been enhanced. FindJobsND.com has a new resume builder that is easier to navigate. The ZIP code radius search can find jobs within 5, 10, 25 or 50 miles of a ZIP code – a great feature for rural communities.

Additional features, including email capability, a message center, and extensive labor market information for employers and job seekers help make our Web-based services a one-stop shopping site.

Unlike other national job boards, FindJobsND.com has the added benefit of our local customer service staff being available for assistance. JSND staff is always prepared to introduce employers and job seekers to the online labor exchange service and help answer their questions.

All of our online services are available through our home page, jobsnd.com, including Labor Market Information products through the N.D. Workforce Intelligence Network (NDWIN). The Labor Market Analyzer – a powerful tool within NDWIN – gives access to accurate and timely workforce intelligence, including wage, occupational and industry, and other data and projections; information that is essential to making informed business and career decisions.

Mr. Chairman, members of the committee, I would encourage you and all of your colleagues to explore the tools available at jobsnd.com and learn how they can help your local businesses, economic developers, and job seekers.

Labor Market Information

Our Labor Market Information (LMI) Center is ranked first in the nation in five of the 13 Bureau of Labor Statistics covered employment and wage program performance measures. The measures are tracked to ensure the program is being run with effectiveness and provides accurate, timely, and relevant data to all stakeholders. The LMI Center also ranked second in three measures and no lower than sixth in the five remaining measures.

The **HOTJOBS** brochure, created by the LMI Center in May 2008, emphasizes the fastest-growing, highest-paying jobs in North Dakota. More than 8,000 copies of the brochure have been distributed to date, with one of the biggest customers being the Bank of North Dakota, which now includes **HOTJOBS** brochures in its student financial aid packets.

Our customers have been very excited about the **HOTJOBS** brochures, and have provided feedback and suggestions for other useful materials. As a result, we've developed another product, more focused on the high-demand, high-paying jobs in North Dakota, and categorized by education or training requirements. You'll find the new *North Dakota Careers By Education* brochure with your materials.

I take pride in our LMI Center staff's efforts to continually create and improve products to better meet the needs of the state.

Rapid Response

We work hard to establish strong relationships with North Dakota's employers and help them address their workforce needs. When employers are faced with substantial temporary or permanent layoff events, we engage in rapid response assistance.

Rapid response is ongoing collaborative work that often begins at the worksite shortly after a layoff is announced. There, we introduce affected workers to available assistance and begin relationships that often last beyond reemployment. We help workers locate supportive service assistance, understand unemployment compensation, assess their skills in relation to the state's employment needs, and provide training assistance throughout the course of their unemployment.

Customer Service Offices across the state work together to know more broadly the locations of jobs within the state, as well as where the available workers are, in order to accelerate reemployment within North Dakota.

We've recently collaborated with several large businesses, providing help in filing unemployment compensation claims right at the worksite. This helps workers quickly address their most immediate need – temporary financial assistance, and it demonstrates the employers' concern for their workers.

Some of our most notable Rapid Response events over the past biennium have included the Northwood tornado recovery, MeritCare, Bobcat, and Imation, which included Workforce Innovation in Regional Economic Development (WIRED) grant and Regional Innovation Grant (RIG) proposals.

Comments such as that from Janna Diggs, human resources representative from the Gwinner Bobcat plant, reflect our value to employers and workers:

"Bobcat Company-Gwinner has been very pleased with the assistance provided by Job Service. [The Job Service staff] is a valuable resource and works closely with our company to ensure that our employees are informed and any questions are resolved promptly. [The staff] is a true gem!"

Parental Responsibility Initiative for the Development of Employment (PRIDE)

In March 2008, Job Service North Dakota (JSND) expanded the Parental Responsibility Initiative for the Development of Employment (PRIDE) program. The program was originally launched through a partnership of the North Dakota Child Support Enforcement Division, JSND, and the Southwest District Court, and was designed to increase child support collections by addressing the unemployment and underemployment of noncustodial parents in the Dickinson and Grand Forks areas. Due to the success of both employment and child support compliance in the pilot sites, the PRIDE program was expanded to Bismarck, Fargo and Minot.

Noncustodial parents receive one-on-one case management employment services. The services include job-search assistance, financial support services, and instruction for job retention and skill development. The PRIDE program is successfully helping individuals become employed, resulting in timelier child support payments and improved parental relationships with children.

The PRIDE Program received a national award for Innovative Partnership at the 17th National Child Support Enforcement Training Conference awards ceremony in Washington, D.C., in September 2007. Because of its tremendous success, other states plan to replicate our PRIDE program, and two Canadian provinces have asked about it.

Job Opportunities and Basic Skills (JOBS)

The Job Opportunities and Basic Skills (JOBS) program is designed to get recipients of Temporary Assistance for Needy Families (TANF) to work and off assistance quickly and for the long term.

Despite the loss of a portion of our JOBS contract, as mentioned earlier, we continue to serve JOBS participants via the remaining portion of our contract. Job Service North Dakota (JSND) administers the full JOBS program in Rolette and Cass Counties, and, across the rest of the state, serves individuals who are employed at a level below self-sufficiency at the time they go on TANF.

Our performance levels show continued strong results in helping North Dakota and the Department of Human Services (DHS) meet Federal TANF performance requirements. DHS reports for the first nine months of 2008 show that JSND has exceeded the federally required work participation rate of 50 percent each month, achieving rates between 53 and 66 percent.

