

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2017

2001 SENATE APPROPRIATIONS

SB 2017

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2017

Senate Appropriations Committee

☐ Conference Committee

Hearing Date January 15, 2001

Tape Number	Side A	Side B	Meter #
Tape #1	x		52.8 - 53.9
Tape #1		x	0.0 - 50.6
Tape #2	x		0.0 - 13.6
Committee Clerk Signature <i>Tracie Ritsch</i>			

Minutes:

Maren L. Daley, Executive Director of the Job Service North Dakota testified in support of SB2017 (a copy of written testimony is attached). At points she deferred to staff members to answer questions: Deanne Berquist, Wayne, and Tom Peterson.

Senator Holmberg: Looking at the new job program -- increased tax credit goes to Moorhead? Mother ship?

Maren L. Daley: It is mother ship -- dollars targeted to North Dakota employees; office quarters in Moorhead, address there.

Senator Holmberg: Vision? Number of changes in management -- the decision to fill as they evolve? Is the Internet use accessible? Do you see more involvement in that over the next 5-10 years? Traditional part of your service to shrink down the road?

Maren L. Daley: There is a shift in mixing more use via the Internet. Perhaps some less one on one counseling right now due to the low unemployment. Chronic non-workers are shifting to

re-employment efforts -- which we have updates on the web pages. See more job training information/availability included on web pages -- giving labor market information within a given area.

Senator Holmberg: Have the pilot studies been done? Task analysis? How did it go?

Maren L. Daley: Went well. Lot of results; going forward; good deliver ability.

Senator Grindberg: Page 7; workforce -- individual 's apply for? Used dollars?

Maren L. Daley: Jobs training: Re-employment training resources; Vocational, college-bound or specific to business. Example: individuals who are laid off during the winter months may get training while on leave from their jobs.

Deanne Berquist described the workforce investment act: 3 fund sources targeting youth, adults and adults dislocated workers -- it is an advisory of how dollars are to be spent. Workforce Council -- based on individual assessment, and the demand in an area -- worth with economic development personnel.

Senator Grindberg: Do you have a summary of where the dollars are used -- breakdown of the 3 projects?

Deanne Berquist: Federal legislation dictates distribution amounts; we will provide our information (a copy of the Workforce 2000 and ND New Jobs Training Programs under tab 7 of written testimony)..

Senator Grindberg: With the Workforce Investment Act -- and the Department of Commerce action last week -- how can Job Service be maximized? Your feelings?

Maren L. Daley: Strong feelings. Collaborative workings - size and breath-- not good fit with the commerce department. We can be critical players with tourism etc. Federal access to state job training is here in ND network. The is respect for our department. Regardless of the

structure, we will work together; be part of economic development -- people, our customers always being served.

Senator Tallackson: What about the rural areas using Job Service? Grafton individuals initiated contact with Job Service -- companies of 5 have to go through Grafton.

Maren L. Daley: We'll take that into consideration -- feedback is helpful. Our volume and delivering service are always under consideration.

Senator Robinson: Unemployment trust fund -- where?

Maren L. Daley: At the year end 31.6 million.

Senator Robinson: Where's it going? Has declined over the last 5 years -- last session bill had caps.

Maren L. Daley: General opinion, the bleeding has stopped. '99 winter nonexistence; work continued because we had nice weather -- legislation gives the tool to be more responsive -- we monitor.

Senator Solberg: An 8.293 IT work?

Maren L. Daley: We hope to stick to it. Agency plan?

Wayne, staff member of Job Service spoke briefly. Plans to continue, a large project -- give us the ability to go forward. We need to be vigilant; watch increases - not accept with good reason. We are using the system used in Utah -- things are still in process, no negatives.

Senator Thane: Page 8 -- Regarding OASIS...number of elderly serious?

Wayne: OASIS is still around; there are 6 survivors -- no primary individuals left -- the actuary figures indicate the balance is close to costs remaining in the fund -- no sign of dollars left.

Senator Schobinger: Unemployment Services -- administration hearing process? 15 days to appeal for employee: Done in house?

Maren L. Daley: Internal, but independent from initial individuals working with case. 2

attorneys review the file and tapes; legal report then sent to me; it is a separate judicial process.

Senator Schobinger: Makes decision through application against employees? Do the courts hear? Process?

Maren L. Daley: ethically as attorney, consider both....merits and process. Employee can argue merits. Application of process -- requirement meets set of facts -- meet the situation.

Senator Nething: Workforce Employment Act -- an incentive grant available if exceed? Doing well?

Tom Peterson: Doing well. No only if all agencies meet targets.

Senator Nething: All agencies need to meet a target?

Tom Peterson: Different agencies participate in ND; yes.

Senator Nething: Three fourths - 3 million available in incentives -- used in the same area? Need to qualify?

Tom Peterson, Yes that is the dollars available, and yes need to qualify.

Senator Nething: When is information available?

Tom Peterson: It's based on one year funding -- maybe December.

Senator Nething: Involving training account -- author targeted industries? Is this determine by economic development, and finances? How many? A lot?

Tom Peterson: Yes. Yes. Yes. Not sure of the number; based on industry classification.

Senator Nething: Federal dollars go into training accounts: Lots?

Tom Peterson: Yes. Relevant dollars yes. Expand as much as we can.

Lee Peterson, Economic Development and Finances, testified in support of SB2017. He has found Job Service to be effective -- workforce 2000 has been effective. When new companies

come to ND, raining sources are a necessity -- Job Service provides quick, good service; a good job of administering to the needs.

James Hinsch, administrator of Mandan Foods Company, testified in support of Job Service.

They assisted his company in planning for the training of staff, the advance help the company needed to be success. Had the ability to meet the financial needs of the organization -- but needed assistance of investment to people.

Anne Cooper, Manager of ING-Minot Service Center, testified in support of SB2017. Support from Job Service, Workforce funding has enabled the company to go from 365 employees in 1999 to 565 the end of 2000 and hopefully increase by 150 the end of 2002.

Don Hedges, Killdeer Manufacturing Firm, spoke in support of SB2017. Aeronautics start up business -- located in Killdeer, looking at additional locations in Hettinger and Halliday. Workforce worked with us, and we support them.

February 8, 2001

Full Committee (Tape 1, Side A, Meter No. 35.2-50.1)

Senator Holmberg, Chair of the Job Service North Dakota Subcommittee, presented proposed amendments - 18043.0101 and explained that the three departmental bills -- SB2069, SB2070 and SB2071 were incorporated here.

Senator Holmberg moved the amendments be adopted; seconded by Senator Grindberg.

Discussion:

Senator Schobinger: Does this include the building in Grand Forks? Will this allow Information Technology to be brought back to campuses?

Senator Holmberg: Nothing to do with the building in Grand Forks. Allows the state to recapture occurred interest in current building.

Senator Bowman: The language on page 1 of the amendment --- indicated is being used for the building.

Senator Nething: Federal advances repay the fund?

Senator Holmberg: Federal government allows repayment fund, when we use federal dollars. Current law -- has equity to the federal government -- purpose of the bond drive; state would have equity in the building here. SB2023 has the actual building included there. SB2017 does not contain the cost of the building, only the provision to allow the state to own the equity.

Senator Nething: No authorization to do building here.

Senator Bowman: Mechanism here to pay for the building --- no out-sourcing being done?

Senator Tallackson: State would have equity rather than the federal government having the equity.

Page 7

Senate Appropriations Committee

Bill/Resolution Number SB2017

Hearing Date January 15, 2001

Feb 8, 2001

Senator Grindberg: SB2023 -- federal government owns -- if this passes, the sale of building applied to the new facility --- and the federal government will no longer own the building.

Federal government pays the bond --- state owns the property.

Senator Schobinger: Like leasing to the federal government?

Sandy Paulson, OMB Analyst: Not certain, federal government owns the building.

Senator Nething: So they pay.

Senator Holmberg moved a DO PASS AS AMENDED: Senator Grindberg seconded the motion.