Veterans Services

Job Service North Dakota proudly gives priority service to all Veterans. Special efforts such as our support of the North Dakota National Guard's Reintegration Program provided employment and training services to over 500 Veterans returning from Iraq and Afghanistan.

A Veteran's job fair in Bismarck last fall connected our veteran job seekers with area employers; and ongoing collaboration with the Veteran's Administration results in successful career transition for our Disabled Veterans.

Job Fairs and Employment Services

Our Customer Service Area has increased job fair activity to respond to employers' demand for workers. Occupation-specific job fairs, job fairs right at the site of an announced layoff, veterans' job fairs, and ex-offenders' job fairs are ways we work to directly address the workforce needs at hand.

In addition to job fairs, our Customer Service Offices collaborate statewide to respond to western North Dakota's demand for oil field workers. Our major offices work with the Northwest Training Quadrant to promote floor hand oil field training offered through Williston State College, including use of Workforce Investment Act (WIA) resources to enroll candidates.

Helping individuals find training and become and stay fully employed is something we do well at Job Service, and fits within the strategic goals of the Talent Initiative. By helping these and all job seekers to become better job candidates, Job Service North Dakota is expanding North Dakota's workforce and strengthening its position in today's global economy.

Enhanced Unemployment Insurance Services

Mr. Chairman, members of the committee, I am Darren Brostrom, Unemployment Insurance Director for Job Service North Dakota, and I would like to tell you about some of the things we have done to enhance our Unemployment Insurance (UI) services for the citizens of North Dakota. In order to increase points of access for our customers and provide more efficient services, Job Service North Dakota has placed an intense focus upon providing services to our UI customers online. This focus has resulted in the successful implementation of online services for both our business and claimant customers.

In 2005, Job Service launched its online UI service for businesses. Utilizing these online services, employers were given the ability to file their quarterly employment reports, as well as make payments online using our **UI EASY** system.

Since the introduction of **UI EASY**, Job Service has worked to continually enhance and improve upon its online services. It has been gratifying to review the customer survey results from employers utilizing **UI EASY**, with many noting our system's ease of use.

Through our surveys, we have seen that as employers embrace the technologies made available to them, they are identifying the ease of use and convenience associated with automation. At the present time, 29 percent of employers, representing 72 percent of the total employee wage credits filed in North Dakota, provide their quarterly reports electronically. Of these businesses, 63 percent also make their payments online.

Not only is the online system convenient for employers, it is also critical for the successful internal operations of our UI tax area. With increasing workloads, and a declining staffing level, appropriate automation is necessary to maintaining quality, timely services to the employers of North Dakota.

By continuing to grow the employer base utilizing electronic employer methods, we are seeing enhanced data integrity and better customer service for the employers of North Dakota. Even with the current number of employers utilizing the system, there is still room to improve. In order to continue moving forward, Job Service is introducing legislation during this session that will increase the number of employers utilizing electronic reporting by lowering the employer size threshold required to file quarterly reports electronically.

Of course with any system, difficulties can and do occur, but our experienced UI field staff has been successful in assisting and teaching employers about our online services and answering any questions they may have. This has been a critical factor in the overall success of our online employer system.

In 2005, Job Service launched an online UI services system for claimants. This system provided claimants the ability to file new claims, reopen existing claims, and certify their weekly eligibility for benefits online using **UI ICE**. Implementation of **UI ICE** provided claimants with another access point with Job Service and allowed for more timely receipt of services.

Since implementation, the number of claimants using the **UI ICE** system has grown substantially, with approximately 40 percent of all claimants currently using **UI ICE** to file their unemployment insurance claims.

As with our employer-based system, we are continually enhancing and expanding upon the services provided via the claimant system. Since its implementation, additional functionality has been added to allow individuals to complete their periodic eligibility reviews online rather than requiring them to travel to a local office for completion.

Because customer feedback is critical to the success of our services and enhancements, we ask each of our **UI ICE** users to complete an optional survey of their experience using the system. Based on these survey results and the recognition by Job Service of the need to provide quick and accessible information to the citizens we serve, Job Service added an Online Status Page to our systems in early 2008.

The Online Status Page has proven to be very popular, and allows claimants to quickly gain information on the status of their claims for UI. The system also provides helpful information to speed them through the claim process and assist them during their periods of unemployment. This information can be gathered from any location with internet access with no wait, and is available seven days a week.

With the success of our online UI services, and recognizing the need and demand for additional online services, Job Service applied for and received federal funding through a competitive grant process to implement a new system that offers online re-employment services to UI claimants. Using this innovative approach, claimants receive a portion of their re-employment services via the **UI ICE** system. Services provided include items such as information on coping with job loss, searching for jobs, and information on writing cover letters and resumes.

Along with our enhanced online services, cost controls and customer demand led Job Service to offer our claimants electronic payment options for weekly benefits. Because of federal funding reductions for postage costs, Job Service moved to a debit card payment method for unemployment insurance benefits in the fall of 2007, saving over \$60,000 per year in postage charges. In the spring of 2008, we completed the necessary programming and began providing another option, direct-deposit, to our customers. Claimants can now have their weekly benefit payments deposited directly into their personal bank accounts.