Roll Call Vote: 12 yes, 0 no, and 2 absent and not voting. Senator Holmberg accepted the floor assignment.

Office of Management and Budget
January 15, 2001

PROPOSED AMENDMENTS TO SENATE BILL NO. 2017

Page 1, line 14, replace "2,000,356" with "2,250,356"

Page 1, line 15, replace "\$58,310,160" with "\$58,560,160"

Page 1, line 17, replace "\$2,000,356" with "\$2,250,356"

Page 1, line 22, replace "\$2,000,356" with "\$2,250,356"

Renumber accordingly

Statement of purpose of amendment:

To increase the Job Service North Dakota Workforce 2000 special line item by \$250,000 from the general fund to reflect Governor Hoeven's revised executive recommendation.

923
2-8-1
1043

PROPOSED AMENDMENTS TO SENATE BILL NO. 2017

Amendments to SB 2017 APPROP 2/8/1
Page 1, line 2, after "Dakota" insert "; to create and enact a new section to chapter 52-08 of the North Dakota Century Code, relating to job task analysis services; to amend and reenact section 52-04-22 of the North Dakota Century Code and section 4 of chapter 433 of the 1999 Session Laws, relating to the federal advance interest repayment fund and the unemployment compensation incentive fund; and to provide a continuing appropriation"

Page 1, line 14, replace "2,000,356" with "2,250,356"

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Page 1, line 22, replace "\$2,000,356" with "\$2,250,356"

Amendments to SB 2017 APPROP 2/8/1

Page 2, after line 2, insert:

"SECTION 4. AMENDMENT. Section 52-04-22 of the North Dakota Century Code is amended and reenacted as follows:

52-04-22. Federal advance interest repayment fund - Appropriation
Continuing appropriation. There is created the federal advance interest repayment fund, to which will be credited all assessments collected by the division for the purpose of paying interest due on federal advances to the state trust fund. The fund must consist of all interest collected on delinquent contributions, all penalties provided by the Unemployment Compensation Law, and funds borrowed from sources other than federal advances which are placed in this fund. All moneys accruing to this fund in any manner must be maintained in this separate interest-bearing account at the Bank of North Dakota or invested in deposits of the Bank of North Dakota.

Moneys in this fund may also be used for the purpose of repaying funds placed in this fund which are borrowed from sources other than federal advances and for the purpose of paying interest due on other than federal advances. However, moneys in this fund may not be expended or available for expenditure in any manner which would permit their substitution for, or a corresponding reduction in, federal funds which would in the absence of the moneys be available to finance expenditures for the administration of the bureau.

Moneys in this fund may also be used for the purpose of paying principal and interest costs associated with the acquisition and renovation of land and a building to be used as an office facility by job service North Dakota in Grand Forks, North Dakota. Moneys in this fund also may be used for the purpose of paying principal and interest costs associated with the acquisition and renovation of land and building to be used as an office facility by job service North Dakota in Bismarck, North Dakota. Moneys in this fund may be used for the purpose of paying the costs of repair, renovation, or alteration of job service-owned office facilities. Moneys in this fund may be used for the purpose of paying the replacement rate charged for use of state fleet vehicles. Moneys in this fund are hereby appropriated for the purposes specified in this section including the purpose of paying principal and interest costs associated with the acquisition and renovation of land and a building to be used as an office facility by job service North

2.43

Dakota in Grand Forks, North Dakota. Moneys in this fund are appropriated for the purpose of paying the principal and interest costs associated with the acquisition and renovation of land and a building to be used as an office facility by job service North Dakota in Bismarck, North Dakota. Moneys in this fund are appropriated for the purpose of paying the costs of repair, renovation, or alteration of job service-owned office facilities. Moneys in this fund are appropriated for the purpose of paying the replacement rate charged for use of state fleet vehicles.

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

Job task analysis services - Authorization to charge fees - Continuing appropriation. Job service North Dakota may provide job task analysis services to an employer requesting these services. Notwithstanding the reference to free public employment offices in this chapter or in any other provision of law, job service North Dakota may charge reasonable fees to employers for providing job task analysis services. All fees collected under this section must be deposited in a separate interest-bearing account at the Bank of North Dakota and must be used for the purpose of providing job task analysis services. Moneys in this fund are appropriated for the purpose of providing job task analysis services.

SECTION 6. AMENDMENT. Section 4 of chapter 433 of the 1999 Session Laws is amended and reenacted as follows:

SECTION 4. APPROPRIATION. The unemployment compensation incentive fund is established from all moneys credited to this state under section 2 of this Act for federal fiscal years 2000, 2001, and 2002. The amount of \$327,000 from this unemployment compensation incentive fund, to the extent funds are available in this fund, is hereby appropriated to job service North Dakota every year in which job service North Dakota achieves an average duration of benefits that is at least one half week less than the average duration of benefits for the preceding program year, excluding every claimant who is on temporary layoff and returning to employment with the former employer within four weeks and excluding every claimant with demonstrated job attachment and a reasonable expectation of returning to a former base period employer once work becomes available for the biennium beginning July 1, 1999, and ending June 30, 2001. All moneys in this fund are appropriated to job service North Dakota for administration of the unemployment compensation program."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2017 - Job Service - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$33,830,614		\$33,830,614
Operating expenses	13,420,143		13,420,143
Equipment	786,830		786,830
Capital improvements	453,545		453,545
Grants	7,818,672		7,818,672
Work Force 2000	<u>2,000,356</u>	<u>\$250,000</u>	<u>2,250,356</u>
Total all funds	\$58,310,160	\$250,000	\$58,560,160
Less estimated income	<u>\$6,309,804</u>		<u>\$6,309,804</u>
General fund	\$2,000,356	\$250,000	\$2,250,356
FTE	389.78	0.00	389.78

Dept. 380 - Job Service - Detail of Senate Changes

	INCREASES FUNDING FOR WORK FORCE 2000 ¹	TOTAL SENATE CHANGES
Salaries and wages		
Operating expenses		
Equipment		
Capital improvements		
Grants		
Work Force 2000	\$250,000	\$250,000
Total all funds	\$250,000	\$250,000
Less estimated income		
General fund	\$250,000	\$250,000
FTE	0.00	0.00

¹ This amendment increases funding for Work Force 2000 by \$250,000 for total funding of \$2,250,356, which represents an increase of \$1,000,356, from the 1999-2001 biennium.

This amendment also:

- Adds a new section to North Dakota Century Code (NDCC) Chapter 52-08 providing a continuing appropriation for fees collected for job task analysis services (Senate Bill No. 2069).
- Amends NDCC Section 52-04-22 relating to the federal advance interest repayment fund to provide a continuing appropriation for the purpose of paying the principal and interest costs associated with the construction of a new delivery service office in Bismarck (Senate Bill No. 2070).
- Amends Section 4 of Chapter 433 of the 1999 Session Laws to provide a continuing appropriation for moneys in the unemployment compensation incentive fund (Senate Bill No. 2071).

Date: 2-8-01

Roll Call Vote #: 1

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2017

Senate Appropriations Committee

☐ Subcommittee on _____

or

☐ Conference Committee

Legislative Council Amendment Number 18043.0101

Action Taken Do pass as amended

Motion Made By Sen Holmberg Seconded By Sen Grindberg

Senators	Yes	No	Senators	Yes	No
Dave Nething, Chairman	✓				
Ken Solberg, Vice-Chairman	✓				
Randy A. Schobinger	✓				
Elroy N. Lindaas					
Harvey Tallackson	✓				
Larry J. Robinson	✓				
Steven W. Tomac					
Joel C. Heitkamp	✓				
Tony Grindberg	✓				
Russell T. Thane	✓				
Ed Kringstad	✓				
Ray Holmberg	✓				
Bill Bowman	✓				
John M. Andrist	✓				

Total Yes 12 No 0

Absent 2

Floor Assignment Senator Holmberg

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

REPORT OF STANDING COMMITTEE

SB 2017: Appropriations Committee (Sen. Nething, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). SB 2017 was placed on the Sixth order on the calendar.