While the demand and necessity for technology-based services continues to grow, Job Service recognizes the need to continue providing services to all groups within North Dakota, including those who do not embrace technology. In order to effectively serve these individuals, Job Service continues to provide services via the conventional methods we have used for many years.

Job Service is extremely proud of our UI section staff and their commitment to continue to demonstrate diligence and compassion for our customers. This commitment has been recognized nationally through the receipt of multiple performance and quality awards. For three straight years, 2006-2008, Job Service has been the top performer nationally for issuing timely

and high-quality appeals decisions. In addition, in 2007, our UI Benefit Team was the top performer nationally for issuing timely and proper UI benefit payments.

Demonstrating flexibility and cooperation with our federal partners, the UI Area also successfully implemented Emergency Extended Unemployment Compensation (EEUC) in July 2008, in accordance with federal requirements.

Additionally, Job Service continues to work closely with the Unemployment Insurance Advisory Council for advice regarding issues relating to the operations, effectiveness, fairness, and efficiency of the UI program. To that end, the Council has drafted a position paper (Tab 5) on its stance regarding Job Service proposals to the legislature.

Collaboration with Partner Agencies

It is the vision of Job Service North Dakota (JSND) to work as a strategic partner in the delivery of workforce services to strengthen the economy of North Dakota. Strong partnerships were integral for JSND this biennium. We were honored for outstanding performance and our innovative approach to outreach and partnerships with local and national groups, including other government agencies, economic developers and professional associations.

Mr. Chairman, members of the committee, examples of these workforce partnerships are listed in the testimony below for future reference:

- JSND staff reviewed the state's Talent Initiative with Chambers of Commerce, the Motor Carriers Association, and other groups.
- We have assisted the N.D. Department of Commerce with its Experience North Dakota events, sending customer service and labor market information staff to assist attendees.
- The N.D. Multi-Program Collaboration Workgroup, of which JSND is a member, received the Innovative Partnership award from the Office of Child Support Enforcement.
- Closer collaboration and participant tracking is happening with our workforce partners at the Department of Human Services and Tribal Employment and Training, which will improve the job prospects for this important population.
- I have served the National Association of State Workforce Agencies (NASWA) as Chair of the Labor Market Information Committee, Chair of the Veterans' Affairs Committee, and Vice Chair and Chair of the Employment and Training Committee. I have also testified before Congress for NASWA and participated in NASWA conferences as workshop moderator and presenter.

Internal Agency Changes

Job Service North Dakota has demonstrated successful staff recruitment, including key leadership positions:

- Director of Unemployment Insurance
- Customer Service Area (CSA) managers, CSAs I and II (western half of the state)
- Human Resources Manager
- Finance Manager

We are also currently seeking a replacement Director of Planning & Support.

Within the last year and a half, we have moved our local Customer Service Offices in Valley City and Jamestown to improve flexibility and cost savings.

CLOSING

Mr. Chairman, thank you again for this opportunity to tell you about the exciting ways Job Service North Dakota is working to propel the state's economy to a more successful future. We are honored to work with you and all our other partners in creating an exciting future for North Dakota's businesses and workers.

~~2016~~
February 26, 2009
attachment #2

American Recovery and Reinvestment Act of 2009

Stimulus funding

Job Service North Dakota

2/26/09

Wagner Peyser Employment Services	\$3,014,761
Workforce Investment Act	
Adult	\$ 1,246,875
Dislocated Worker	\$ 1,000,037
Youth	\$ 2,947,500

Unemployment administration including outreach to individuals who may be eligible for UI benefits, improvements to UI benefit and tax operations and staff-assisted reemployment services to UI claimants. \$1,000,000

UI Modernization (benefit expansion) States may elect to apply for this. ND could study this during the interim and evaluate costs and policy options for recommendations for the 2011 session.

Alternative Base period 1/3	\$4,850,735
State law includes 2 of the four following for remaining 2/3 funding	\$ 9,701,470

- No denial for seeking part time work if majority of weeks of work in base period are in part-time employment
- No disqualification for separating from work if the separation is due to compelling family reasons, which are defined as domestic violence, illness or disability of a member of immediate family, and accompanying a spouse under certain conditions.
- Payment of 26 weeks of additional compensation to UI exhaustees participating in state-approved or WIA funded training programs. Individuals who separated from a declining occupation/separated due to permanent reduction of operations at place of employment trained for high demand occupations.
- Payment of dependents' allowances of at least \$15 per dependent, per week, with a minimum cap of lesser of \$50 or 50% of the individual's weekly benefit amount.

Other ARRA provisions affecting JSND

Emergency Unemployment Compensation (EUC) Continuation. Extends EUC 08 program through 12/31/09

Increased UI Benefits. Increases weekly benefit payment by \$25 through December 2009

Temporary Suspension of Taxation of UI Benefits. Suspends federal income tax on the first \$2,400.

Expansion of Trade Adjustment Assistance (TAA) Programs. The economic stimulus bill significantly expands current Trade Adjustment Assistance Programs. It extends TAA to trade-affected services sector workers and workers affected by offshoring or outsourcing to all countries, including China or India. It increases training funds available to states by 160 percent to \$575 million per fiscal year; creates a new TAA program for trade-affected communities; allows for automatic TAA eligibility for workers suffering from import surges and unfair trade; makes training, healthcare and reemployment TAA benefits more accessible and flexible

COBRA Subsidy for Unemployed Workers. The economic stimulus bill provides a 65% subsidy for COBRA continuation premiums for up to 9 months for workers who have been involuntarily terminated, and for their families. This subsidy also applies to health care continuation coverage if required by states for small employers. To qualify for premium assistance, a worker must be involuntarily terminated between September 1, 2008 and December 31, 2009.

Increase in Earned Income Tax Credit. The economic stimulus bill would temporarily increase the earned income tax credit to forty-five percent (45%) of the family's first \$12,570 of earned income for families with three or more children and would increase the beginning point of the phase-out range for all married couples filing a joint return (regardless of the number of children) by \$1,880.

Incentives to Hire Unemployed Veterans and Disconnected Youth. The economic stimulus bill would expand the Work Opportunity Tax Credit to create two new targeted groups of prospective employees: (1) unemployed veterans; and (2) disconnected youth. An individual would qualify as an unemployed veteran if they were discharged or released from active duty from the Armed Forces during the five-year period prior to hiring and received unemployment compensation for more than four weeks during the year before being hired. An individual qualifies as a disconnected youth if they are between the ages of 16 and 25 and have not been regularly employed or attended school in the past 6 months.

HOTJOBS

*SB 2016
February 26, 2008 attachment 11*

Used to promote the high paying career opportunities in North Dakota. Identifies **High Wage/High Growth** jobs in ND. These jobs have a very high projected **percentage** growth rate and are typically found in faster growing industries in ND.

Target Audience: Students, Parents, Education, Workforce Decision Makers

Selection Criteria: To be included in the **HOTJOBS** list occupations must meet the following three criteria:

- Average wage above the statewide average of \$31,316 (2007 average)
- Projected **percentage growth rate** above the statewide average of 8.5%
- Be among the top 150 occupations in projected **numeric** growth.
(71 occupations met these three criteria, but the top 40 were included in the **HOTJOBS** publication due to space restrictions. A full listing is available on JOBSND.com, by clicking on the NDWIN logo.)

NOTE: Average wage, growth rate, and numeric growth are generated by JSND LMI Center using Bureau of Labor Statistics required methodologies (standardized to ensure that data is statistically sound and consistent across all states).