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purpose of paying the principal and interest costs associated with the acquisition and renovation of land and a building to be used as an office facility by job service North Dakota in Bismarck, North Dakota. Moneys in this fund are appropriated for the purpose of paying the costs of repair, renovation, or alteration of job service-owned office facilities. Moneys in this fund are appropriated for the purpose of paying the replacement rate charged for use of state fleet vehicles.

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SECTION 6. AMENDMENT. Section 4 of chapter 433 of the 1999 Session Laws is amended and reenacted as follows:

SECTION 4. APPROPRIATION. The unemployment compensation incentive fund is established from all moneys credited to this state under section 2 of this Act for federal fiscal years 2000, 2001, and 2002. ~~The amount of \$327,000 from this unemployment compensation incentive fund, to the extent funds are available in this fund, is hereby appropriated to job service North Dakota every year in which job service North Dakota achieves an average duration of benefits that is at least one half week less than the average duration of benefits for the preceding program year, excluding every claimant who is on temporary layoff and returning to employment with the former employer within four weeks and excluding every claimant with demonstrated job attachment and a reasonable expectation of returning to a former base period employer once work becomes available for the biennium beginning July 1, 1999, and ending June 30, 2001. All moneys in this fund are appropriated to job service North Dakota for administration of the unemployment compensation program.~~

Renumber accordingly

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Senate Bill No. 2017 - Job Service - Senate Action

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FTE	389.78	0.00	389.78

Dept. 380 - Job Service - Detail of Senate Changes

	INCREASES FUNDING FOR WORK FORCE 2000 ¹	TOTAL SENATE CHANGES
Salaries and wages		
Operating expenses		
Equipment		
Capital Improvements		
Grants		
Work Force 2000	<u>\$250,000</u>	<u>\$250,000</u>
Total all funds	\$250,000	\$250,000
Less estimated income	-----	-----
General fund	\$250,000	\$250,000
FTE	0.00	0.00

¹ This amendment increases funding for Work Force 2000 by \$250,000 for total funding of \$2,250,356, which represents an increase of \$1,000,356, from the 1999-2001 biennium.

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- Amends Section 4 of Chapter 433 of the 1999 Session Laws to provide a continuing appropriation for moneys in the unemployment compensation incentive fund (Senate Bill No. 2071).

2001 HOUSE APPROPRIATIONS

SB 2017

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2017

House Appropriations Committee
Education and Environment Division

☐ Conference Committee

Hearing Date March 12, 2001

Tape Number	Side A	Side B	Meter #
1 of 1	Starting at 1330	x	1,120

Committee Clerk Signature

Judy Schock

Minutes:

Representatives Aarsvold, Boehm, Gulleason, Martinson, Monson, Wald, Wentz.

Representative Wentz: We will open the hearing on SB2017, the budget for the Job Service of North Dakota.

Maren Daley: Executive Director with Job Service of ND. Please take note of the ND Labor Market Advisor, nothing is sugar coated. See attached. Bottom line on this report shows in order to improve over the next decade, two things need to happen. The state need greater economic diversification and we also need population growth. ND generated 63,000 new jobs in the 90's with virtually no change in population. Clearly people are working now that were not previously. More people are holding multiple jobs. This is a fact I am not proud of. ND ranks at the highest percentage holder of multiple jobs in the Nation. Because of wage levels more ND are having to work multiple jobs in order to support their families and their life styles. ND ranked 49th out of 50 states in wage levels with only Montana being lower. The concept put

forth is the cost of living in ND makes up for wage levels. Again in the research says not quite true. Even with a lower cost of living in ND it does not make up for the higher wages, weighed against the cost of living in neighboring larger economic areas. We need to bring in higher technology, higher paying jobs. I support for paying higher skills. This is the bad news.

Continuing on with testimony attached. (2390) First Maren tells about her back ground. The restructure under tab 2. (2775) Continuing on.

Representative Wald: (4960) If we could get to the budget I am looking at the first engrossed bill. In the original budget book I see a line item, capital improvements 2.7 million and the engrossed bill is 453,000. What happened?

Maren Daley: Capital improvements includes our request for a new Bismarck service office. Through our one stop delivery programs, most of our office could be upgraded for one stop center with little or no modification. Our Bismarck office is totally inadequate.

Representative Wald: The bill states in section 4 acquisition and renovation of land and buildings. Are you contemplating buying a building or building your own? Would you not renovate the old building? What kind of rent are you paying at the location on divide?

Maren Daley: The plans if approved we would be buying land and building a building for the local Bismarck Service office. The down town customer service office, yes we would be moving out of that. The state building, they will be moving back in, in August. We own the building on divide. Job service owns most of its own buildings.

Representative Wald: What are your plans in Grand forks?

Maren Daley: That renovation expansion already too place.

Representative Wald: Again back to section 4 you show continuing appropriation and the word continuing makes people in Appropriations nervous. Why does it have to be continuing appropriation?

Wayne Kinden: (5520) We are asking continuing appropriation authority in our federal advance interest payment account fund because of the nature of the expenses that are made there are over a period of a long term. Normally we finance those buildings over a 30 year period.

Representative Wald: So the continuing appropriation is to amortize buildings?

Wayne Kinden: that is the main purpose of it. There are three other things the federal advance interest payment account can be used for. One to repay advances if our unemployment insurance trust fund were to go into the red. The second purpose that we do use it as mentioned to pay on the financing of our current Grand forks building. The third purpose is that we can't pay for the replacement costs to state fleet vehicles when we rent those out of federal funds. So we need this for a source of funds for that purpose as well.

Representative Wald: (5710) In section 3 of the bill, it says there is 150,000 appropriation for a program not within 5 miles within any city with the population of more than 8,000. What are we talking about?

Wayne Kinden: That section of the bill pertains to the work force 2000 program. There was a provision section 3 in our current appropriation bill and that is carried forward in this one to assure the minimal amount is expended in the rural areas for work force 2000. What you quoted is the definition for rural areas.

Representative Wald: In section 5, is the authorization to charge fees for a job task analysis services. Is that a new program?

Maren Daley: Yes, that is a program I was talking about the service to business to better identify the schools required when hiring so you can better retain people and hopefully lower the cost of turn over. The fees charged to the business would be negotiated by contract up front. The fees are to cover the cost of job service obtaining materials to deliver that service from the proprietor. Estimates were made based on the number of job task analysis, customers we might have in the extent and delivery. This is an added service to particular business who want to take it to that next level. In the pilot project it was found that business were willing to pay a fee from 1300 up to 3500 dollars for this added valued service. The reason we need to charge is because we can't deliver with out watering down our core services. The fee structure is based on per business not per head. In the pilot program they researched across the country who might provide these types of services and these were found to be the premier providers. There aren't that many out there, but the premier providers at a reasonable cost and having the two providers enables us to fit both more of a secretarial entry position type of jobs as well as more professional jobs. Continuing on with the appropriation portion. Tab 6 shows the break out of federal funds and where they go.

Representative Wentz: The Senate amendment added 250,000 to that. The original request was 1,356,000 is that correct?

Maren Daley: The Senate amendment supported the Governor's budget request to this level. The Schafer budget had the 1,356,000. Realize in the last legislative session, work force 2000 was cut substantially. That is the initial increase back up to more normalize funding levels. Between Governor Schafer and Governor Hoeven there was an additional 250,000 added in Governors budget.

OMB: (300) Governor Schafer's budget added 750,000 and Governor Hoeven's added another 250,000 beyond that.

Representative Wald: The original budget book was 2,356,000 was it not? That would be the Schafer budget. For the executive recommendation. The Senate changes make it 2,250,000.

Do you know the amount of premium dollars paid by employers of ND?

Maren Daily: On an annual basis, it is about 38 million in round numbers.

OMB: Unless I am looking at something incorrectly Rep Wald, I showing a recommendation of 2,356,000. That was the 750,000 that Governor Schafer added from the previous biennium.

Representative Wald: What is the balance in our trust fund in ND? We are not any where near having to increase the tax to remain solvent in ND with relatively full employment. Is it fair to say it doesn't look like there will be an increase with that size fund?

Maren Daily: 31.7 million at the end of December. Over all across all employers, no. There will be some employers because of operating on the negative side for their funding, they will higher premiums. The whole purpose of 1135 last time was to be sure that those who have more draws than they pay in premiums, their premiums will increase. That would be the normal based on their occupation. The special funds are listed on page 8. They do not come out of the general fund.

Representative Wald: We also have a payroll cap on workers comp where you don't. Isn't that where a lot of the discrepancies is, varies caps? Are you being bombarded by private sector to have those two reports combined? To your third question, no. We are very focused on making it easier for business to report, but they are not asking for the combined reporting.

Maren Daily: We do. That is 17,000. Various caps, also timing for periods of reporting, yes. 1100 out of 18,000 are electronic. That would not necessarily be the large employers.

Bill Shalhuts: (885) I represent the Economic Development Association of ND. We stand in support of the work force bill. I wanted to note it is a service that is tremendously in demand.

The last biennium the 1.250,000 dollars was used in the first 6 months. I think it speaks for the demand and need. If we could get that money in there it is important to the economic development effort to do so.

Lee Peterson: (945) Director of Economic Development and Finance. The work force 2000 project has been involved in ND for several years. We have used it extensively in my work in Minot, both for expanding existing companies and assisting new companies. It makes us very competitive with other states trying to recruit companies. Raising the wages in ND has very much to do improving the skills of our work force. We hope you look on it favorably.

Dale Anderson: Representing GNDA. I strongly support the Job Service budget. More particularly the work force 2000 recommendation. The new economic initiative will bring forth what the number of new initiatives. One segment dealing with developing the work force.

Representative Wentz: Does anyone else wish to appear in opposition of SB2017? Anyone else to speak in favor of SB2017? Seeing none we will close the hearing on SB2017.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. Committee Work

House Appropriations Committee
Education and Environment Division

☐ Conference Committee

Hearing Date March 12, 2001

*Job Service
2017*

Tape Number	Side A	Side B	Meter #
1 of 1		Starting at 1235	5,420
Committee Clerk Signature <i>Judy Schock</i>			

Minutes:

Representatives Aarsvold, Boehm, Gulleeson, Martinson, Monson, Wald, Wentz.

Representative Wentz: I am going to appoint sub committees first 2021 the Ag Research bill I am going to appoint Rep Boehm, Rep Wald and Rep Aarsvold. I also wanted us to talk about Job Service and Administrative Hearing.

Representative Wald: On Job Service I think the only question is, since it is all federal and employer premiums is the amount of money we are going to put into the training area. This is the only issue, and needing to know from leadership how much we need to start trimming.

Representative Aarsvold: My concern on the Administrative Hearing is them not being responsible for the interest portion. I do understand they are not able to assess those interest cost to federal programs that they work with, but drops it back in the laps of the general fund. I would think they should be able to stand their own operating expenses. Rep Wald shares the

same concerns. Chairman Wentz asks the committee if they would like to hold it for a while or make a motion or act on it or any other comments.

Representative Martinson: On the work force money, is that general fund money? And How much was there?

Representative Wald: It was 2,000,234 and Hoeven added another quarter of a million.

Representative Martinson: Than we have work force money in the Universities, and I understand in Bismarck they really go begging to spend that money to convince the employers to do the training. We have really gotten high on that work force training.

Representative Wald: I think we could move it out of here, as a suggestion at about a million and a quarter. I think that would be ample considering there is money in other budgets. The work force training money and Job Service budget. That is not very scientific, but if you look at what we gave them last year I think that is where we ended up at.

Representative Martinson: I would second that.

Representative Monson: In light of the fact that we are funding them through the colleges too. I don't see any thing wrong with keeping them where they were at least in this budget. I would rather put it through the colleges than through here. That is my opinion.

Representative Martinson: I would hope we take some from the schools too.

Representative Wald: I would move that we remove 1 million dollars on the job service budget for job training. The engrossed bill is 2,250, 356. My motion would be to take out 1 million.

Representative Wentz: You seconded it Bob? Any discussion. That seems a bit harsh to me.

Representative Aarsvold: I guess I have a little reservation about the motion in light of us not knowing what the dollars are in the 2003 for that same effort. I would like to see a bottom line number before I voted on this motion.

Representative Wald: I can appreciate his concern and I would share that, except I think what ever movement we make on this Job Service budget, would give us some guidance on how we operate on 2003. I am going back in the budget book, and last year it was 1,250,000 in the Job Service. They should not complain they are getting a 356.00 increase. (chuckles were heard) That is money after all. We will obviously have input from the full committee when we waltz this one out for their consideration. Maybe waltz it out was a poor choice of words.

Representative Wentz: In the testimony didn't they tell us once they were out of money the first year? Yes, 6 months. If the colleges on the other hand are begging people to take advantage of their programs and that is something Rep Martinson says he has heard. It would than seem as if we have the money in the wrong place. This is where we should have more money and less on the other end. We could take a vote on that motion. It just seems harsh to me.

Representative Wald: If you want to wait, I can withdraw my motion. Can we temporarily skip the 2003 and see what is in there?

Representative Wentz: I looked there and I didn't see anything. It is not going to be easy to find it in that bill. It probably is somewhere in the individual campuses budgets under operations.

Representative Aarsvold: The higher Ed binder has something in it. Under section 11 in the resource guide book. Section 11 page 3.7 has some budget information. Specifically dealing with work force development. It appears this could be through the C Tech activity. The four regional campuses, the two year campuses set this up.

Representative Wald: I think if we are going to spend money for work force development, I think the campuses would do a better job than Job Service.

Representative Wentz: I would like to find out more on that, so I think I will ask you to withdraw that motion until we find out exactly what is in the campus budgets. Is that all right

with you? How about the Administrative Hearings budget? Their budget is about 54,724 less this biennium. Who is going to make a decision? Lets talk a little about 2003, the Higher Ed budget. During the hearing I asked the gentleman who over sees the EPSCoR project for information on how much of that research money had gone to their institutions, other than UND and NDSU. I have gotten several faxes from him. I did a quick addition in my head and it is probably between 270-300,000 from 92-2001 that went out to their institutions in the state. He did not include the total EPSCoR appropriations for those years. I think last year it was about 2 million. This year they want to up it to four. So there isn't much that is going out to the rest of the schools and that is what I wanted to find out. How do you think we should handle the 2003 budget? Would you like to work on it in sub committee as we have done it in other sessions? I am thinking we need to make some kind of a determination of the committee what we want to do with that budget. If we leave the line items that go out to the campuses as they are in 2003 with only two lines in them there isn't a whole lot we can do in sub committee's.

Representative Wald: I do appreciate Rep Martinson motion last week to break the budget down and historic as we know it format, which we got this morning. I had a conversation with one we all know Earl Strinden over the week end of another matter. His suggestion maybe a two year sunset so that the higher Ed people understand that we are looking over their shoulder and that we do have accountability, and we do get feed back from the college presidents hoping that no one gets starved out and the two big ones get the lions share.

Representative Wentz: I do think it is a train we are not going to be able to stop entirely but, I still would like to see us look at the System Office budget. I am not opposed for keeping the two line items for the campuses and allowing them that flexibility and keeping their tuition. I am concerned about the huge dollars we have put into the system office and the amount of control

and power we have given them. I wonder as the House of Representatives we couldn't make a difference knowing what the sentiment is from a lot of our members.

Representative Martinson: I talked to the same person who told me one of the main inputs behind this close Mayville and Bottineau and make Dickinson and Valley City 2 year schools. Also that the accountability standards are so tough that those colleges will not be able to meet them. So it will give the board what they need to make the decisions.

Representative Wald: I think the constitution says there shall be a four year school at Valley City and Mayville.

Representative Martinson: I don't think it says four years.

Representative Wentz: How do the rest of you feel about the bill.