A list of the **most-in-demand** jobs in the state of **North Dakota**

	Occupational Title	2006 Estimate	2016 Projection	10 Year Growth	10 Year Replacements	2008 Typical Wage	Education/ Training	#1 Skill	#2 Skill	#3 Skill
1	Computer Software Engineers, Systems Software	382	555	173	38	\$68,111	Bachelor's degree	Complex Problem Solving	Technology Design	Troubleshooting
2	Computer and Information Systems Managers	533	673	140	97	\$77,280	Bachelor's or higher degree, plus work experience	Reading Comprehension	Critical Thinking	Active Listening
3	Industrial Engineers	368	495	127	89	\$65,997	Bachelor's degree	Critical Thinking	Time Management	Active Listening
4	Physician Assistants	309	401	92	47	\$70,669	Bachelor's degree	Active Listening	Speaking	Active Learning
5	Mechanical Engineers	448	580	132	123	\$64,655	Bachelor's degree	Mathematics	Complex Problem Solving	Critical Thinking
6	Engineering Managers	362	433	71	72	\$88,785	Bachelor's or higher degree, plus work experience	Reading Comprehension	Mathematics	Active Listening
7	General and Operations Managers	3,816	4,296	480	720	\$77,134	Bachelor's or higher degree, plus work experience	Active Listening	Management of Personnel Resources	Time Management
8	Computer Software Engineers, Applications	733	1,013	280	72	\$55,703	Bachelor's degree	Programming	Critical Thinking	Complex Problem Solving
9	Electrical Engineers	399	476	77	78	\$78,005	Bachelor's degree	Active Listening	Troubleshooting	Critical Thinking
10	Sales Managers	690	811	121	127	\$68,351	Bachelor's or higher degree, plus work experience	Active Listening	Speaking	Mathematics
11	Marketing Managers	360	429	69	66	\$71,595	Bachelor's or higher degree, plus work experience	Critical Thinking	Coordination	Active Learning
12	Civil Engineers	567	690	123	90	\$60,554	Bachelor's degree	Mathematics	Critical Thinking	Science
13	Chief Executives	990	1,108	118	187	\$128,598	Bachelor's or higher degree, plus work experience	Judgment and Decision Making	Management of Financial Resources	Coordination
14	Financial Analysts	255	313	58	38	\$66,735	Bachelor's degree	Reading Comprehension	Time Management	Judgment and Decision Making
15	Financial Managers	1,273	1,417	144	182	\$74,474	Bachelor's or higher degree, plus work experience	Time Management	Management of Financial Resources	Instructing
16	Computer Systems Analysts	826	1,109	283	93	\$50,513	Bachelor's degree	Active Learning	Reading Comprehension	Complex Problem Solving
17	Business Teachers, Postsecondary	336	422	86	76	\$58,366	Master's degree	Instructing	Reading Comprehension	Speaking
18	Dental Hygienists	614	746	132	52	\$55,396	Associate degree	Active Listening	Speaking	Reading Comprehension
19	Registered Nurses	7,130	8,514	1,384	1,492	\$51,253	Associate degree	Active Listening	Reading Comprehension	Critical Thinking
20	Physical Therapists	620	708	88	61	\$62,827	Master's degree	Active Listening	Instructing	Time Management
21	Pharmacists	713	785	72	138	\$85,171	First professional degree	Active Listening	Speaking	Reading Comprehension
22	Derrick Operators, Oil and Gas	349	493	144	101	\$47,707	Moderate-term on-the-job training	Equipment Maintenance	Active Listening	Repairing
23	Sales Representatives, Wholesale and Manufacturing, Technical and Scientific Products	628	741	113	165	\$55,447	Moderate-term on-the-job training	Speaking	Persuasion	Active Listening
24	Management Analysts	387	459	72	53	\$58,077	Bachelor's or higher degree, plus work experience	Critical Thinking	Judgment and Decision Making	Coordination
25	Architects, Except Landscape and Naval	177	254	77	20	\$50,703	Bachelor's degree	Active Listening	Critical Thinking	Complex Problem Solving
26	Medical and Health Services Managers	649	729	80	126	\$63,772	Bachelor's or higher degree, plus work experience	Active Listening	Reading Comprehension	Critical Thinking
27	Database Administrators	256	360	104	26	\$48,378	Bachelor's degree	Active Learning	Troubleshooting	Critical Thinking
28	Network and Computer Systems Administrators	534	696	162	59	\$47,416	Bachelor's degree	Reading Comprehension	Active Learning	Troubleshooting
29	Education Teachers, Postsecondary	242	308	66	55	\$53,240	Doctoral degree	Instructing	Reading Comprehension	Learning Strategies
30	Network Systems and Data Communications Analysts	378	549	171	45	\$46,655	Bachelor's degree	Equipment Selection	Troubleshooting	Complex Problem Solving
31	Rotary Drill Operators, Oil and Gas	335	474	139	97	\$46,988	Moderate-term on-the-job training	Equipment Maintenance	Operation Monitoring	Instructing
32	Construction Managers	567	638	71	103	\$62,729	Bachelor's degree	Reading Comprehension	Critical Thinking	Coordination
33	Service Unit Operators, Oil, Gas, and Mining	627	869	242	182	\$42,528	Moderate-term on-the-job training	Equipment Maintenance	Active Listening	Operation Monitoring
34	First-Line Supervisors/Managers of Construction Trades and Extraction Workers	1,549	1,782	233	263	\$48,045	Work experience in a related occupation	Time Management	Coordination	Instructing
35	Nursing Instructors and Teachers, Postsecondary	250	314	64	56	\$47,606	Doctoral degree	Reading Comprehension	Instructing	Speaking
36	Cost Estimators	594	729	135	133	\$43,078	Work experience in a related occupation	Active Listening	Reading Comprehension	Mathematics
37	Electricians	1,825	2,126	301	361	\$43,976	Long-term on-the-job training	Installation	Active Listening	Reading Comprehension
38	First-Line Supervisors/Managers of Production and Operating Workers	1,533	1,756	223	321	\$45,706	Work experience in a related occupation	Active Listening	Reading Comprehension	Management of Personnel Resources
39	Loan Officers	957	1,055	98	154	\$52,591	Bachelor's degree	Active Listening	Time Management	Reading Comprehension
40	Accountants and Auditors	3,139	3,644	505	593	\$42,755	Bachelor's degree	Mathematics	Time Management	Active Listening

SB2016 February 26, 2009 attachment #4
NORTH DAKOTA CAREERS BY EDUCATION

Used as a career exploration piece. Identifies the **High Wage/High Demand** occupations for each of four levels of education/training—Bachelor's, Associate's, Vocational, and On-the-Job Training. **High Demand** is the most projected job openings from both **growth** and **replacement**.

Target Audience: Student Career Explorers, Adult Job Seekers, Vocational Counselors, and Careers Class Teachers, Parents

Selection Criteria: Top 25 occupations in each education/training level based on average wage and total projected openings.

- Average Wage was given a weight of 50%
- Total openings (growth + replacement) was given a weight of 50%

NOTE: Average wage, openings due to growth, and openings due to replacement were all generated by JSND LMI Center using Bureau of Labor Statistics required methodologies (standardized to ensure that data is statistically sound and consistent across all states).

ASSOCIATE'S DEGREE

An Associate's degree generally requires **two years** of college.

The education listed for these jobs reflect minimal national requirements and may vary in specific locations.