Representative Boehm: (3106) I am worried about the Chancellor's office with all that extra money, the pool money. I think we should delegate some of that to each college rather than give them the option to do what they want. I am worried about some of the smaller colleges getting their fair share. I know the Chancellor says everyone is on board but probably monetarily.

Representative Monson: I am kind of leaning toward what Rep Wald was saying. Maybe we can do a sunset of two years, see how it works. I also like the idea you said we should really go through that budget a little higher. There is a lot of money and a lot of flexibility. Maybe too much flexibility and not much accountability. I am thinking that two years is not that much can happen that we can't pull back in the reigns if we have to

Representative Aarsvold: (3250) I voice my concerns last week, we are certainly conceding an immense amount of responsibility and authority by listening to the details of the Roundtable. I was a part of the Roundtable there are a lot of things there that are good. It is an issue of trust I think, and accountability, and I have concerns about that because I think the trust has been

breached in the past and I see no reason it may not be breached in the future in light of limitations and accountability. So those are the concerns I have.

Representative Wentz: I have heard there are some people out there that are giving them this authority, some of the Senators have said . They better not make any mistakes. So they are almost giving them the authority looking for them to fail so they can come down hard on them, on the campuses around the system. I guess that is not our concern if give them what they are asking for.

Representative Gulleson: I am wondering if there is some more comfortable middle ground here, where we do give the flexibility to the campuses so they can meet the situations as they arrive. Yet I think the preference for so many of us is to keep a little more control over the System office. As Rep Aarsvold expressed not really concede the role of the legislature in determining the dollars that go out to those campuses. I don't know how we can word all of this to come to some kind of middle ground, but I don't think it has to be all or nothing. I would hope not.

Representative Wald: One of the questions I have. Who really runs the Higher Ed System? The Chancellor or the Board? Looking at the board there are only about two people who assert themselves, as I get the story and read it in the papers etc., who fully understand and take the time to do some in-depth study about not only what is suggested by the Chancellor and college Presidents. If that is the case, than maybe the legislature has to assume a more serious role in how the money is spent and where. I agree with Pam, I don't know what that middle ground would be. I know that some of these college president s are nervous. Some of these audits we get there is some serious miscalculations and misappropriations where the money should have been spent. The more leigh way you give the more of that you are going to have. What's the answer I don't know.

Representative Wentz: I don't know either, but a sunset may be one place to began.

Representative Martinson: I think it was a matter of having Roundtable's interim committee's, we wouldn't need to meet. Just because 61 people got together you look up the makeup to the 61 people, as Rex said the other day in committee is there really any doubt on what is going to happen. Of course everyone is in line. The presidents are paid by the board, you look at the raises they get and how. I think that is questionable too, when you pay Dr. Chaffee and Mayville and Valley City got the lowest salary increase of anybody. DR Thigpen gets the same amount of money as the President of Minot State. It is hard to figure how they come up with these things, other than to keep people in line.

Representative Wentz: I would like more information on their evaluation process, and what criteria they use, if any. If any objectivity at all. I suppose that is a question we could ask.

Representative Wald: The other day you passed out a sheet with salaries and I don't begrudge people of that, but when Laura Glatt makes as much as the President of Dickinson State, I am wondering if that is realistic.

Representative Wentz: One of their employees gets a 30,000 increase in one year. You wonder about that too.

Representative Martinson: Just for our Republican caucus, I think they expect us to look into this a little bit rather than just pass it off. There were two people that thought we should agree with the Roundtable. The rest said no, we want to change it. I think we owe it to at least our caucuses if not the people that elected us to dove into this a little bit.

Representative Aarsvold: If I could speak for the minority, I think there is a similar sense on our side. We do cover the gambit in terms our opinions of the Roundtable, but I think there is a majority that want us to explore and come up with alternatives at least consider it.

Representative Wentz: Are all of you sufficiently interested in this we should try it as a section or would you be okay with a sub committee to work on it? If we did it in sub section we would no need some people on each campus because it seems to me what I am hearing it is the system office we are more interested in looking at. We have the amendment that breaks it out for the campuses, it is just the pool dollars.

Representative Monson: Maybe a sub committee to work on the budget for higher Ed office in greater detail. We could look at these pools of money in the Roundtable discussion etc.

Representative Wentz: I have not spent a lot of time looking at the accountability measures that are in there, and how many pertain to the board office, or are they all directed at the campuses.

Representative Martinson: They are the campuses. That is the pressure point. You have heard a couple of the presidents say they thought they were pretty stringent. I would go along with doing it as a whole committee. I think we should get going on it.

Representative Wald: To shift a little 2021 research. The criticism that I hear from not only farmers but from station managers is that last week they were given 2 minutes. There were people that drove in from Langdon, Minot, Dickinson and where all. They were not given time to tell their story. I realize we have time constraints here, but I think they were almost told by Fargo to keep it short and best you not say anything. I have the same exact concern in extension and research as I do with higher Ed in general.

Representative Wentz: you are on that sub committee so make some changes. I think we will work as a section on 2003, but to get some direction, I am going to appoint a sub committee to began digging into the system office. I think we will spin our wheels too long as a complete section if we don't have some preliminary work done. I will put myself, Rep Martinson and Rep Aarsvold. Lets put Pam on 2021 instead of Olie on both.

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Education and Environment Division

Bill/Resolution Number Committee Work

Hearing Date March 12, 2001

Representative Wald: Would it be appropriate to have a sub committee check out this work force development, as it relates to both Job Service and 2003. I am looking at my friend Monson, he understands Vo Ed and Gulleson would like too.

Representative Wentz: Any thing else to get these bill going and out? If not we adjourn.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2017

House Appropriations Committee
Education and Environment Division

☐ Conference Committee

Hearing Date March 26, 2001

Tape Number	Side A	Side B	Meter #
1 of 1	Starting at 5650	x	
Committee Clerk Signature <i>Judy Schrock</i>			

Minutes:

Representatives Aarsvold, Boehm, Gulleon, Martinson, Monson, Wald, Wentz.

Lee Peterson: Executive Director, ND Department of Economic Development and Finance. A run down on work force development and training advisory board and who they are and the amendment. Went through handout. (circles)

Representative Martinson: (248) Couldn't all of the arguments that have used over the past weeks to create a commerce departments and the reasons to put those agencies into one area? Couldn't those exact same arguments to create one central area for all of these programs too?

Lee Peterson: I would refer you to the second page again . Our greatest desire is the opportunity for some time to evaluate all the work force programs occurring in ND. Our work force development division in all reality is not even developed at this point. We have had the great success in hiring the person who can do it better than anyone in the world, and that is Mr. Jim Hersch, who is going to run the division for us. What we really want to do looking at those three

circles, we have visited with Marin Daily from Job Service, Larry Laask, and our great desire is to go through a time of assessing all the things that are occurring in the work force development, plus some new developments.

Representative Martinson: Do you think if we hired Miles, the guy from National Association of Economics to consult with us over the interim, he might come to the conclusion we should put them all in Economic Development Department?

Lee Peterson: Let me give you a prime example when we began this in Commerce on the Senate side there were some Senators who had a great desire to put Work Force 2000 in Commerce. On the surface it sounds and looks good. When in fact if you spend a little time looking at it, not only does Job Service have Work Force 2000, the new jobs training bill but, all the federal job training programs. If in fact you remove Work Force 2000 you de-couple some coordination rather than make it better. Not always is putting everything underneath one department the best thing to do. We would like to have some time to look at that.

Representative Wald: You have no desire at this point in time to move the four quadrants in C Tech from vocational education to ED and F, and all the coordinating that goes with it.

Lee Peterson: The work force training quadrants have been in place for two years. As I have traveled around the State of ND I have heard from local developers and local private business people the work of the quadrants, which appears to be all but in two areas of the state doing extremely well. One area got a very slow start because they had the wrong people in place. I think what is important right now, they have been running for two years and appear to be going down the road in the right direction. The opportunity to assess those directions and provide you with a report is perhaps more important than where those work force quadrants lie. My belief is that with the agreements that we have with everyone to work forward on a better work force

development strategy, we are going to change many things occurring. One thing we have to look at, we have people in communities who need more workers. We have to begin to talk about recruitment of workers. We have to do that with the Higher Education folks, and with the Job Service folks, and every one else. We have a lot of issues in Work Force Development that we must address. I will guarantee you we will come back to you with a consolidated report that address all of those issues. Hopefully a shorter time.

Representative Wald: (580) I am sure you saw the summary of all the Work Force Development kinds of activities that Legislative Council put together for this committee. In the current biennium in general funds only, you are at 2.4 million dollars. The Schafer request was 3.2, the Hoeven request was 3.9, as of cross over, all the Senate bills are at 4.7. That is about doubling the general fund money in one biennium.

Lee Peterson: My understanding is the Governor's desire for the work force training quadrants is 1,350,000. Work force 2000 is 2,250,356 dollars. Those are the two programs that provide major revenue in work force development. The programs that are doing the good in work force development issues. We have just gone through senses and we in ND have serious problems, and one of the things needed to address this problem is a serious work force development issue. I believe the funding in the increase that you are saying is trying to address that problem. We will do every thing in our power to make sure this money is spent to the very best effort it can be spent for in training people, for higher paying new technology jobs.

Representative Wald: At a previous appearance before the committee, I believe you suggested that perhaps an interim study was in order? Do you still feel that way?

Lee Peterson: It is our desire with Jim Hersch, and the Work Force Development Council to look at all work force development issues. If an interim study, by this body will assist that, it is

something that involves many programs and direction, both Federal and State. We are going to do the best in our power with the Council, to address all of those issues, and come back with a report on where we are today, and where we need to go. If this body chooses to have a interim study, that certainly would go hand and hand with the study we are doing to do at the Department of Commerce assuming we have one..

Larry Laask: Chancellor of the University System. We sat down last week with ED and F, Job Service and all of those folks. We are willing to work together. We think ED and F, and Job Service are some good partners and think this is a good direction to go. We would like to give it a shot to see. Maybe there is some improvements to be made in the delivery system. Maybe it can be worked through and coordinated better. If the Legislature decides to have an interim study on this thing, like Lee said, that would probably go hand and hand. So we are supportive with what has been proposed here this afternoon.

Marin Daley: Job Service ND. I concur with Lee Peterson. We have worked through this extensively and both made significant commitments to bring the Work Force Development Council up to the level it is in essence the Board of Directors for Work Force Development programs. I feel it is an excellent coordinating tool both for delivery of services, with minimized duplication, and also for developing a common reporting system so when we bring this to the Legislation it makes sense and you have a good feel for the return and benefit and can see actually what these programs are doing. I am very supportive and Job Service will continue under this proposal to deliver Work Force 2000 very efficiently and we deliver it for the deals Commerce goes out and finds, and we have the programs administration in place to do it.

Representative Wald: Does President Donna Thigpen from BSC have any comments?

Donna Thigpen: I would say that I have been a part of the discussions in the last few days in terms of these coordinated efforts. It would work very well for us to work with the new Department of Commerce, and Job Service. We have been working with these entities and I think it is very easy to get confused on who does what. To be seeing the diagram of the concentric circles puts it into perspective and is easy to see where we fit in this. I think there has been some confusion about an entity called C Tech, Council of Technical Education Colleges. Just as the point was made about de-coupling things here. Many things that go on at C Tech have a better and easier name to describe that might be the Council of Community Colleges. That is the body that coordinates everything we do in community colleges not just the Work Force Training piece, and was in place long before that. Moving the funding that comes for the quadrants in terms of work force training into a different entity with the idea that would negate the necessity of having C Tech. That simply would not be the case., We are going to have the various activities of the two year colleges coordinated in some fashion in order for us to deliver the types of programs and do it without the kind of duplication that Rep Gulleeson made reference to earlier. I am very supportive in working together to a consolidated report that would give you in one document the big picture of what we do.

Steve Aglund: (1225) Bismarck Mandan Development Association and a board member on the Economics Developers Association of ND. One thing I wanted to stress is we hear about some of the systems that aren't working from the college quadrant system. In Bismarck they are a very important and integral part of what we do in the city of Bismarck, Mandan and the community which we serve. We have gotten to the point now where they are an active participant in those early discussions we have with companies. Last summer there was one company that was working very hard. We had made a shortness to bout the three companies. When we were

dealing with that organization trying to give them our best incentive package it continued to come back to a continual training for the employees they were going to be hiring. That is when we began working with Donna and her crew, and all the people at BSC. I can tell you that was one of the key stones to that companies needs. Without them I don't know that we would have gotten as far as we did. For us I am here to tell you the college quadrant system is or isn't today, I can tell you that in our area it certainly does work and I think you would hear that from other developers in other areas. Perhaps a better way or to find a not better way needs to be addressed. It works very well for us in the Bismarck and Mandan area.

Representative Wald: You gave us a list about some of the programs you were involved in ,in the current biennium. You had a program here teaching people to pass the insurance exam for Dynamic Marketing with fifteen people involved. Why would Job Service get involved in training people to pass an insurance license test?

Jim Hirsch: That program was a proposal from a company that has several sites. One in Cooperstown, Fort Berthol Reservation area and several around. It was a rural project and new start up in expansion. One of the areas they had was to get into the insurance license surf which moved the individuals they were employing from a relatively low wage job of around 6.00 an hour to 15.00. That was one of the reasons the Work Force advisory committee had recommended with that type of training.

Representative Wald: I can understand training for welders for who ever, but to spend tax payers money on that kind of a program just doesn't in my judgment fit into what you should be all about. That is only one. There are about 50-60 more items here and the number of people involved and dollars spent etc. etc. I am wondering if we shouldn't be more selective in where we are spending our money.

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Education and Environment Division

Bill/Resolution Number SB2017

Hearing Date March 26, 2001

Jim Hirsh: I think that was the intent of the committee and if it had not been in a rural area where there were no other jobs opportunities available and this did create some job opportunities, and work at a living wage. Those are the things the committee took into consideration.

Representative Wentz: Thank you all for taking the time to come in. We are adjourned.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2017

House Appropriations Committee
Education and Environment Division

☐ Conference Committee

Hearing Date March 29, 2001

Tape Number	Side A	Side B	Meter #
1 of 1	Starting at 1800		2,493
Committee Clerk Signature <i>Judy Schock</i>			

Minutes:

Representatives Aarsvold, Boehm, Gulleason, Martinson, Monson, Wald, Wentz.

Representative Wentz: We will act on SB2017

Representative Wald: See amendment 18043.0203. The only change we made is work force 2000. The Schafer budget was for 2,000,356. The Senate increased that to 2,250,356, which is the Hoeven recommendation. We are taking 250,000 which is general fund money out and move back as per the original recommendation. The bottom of the page explains what I just said. With that I would move the amendments 18043.0203. Rep Boehm second the motion.

Representative Wentz: Is there any discussion?

There was discussion on the increase and that no one training will be left out. Job Service doesn't do the training themselves. Those in favor of amendments say I, those oppose. The motion passes. Rep Wald makes a motion for a do pass as amended. Seconded by Rep Boehm.

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Education and Environment Division

Bill/Resolution Number SB2017

Hearing Date March 29, 2001

Chairman Wentz asked for discussion. Hearing none the roll was taken. Six yes, 0 no, 1 absent.

Rep Wald to carry to the floor.

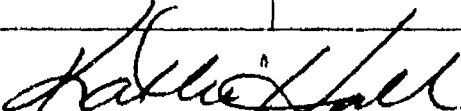
2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2017

House Appropriations Committee

☐ Conference Committee

Hearing Date March 30, 2001

Tape Number	Side A	Side B	Meter #
03-30-01 tape #1		260- 2180	
Committee Clerk Signature 			

Minutes:

The committee was called to order, and opened committee work on SB 2017, Job Service.

Rep. Wald: Explains the bill and amendment .0203, that the subcommittee worked on.

Moves to adopt the amendment. Seconded by Rep. Wentz.

(Some questions by committee members).

Voice vote adopts the amendment.