LOOKING FOR
CAREERS GO
ON-LINE jobs.nd.com

North Dakota Careers	2008 Typical ND Wage	2006-2016 Total ND Growth	2006-2016 Total ND Replacements	Examples of Tasks Performed	Education/ Training
1 Dental Hygienists	\$55,396	132	52	Clean teeth, examine gums, develop x-ray film, & watch for signs of decay or gum disease.	AD
2 Registered Nurses	\$51,253	1,384	1,492	Monitor all aspects of patient care, modify treatment, & consult with healthcare team.	AD
3 Funeral Directors	\$63,261	1	54	Arrange funeral details, prepare remains for burial, & offer counsel to family & friends.	AD
4 Electrical and Electronic Engineering Technicians	\$50,005	35	49	Test electronic units, analyze results, evaluate performance & determine adjustment needs.	AD
5 Radiologic Technologists and Technicians	\$41,877	61	74	Operate x-ray equipment, process radiographs, & review & evaluate x-ray images.	AD
6 Respiratory Therapists	\$40,937	55	87	Set up & operate devices such as mechanical ventilators for specified treatment.	AD
7 Civil Engineering Technicians	\$40,620	52	64	Calculate dimensions, profile & component specifications, & material quantities.	AD
8 Industrial Engineering Technicians	\$41,592	45	49	Recommend revision to methods of operation or other changes to increase production.	AD
9 Radiation Therapists	\$65,765	10	15	Administer prescribed doses of radiation to patients, using radiation therapy equipment.	AD
10 Computer Support Specialists	\$32,269	213	126	Answer user inquiries regarding computer software or hardware to resolve problems.	AD
11 Mechanical Engineering Technicians	\$44,393	30	23	Inspect lines & figures for clarity & return erroneous drawings to designer for correction.	AD
12 Diagnostic Medical Sonographers	\$59,814	14	11	Determine images to include, looking for differences between healthy & pathological areas.	AD
13 Medical and Clinical Laboratory Technicians	\$33,115	64	117	Perform medical research, including chemical analysis, to further control & cure disease.	AD
14 Agricultural and Food Science Technicians	\$34,859	60	49	Conduct standardized tests on food & beverages to ensure compliance with regulations.	AD
15 Medical Equipment Repairers	\$40,069	25	54	Inspect & test malfunctioning medical & related equipment.	AD
16 Medical Records and Health Info. Technicians	\$26,446	104	91	Protect the security of medical records to ensure that confidentiality is maintained.	AD
17 Biological Technicians	\$28,020	90	74	Participate in the research & development of medicinal & pharmaceutical preparations.	AD
18 Forest and Conservation Technicians	\$34,331	3	55	Train & lead forest & conservation workers in seasonal activities.	AD
19 Nuclear Medicine Technologists	\$55,237	5	6	Calculate, measure & record radiation dosage or radiopharmaceuticals received & used.	AD
20 Paralegals and Legal Assistants	\$39,594	30	21	Prepare legal documents, including briefs, pleadings, appeals, wills, & contracts.	AD
21 Fish and Game Wardens	\$54,692	1	9	Patrol-assigned areas to enforce game, fish, or boating laws & manage wildlife programs.	AD
22 Cardiovascular Technologists and Technicians	\$35,504	22	21	Monitor patients' blood pressure & heart rate during diagnostic & therapeutic procedures.	AD
23 Environmental Engineering Technicians	\$43,780	8	11	Perform environmental quality work, conduct surveys & produce assessment reports.	AD
24 Veterinary Technologists and Technicians	\$27,207	37	18	Administer anesthesia to animals, perform lab tests, & administer first aid.	AD
25 Interior Designers	\$29,680	30	20	Advise client on design, estimate material costs, & present design to client for approval.	AD

KEY

ST [Short-term, on-the-job training]

AD [Associate's degree]

BD+ [Bachelor's or higher degree, plus work experience]

Overtime and bonuses are not reflected in the typical wage.

MT [Moderate-term, on-the-job training]

BD [Bachelor's degree]

LT [Long-term, on-the-job training]

MD [Master's degree]

North Dakota Careers in red have also been identified as North Dakota **HOT** JOBS.

WE [Work experience in a related occupation]

DD [Doctoral degree]

VT [Postsecondary vocational training]

PD [First professional degree]

BACHELOR'S DEGREE AND BEYOND

The jobs on this page usually require **four or more years** of college.

The degree listed is considered as a minimal starting point, and for many of the jobs, extra education is beneficial.

LOOKING FOR MORE
CAREERS GO
ON-LINE jobsnd.com

North Dakota Careers	2008 Typical ND Wage	2006-2016 Total ND Growth	2006-2016 Total ND Replacements	Examples of Tasks Performed	Education/ Training
1 Chief Executives	\$128,598	118	187	Direct an organization to fund operations, maximize investments, & increase efficiency.	BD+
2 General and Operations Managers	\$77,134	480	720	Oversee activities directly related to making products or providing services.	BD+
3 Financial Managers	\$74,474	144	182	Process loans, prepare financial statements, & coordinate financial planning.	BD+
4 Pharmacists	\$85,171	72	138	Review prescriptions for accuracy, ascertain ingredients, & evaluate their suitability.	PD
5 Computer and Information Systems Managers	\$77,280	140	97	Manage backup, security & user help systems.	BD+
6 Sales Managers	\$68,351	121	127	Monitor customer preferences, determine price schedules, & resolve complaints.	BD+
7 Engineering Managers	\$88,785	71	72	Coordinate projects & direct the integration of technical activities.	BD+
8 Electrical Engineers	\$78,005	77	78	Confer with engineers & customers to discuss existing or potential engineering projects.	BD
9 Computer Software Engineers, Systems Software	\$68,111	173	38	Modify existing software, adapt it to new hardware & upgrade interfaces.	BD
10 Mechanical Engineers	\$64,655	132	123	Read & interpret blueprints, technical drawings, schematics & computer-generated reports.	BD
11 Industrial Engineers	\$65,997	127	89	Analyze statistical data & establish quality & reliability objectives of finished product.	BD
12 Lawyers	\$72,530	43	102	Advise clients, prosecute or defend lawsuits, or legal rights & obligations.	PD
13 Medical and Health Services Managers	\$63,772	80	126	Direct, supervise & evaluate work activities of medical, technical & service personnel.	BD+
14 Physician Assistants	\$70,669	92	47	Examine patients to obtain information about their physical condition.	BD
15 Agricultural Sciences Teachers, Postsecondary	\$80,341	50	58	Prepare course materials such as syllabi, assignments, & handouts on agricultural topics.	DD
16 Marketing Managers	\$71,595	69	66	Develop pricing strategies, balance firm objectives & customer satisfaction.	BD+
17 Optometrists	\$84,051	22	84	Examine eyes to determine visual acuity & to diagnose diseases & abnormalities.	PD
18 Civil Engineers	\$60,554	123	90	Analyze reports, maps, blueprints & other topographical or geologic data to plan projects.	BD
19 Construction Managers	\$62,729	71	103	Confer with contractors & others to discuss & resolve construction matters.	BD
20 Education Administrators, Elementary & Secondary	\$66,223	19	124	Review, modify or approve new programs, & submit program proposals to school board.	BD+
21 Physical Therapists	\$62,827	88	61	Prepare & carry out individually designed programs of physical treatment for patients.	MD
22 Computer Software Engineers, Applications	\$55,703	280	72	Confer with systems analysts, engineers & programmers to design software systems.	BD
23 Electronics Engineers, Except Computer	\$77,339	36	40	Design electronic components, software, products or systems for various applications.	BD
24 Business Teachers, Postsecondary	\$58,366	86	76	Prepare & deliver lectures to undergraduate/graduate students on various business topics.	MD
25 Financial Analysts	\$66,735	58	38	Recommend investments & investment timing to companies, investment staff, or the public.	BD

KEY

ST [Short-term, on-the-job training]

AD [Associate's degree]

BD+ [Bachelor's or higher degree, plus work experience]

Overtime and bonuses are not reflected in the typical wage.

MT [Moderate-term, on-the-job training]

BD [Bachelor's degree]

LT [Long-term, on-the-job training]

MD [Master's degree]

North Dakota Careers in red have also been identified as North Dakota **HOT JOBS**.

WE [Work experience in a related occupation]

DD [Doctoral degree]

VT [Postsecondary vocational training]

PD [First professional degree]

VOCATIONAL TRAINING

Vocational training requires from **two weeks to one year** in a college or a post graduate training center and usually carries a certificate. The job requirements listed here are the minimal national requirements for the job.

LOOKING FOR MORE
CAREERS GO
ON-LINE jobsnd.com

North Dakota Careers	2008 Typical ND Wage	2006-2016 Total ND Growth	2006-2016 Total ND Replacements	Examples of Tasks Performed	Education/ Training
1 Mobile Heavy Equipment Mechanics, Except Engines	\$41,615	55	139	Test mechanical products & equipment to ensure proper performance & compliance.	VT
2 Bus & Truck Mechanics & Diesel Engine Specialists	\$36,206	110	259	Perform routine maintenance such as lubricating equipment & machinery.	VT
3 Real Estate Sales Agents	\$44,502	39	124	Promote sales of properties & present purchase offers to sellers for consideration.	VT
4 Licensed Practical and Licensed Vocational Nurses	\$33,876	97	664	Observe patients, chart & report changes in patients' conditions.	VT
5 Automotive Service Technicians and Mechanics	\$32,091	134	512	Examine vehicles, compile estimates of repair costs, & secure approval to perform repairs.	VT
6 Commercial Pilots	\$56,085	13	70	Pilot airplanes, check aircraft, & determine flight plans using navigation systems.	VT
7 Aircraft Mechanics and Service Technicians	\$43,996	58	77	Read & interpret manuals to determine feasibility & method of repairing components.	VT
8 Electrical & Electronics Repairers, Substation	\$65,749	0	42	Construct, test, maintain, & repair substation relay & control systems.	VT
9 Mechanical Drafters	\$38,939	36	59	Develop detailed design drawings & specifications for mechanical equipment.	VT
10 Farm Equipment Mechanics	\$30,723	15	166	Maintain, repair & overhaul farm machinery, & test & replace electrical components.	VT
11 Architectural and Civil Drafters	\$35,937	38	59	Produce drawings using computer-aided drafting systems (CAD) or other devices.	VT
12 Electrical & Electronics Repairers, Comm'l Equip.	\$48,017	12	28	Perform scheduled preventive maintenance tasks, to detect & prevent problems.	VT
13 Nursing Aides, Orderlies, and Attendants	\$22,657	445	856	Observe patients' conditions, reposition bedridden patients, & administer medications.	VT
14 Medical Transcriptionists	\$28,303	60	100	Transcribe dictation for a variety of medical reports.	VT
15 Surgical Technologists	\$35,757	43	28	Provide technical assistance to surgeons, surgical nurses & anesthesiologists.	VT
16 Travel Agents	\$23,756	52	157	Determine mode of transportation, travel dates, & financial considerations for customers.	VT
17 Hairdressers, Hairstylists, and Cosmetologists	\$22,562	179	478	Determine & recommend beauty treatment, suggest hair styles, & cut hair.	VT
18 Court Reporters	\$52,405	5	11	Take notes in shorthand & provide transcripts of proceedings.	VT
19 Emergency Medical Technicians and Paramedics	\$28,348	60	56	Administer first-aid treatment & life-support care to persons in a pre-hospital setting.	VT
20 Legal Secretaries	\$27,790	22	114	Prepare & process legal documents & papers.	VT
21 Preschool Teachers, Except Special Education	\$23,581	109	78	Provide a variety of materials & resources for children to explore, manipulate & use.	VT
22 Appraisers and Assessors of Real Estate	\$36,142	10	31	Prepare written reports that estimate property values.	VT
23 Computer, Automated Teller & Office Mach. Repairer	\$35,078	0	54	Converse with customers in order to determine details of equipment problems.	VT
24 Medical Secretaries	\$25,015	21	129	Schedule & confirm patient diagnostic appointments, surgeries & medical consultations.	VT
25 Electrical and Electronics Drafters	\$36,223	13	26	Use computer-aided drafting equipment, conventional drafting stations & drafting tools.	VT

KEY

Overtime and bonuses are not reflected in the typical wage.