Rep. Berg: has a proposed amendment 18043.0204, relating to negative balances in employer accounts. Explains the problem encountered and the need for this amendment.

(Committee discussion, questions and answers).

Rep. Wald: Moves to adopt amendment .0204. Seconded by Rep. Monson.

Voice vote adopts the amendment.

Rep. Wald: Moves DO PASS AS AMENDED. Seconded by Rep. Monson.

Vote on Do Pass as Amended : 19 yes, 2 no, 0 absent and not voting.

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House Appropriations Committee

Bill/Resolution Number SB 2017

Hearing Date March 30, 2001

Rep. Wald is assigned to carry this bill to the floor.

Date: March 12, 01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. Appropriations Education and Environment Division

House _____ Committee _____

☒ Subcommittee on HB 3017
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken Remove 1 million dollars.

Motion Made By Wald Seconded By Martinson

Representatives	Yes	No	Representatives	Yes	No
Rep. Janet Wentz -Chairman					
Rep. James Boehm - Vice Chairman					
Rep. Ole Aarsvold					
Rep. Pam Guleson					
Rep. Bob Martinson					
Rep. David Monson					
Rep. Francis J. Wald					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

Withdraw

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2017

Page 1, line 18, replace "2,250,356" with "2,000,356"

Page 1, line 19, replace "58,560,160" with "58,310,160"

Page 1, line 21, replace "2,250,356" with "2,000,356"

Page 2, line 2, replace "\$2,250,356" with "\$2,000,356"

Page 3, line 19, after "appropriated" insert "on a continuing basis"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2017 - Job Service North Dakota - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$33,830,614	\$33,830,614		\$33,830,614
Operating expenses	13,420,143	13,420,143		13,420,143
Equipment	786,830	786,830		786,830
Capital improvements	453,546	453,546		453,546
Grants	7,818,672	7,818,672		7,818,672
Work Force 2000	<u>2,000,356</u>	<u>2,250,356</u>	<u>(\$250,000)</u>	<u>2,000,356</u>
Total all funds	\$58,310,160	\$58,560,160	(\$250,000)	\$58,310,160
Less estimated income	<u>56,309,804</u>	<u>56,309,804</u>		<u>56,309,804</u>
General fund	\$2,000,356	\$2,250,356	(\$250,000)	\$2,000,356
FTE	389.78	389.78	0.00	389.78

Dept. 380 - Job Service North Dakota - Detail of House Changes

	DECREASE FUNDING FOR WORK FORCE 2000 ¹	TOTAL HOUSE CHANGES
Salaries and wages		
Operating expenses		
Equipment		
Capital improvements		
Grants		
Work Force 2000	<u>(\$250,000)</u>	<u>(\$250,000)</u>
Total all funds	(\$250,000)	(\$250,000)
Less estimated income		
General fund	(\$250,000)	(\$250,000)
FTE	0.00	0.00

¹ This amendment decreases funding for Work Force 2000 by \$250,000, from \$2,250,356, which represents the level of funding recommended in the Hoeven executive budget to \$2,000,356, which is the level of funding recommended in the Schafer executive budget. The proposed level of funding for Work Force 2000 for the 2001-03 biennium of \$2,000,356 represents an increase in funding from the general fund of \$750,356 from the 1999-2001 biennium.

Date: 3/29/01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. Appropriations Education and Environment Division

House _____ Committee _____

☒ Subcommittee on SB 2017
or
☐ Conference Committee

Legislative Council Amendment Number 18043.0203

Action Taken Motion Move Amendments

Motion Made By Rep. Wald Seconded By Rep. Boehm

Representatives	Yes	No	Representatives	Yes	No
Rep. Janet Wentz -Chairman					
Rep. James Boehm - Vice Chairman					
Rep. Ole Aarsvold					
Rep. Pam Guleson					
Rep. Bob Martinson					
Rep. David Monson					
Rep. Francis J. Wald					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

*Verbal Vote
Passes*

Date: 3/29/01
Roll Call Vote #:

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. Appropriations Education and Environment Division

House _____ Committee _____

☐ Subcommittee on SB 2017
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken As per as Amended

Motion Made By Rep. Wald Seconded By Rep. Boehm

Representatives	Yes	No	Representatives	Yes	No
Rep. Janet Wentz -Chairman	✓				
Rep. James Boehm - Vice Chairman	✓				
Rep. Ole Aarsvold	✓				
Rep. Pam Gulleon					
Rep. Bob Martinson	✓				
Rep. David Monson	✓				
Rep. Francis J. Wald	✓				

Total (Yes) 6 No 0

Absent 1

Floor Assignment Rep. Wald

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

Date: 3-30-01
Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2017

House APPROPRIATIONS Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number 18043.0203

Action Taken Motion to adopt amendment

Motion Made By Rep. Wald Seconded By Rep. Wentz

Representatives	Yes	No	Representatives	Yes	No
Timm - Chairman					
Wald - Vice Chairman					
Rep - Aarsvold			Rep - Koppelman		
Rep - Boehm			Rep - Martinson		
Rep - Byerly			Rep - Monson		
Rep - Carlisle			Rep - Skarphol		
Rep - Delzer			Rep - Svedjan		
Rep - Glassheim			Rep - Thoreson		
Rep - Gulleason			Rep - Warner		
Rep - Huether			Rep - Wentz		
Rep - Kempenich					
Rep - Kerzman					
Rep - Kliniske					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

passed

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2017

Page 1, line 3, after "reenact" insert "subdivision a of subsection 3 of section 52-04-05 and"

Page 1, line 4, after "to" insert "unemployment compensation employer rates."

Page 1, line 5, after the first "fund" insert a comma

Page 1, line 6, remove "and" and after "appropriation" insert "; to provide an effective date; and to declare an emergency"

Page 2, after line 5, insert:

"SECTION 4. AMENDMENT. Subdivision a of subsection 3 of section 52-04-05 of the North Dakota Century Code as amended in section 1 of House Bill No. 1471, as approved by the fifty-seventh legislative assembly, is amended and reenacted as follows:

3. a. Except as otherwise provided in this subsection, an employer's rate may not be less than the negative employer minimum rate for a calendar year unless the employer's account has been chargeable with benefits throughout the thirty-six-consecutive-calendar-month period ending on September thirtieth of the preceding calendar year. If an employer in construction services has not been subject to the law as required, that employer qualifies for a reduced rate if the account has been chargeable with benefits throughout the twenty-four-consecutive-calendar-month period ending September thirtieth of the preceding calendar year. If an employer in nonconstruction services has not been subject to the law as required, the employer in nonconstruction services qualifies for a reduced rate if the account has been chargeable with benefits throughout the twelve-consecutive-calendar-month period ending September thirtieth of the preceding calendar year. During the building of the trust fund reserve, the rate assigned to an employer may not exceed one hundred thirty percent of the previous year's rate for that employer and an employer may not receive more than a ten percent decrease in that employer's rate from the previous year's rate, for the calendar years 2000, 2001, and 2002. However, this rate limitation provision for calendar years 2000, 2001, and 2002 does not apply to an experience-rated employer that was a new employer the previous year, a negative employer that was a positive employer the previous year, a positive employer that was a negative employer the previous year, an employer that has failed to file a report, a new employer, and an employer that chose to make payments in lieu of contributions. ~~During the building of the trust fund reserve for calendar years 2000, 2001, and 2002, a negative employer that was a negative employer the previous year may not make excess contributions under subsection 4 of section 52-04-06 to become a positive employer.~~ The executive director may provide any negative employer whose contributions paid into the trust fund are greater than the benefit charges against that employer's account, for a minimum of three consecutive years immediately preceding the computation date or

subject to the law as required, with up to a thirty percent reduction to that employer's rate for any year if that employer has in place a plan approved by the bureau which addresses substantive changes to that employer's business operation and ensures that any rate reduction provided will not put the employer account back into a negative status."

Page 4, after line 2, insert:

"SECTION 9. EFFECTIVE DATE. Section 4 of this Act is retroactively effective to January 1, 2000.