North Dakota Careers in red have also been identified as North Dakota **HOT**JOBS.

ST [Short-term, on-the-job training]

MT [Moderate-term, on-the-job training]

LT [Long-term, on-the-job training]

WE [Work experience in a related occupation]

VT [Postsecondary vocational training]

AD [Associate's degree]

BD [Bachelor's degree]

MD [Master's degree]

DD [Doctoral degree]

PD [First professional degree]

BD+ [Bachelor's or higher degree, plus work experience]

WORK EXPERIENCE

These jobs require **1-60 months** of on-the-job training or work experience in a related field.

The educational background for each job may vary with the place of employment and the individual.

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North Dakota Careers		2008 Typical ND Wage	2006-2016 Total ND Growth	2006-2016 Total ND Replacements	Examples of Tasks Performed	Education/ Training
1	Sales Rep., Wholesale & Mfg, Except Tech. Products	\$42,627	546	1,061	Answer customers' questions about products, prices & credit terms.	MT
2	First-Line Super./Mgr, Mechanics & Repair Workers	\$52,737	110	342	Determine schedules, sequences & assignments for work activities.	WE
3	First-Line Super./Mgr, Construction Trades Workers	\$48,045	233	263	Examine & inspect work progress, equipment & construction sites.	WE
4	First-Line Super./Mgr, Production & Operating Wkrs	\$45,706	223	321	Direct & coordinate activities of employees engaged in production or processing of goods.	WE
5	Electricians	\$43,976	301	361	Assemble, install, test & maintain electrical or electronic wiring & equipment.	LT
6	Sales Rep., Wholesale & Mfg, Tech. Products	\$55,447	113	165	Contact new & existing customers to discuss specific products & services.	MT
7	First-Line Super./Mgr, Office Admin. Support Wkrs	\$39,392	181	616	Resolve customer complaints & answer questions regarding policies.	WE
8	Truck Drivers, Heavy and Tractor-Trailer	\$34,474	954	1,066	Maneuver & drive trucks, & follow safety procedures when transporting goods.	MT
9	Service Unit Operators, Oil, Gas, and Mining	\$42,528	242	182	Operate controls that raise derricks & level rigs, & analyze unserviceable wells.	MT
10	Operating Engineers & Other Const. Equip. Oprs.	\$37,730	193	556	Operate different types of large power equipment at construction or excavation sites.	MT
11	Derrick Operators, Oil and Gas	\$47,707	144	101	Inspect derricks or order their inspection in order to maintain proper working conditions.	MT
12	Plumbers, Pipefitters, and Steamfitters	\$42,856	155	190	Cut, thread & hammer pipe to specifications, using various tools.	LT
13	Postal Service Mail Carriers	\$45,518	0	279	Obtain signed receipts for registered, certified, & insured mail, sort, & deliver mail.	ST
14	Electrical Power-Line Installers and Repairers	\$55,943	6	194	Adhere to safety practices & procedures, such as checking equipment regularly.	LT
15	Compliance Officers, Except Ag., Const., Health	\$51,078	25	182	Issue licenses to individuals meeting standards.	LT
16	Rotary Drill Operators, Oil and Gas	\$46,988	139	97	Direct & train rig crews, observe pressure gauges, & maintain & adjust machinery.	MT
17	Police and Sheriff's Patrol Officers	\$41,360	42	265	Provide for public safety by enforcing laws & responding to emergencies.	LT
18	Cost Estimators	\$43,078	135	133	Analyze blueprints & other documents to prepare time, cost, materials, & labor estimates.	WE
19	Executive Secretaries & Administrative Assistants	\$32,806	199	722	Manage & maintain executives' schedules, prepare agendas & record minutes in meetings.	MT
20	First-Line Super./Mgr, Transportation Workers	\$47,003	77	138	Plan equipment allocations, & interpret transportation & tariff regulations.	WE
21	Purchasing Agents, Except Wholesale, Retail & Farm	\$47,626	65	137	Purchase the highest quality merchandise at the lowest possible price, in correct amounts.	WE
22	First-Line Super./Mgr, Non-Retail Sales Workers	\$47,157	71	128	Listen to & resolve customer complaints, monitor sales performance, & inventory stock.	WE
23	Welders, Cutters, Solderers, and Brazers	\$33,075	286	482	Weld & solder components, dismantle metal assemblies, & analyze blueprints.	LT
24	Carpenters	\$31,283	421	484	Measure & mark cutting lines on materials, shape or cut materials, & study blueprints.	LT
25	Industrial Machinery Mechanics	\$43,798	52	162	Disassemble machinery & equipment to remove parts & make repairs.	LT

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