SECTION 10. EMERGENCY. Section 4 of this Act is declared to be an emergency measure."

Renumber accordingly

Date: 3-30-01
Roll Call Vote #: 2

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2017

House APPROPRIATIONS Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number 18043.0204

Action Taken to further amend

Motion Made By Rep. Wald Seconded By Rep. Monson

Representatives	Yes	No	Representatives	Yes	No
Timm - Chairman					
Wald - Vice Chairman					
Rep - Aarsvold			Rep - Koppelman		
Rep - Boehm			Rep - Martinson		
Rep - Byerly			Rep - Monson		
Rep - Carlisle			Rep - Skarphol		
Rep - Delzer			Rep - Svedjan		
Rep - Glassheim			Rep - Thoreson		
Rep - Gulleason			Rep - Warner		
Rep - Huether			Rep - Wentz		
Rep - Kempenich					
Rep - Kerzman					
Rep - Kliniske					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

passed

Date: 3-30-01
Roll Call Vote #: 3

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2017

House APPROPRIATIONS Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number 18043.0205

Action Taken Do Pass As Amended.

Motion Made By Rep. Wald Seconded By Rep. Monson

Representatives	Yes	No	Representatives	Yes	No
Timm - Chairman	✓				
Wald - Vice Chairman	✓				
Rep - Aarsvold	✓		Rep - Koppelman	✓	
Rep - Boehm	✓		Rep - Martinson	✓	
Rep - Byerly	✓	✓	Rep - Monson	✓	
Rep - Carlisle	✓		Rep - Skarphol	✓	
Rep - Delzer	✓	✓	Rep - Svedjan	✓	
Rep - Glassheim	✓		Rep - Thoreson	✓	
Rep - Gulleson	✓		Rep - Warner	✓	
Rep - Huether	✓		Rep - Wentz	✓	
Rep - Kempenich	✓				
Rep - Kerzman	✓				
Rep - Kliniske	✓				

Total (Yes) 19 No 2

Absent

Floor Assignment Rep. Wald.

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

Less estimated savings	\$5,585,882	\$5,585,882	\$5,585,882
General fund	\$7,702,550	\$7,704,120	\$2,364,180
FTE	63.00	63.00	0.00

Dept. 405 - Industrial Commission - Detail of House Changes

RECORD CHANGES AND FUNDING	TOTAL HOUSE CHANGES
Salaries and wages	\$20,000
Operating expenses	\$20,000
Equipment	
Capital improvements	
Grants	
Work Force 2000	
Total all funds	\$20,000
Less estimated income	
General fund	\$20,000
FTE	0.00

1. This amendment removes the Senate general fund reduction in salaries and wages of \$20,000.

Senate Bill No. 2015 - Other Changes - House Action

This amendment also removes Sections 14, 15, and 16 of the en-passed bill that limit Bank of North Dakota transfers to the general fund, provide legislative intent relating to a new information technology coordinator position for the Oil and Gas Division and Geological Survey, and provide for a Legislative Council study of the Industrial Commission.

REPORT OF STANDING COMMITTEE

SB 2017, as engrossed: Appropriations Committee (Rep. Timm, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (19 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2017 was placed on the Sixth order on the calendar.

Page 1, line 3, after "retract" insert "subdivision a of subsection 3 of section 52-04-05 and"

Page 1, line 4, after "to" insert "unemployment compensation employer rates."

Page 1, line 5, after the first "fund" insert a comma

Page 1, line 6, remove "and" and after "appropriation" insert "; to provide for retroactive application; and to declare an emergency"

Page 1, line 18, replace "2,250,356" with "2,000,356"

Page 1, line 19, replace "58,560,160" with "58,310,160"

Page 1, line 21, replace "2,250,356" with "2,000,356"

Page 2, line 2, replace "32,250,356" with "32,000,356"

Page 2, after line 5, insert:

"SECTION 4. AMENDMENT. Subdivision a of subsection 3 of section 52-04-05 of the North Dakota Century Code as amended in section 1 of House Bill No. 1471, as approved by the fifty-seventh legislative assembly, is amended and reenacted as follows:

3. a. Except as otherwise provided in this subsection, an employer's rate may not be less than the negative employer minimum rate for a calendar year unless the employer's account has been chargeable with benefits throughout the thirty-six consecutive-calendar-month period ending on September thirtieth of the preceding calendar year. If an employer in construction services has not been subject to the law as required, that employer qualifies for a reduced rate if the account has been chargeable with benefits throughout the twenty-four consecutive-calendar-month period ending September thirtieth of the preceding calendar year. If an employer in nonconstruction services has not been subject to the law as required,

the employer in nonconstruction services qualifies for a reduced rate if the account has been chargeable with benefits throughout the twelve consecutive-calendar-month period ending September thirtieth of the preceding calendar year. During the building of the trust fund reserve, the rate assigned to an employer may not exceed one hundred thirty percent of the previous year's rate for that employer and an employer may not receive more than a ten percent decrease in that employer's rate from the previous year's rate, for the calendar years 2000, 2001, and 2002. However, this rate limitation provision for calendar years 2000, 2001, and 2002 does not apply to an experience-rated employer that was a new employer the previous year, a negative employer that was a positive employer the previous year, a positive employer that was a negative employer the previous year, an employer that has failed to file a report, a new employer, and an employer that chose to make payments in lieu of contributions. During the building of the trust fund reserve for calendar years 2000, 2001, and 2002, a negative employer that was a negative employer the previous year may not make excess contributions under subsection 4 of section 52-04-05 to become a positive employer. The executive director may provide any negative employer whose contributions paid into the trust fund are greater than the benefit charges against that employer's account, for a minimum of three consecutive years immediately preceding the computation date or subject to the law as required, with up to a thirty percent reduction to that employer's rate for any year if that employer has in place a plan approved by the bureau which addresses substantive changes to that employer's business operation and ensures that any rate reduction provided will not put the employer account back into a negative status."

Page 3, line 19, after "appropriated" insert "on a continuing basis"

Page 4, after line 2, insert:

"SECTION 8. RETROACTIVE APPLICATION. Section 4 of this Act is retroactive in application to January 1, 2000.

SECTION 9. EMERGENCY. Section 4 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2017 - Job Service North Dakota - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$20,000,814	\$20,000,814		\$20,000,814
Operating expenses	12,420,143	12,420,143		12,420,143
Equipment	786,800	786,800		786,800
Capital improvements	453,545	453,545		453,545
Grants	7,818,872	7,818,872		7,818,872
Work Force 2000	2,000,356	2,000,356	\$2,000,000	2,000,356
Total all funds	\$54,310,160	\$54,310,160	\$2,000,000	\$56,310,160
Less estimated income	\$5,309,804	\$5,309,804		\$5,309,804
General fund	\$2,000,356	\$2,250,356	(\$250,000)	\$2,000,356
FTE	389.78	389.78	0.00	389.78

Dept. 380 - Job Service North Dakota - Detail of House Changes

INCREASE FUNDING FOR WORK FORCE 2000		TOTAL HOUSE CHANGES
Salaries and wages		
Operating expenses		
Equipment		
Capital improvements		
Grants		
Work Force 2000	\$250,000	\$250,000

Total Fund: \$2,000,000
 Less estimated income: \$2,000,000
 Current fund: \$2,000,000
 FTE: 0.00

1. The amendment decreases funding for Youth Force 2008 by \$250,000, from \$2,250,000, which represents the level of funding recommended in the House committee budget to \$2,000,000, which is the level of funding recommended in the Senate committee budget. The proposed level of funding for Youth Force 2008 for the 2007-08 biennium of \$2,000,000 represents an increase in funding from the general fund of \$750,000 from the 2006-07 biennium level.

This amendment also amends subsection 2 of subsection 3 of section 52-04-05 of the North Dakota Century Code as amended in Section 1 of House Bill No. 1471 to remove language relating to employer contributions.

REPORT OF CONFERENCE COMMITTEE

SB 2097, as engrossed: Your conference committee (Sens. Fischer, Erbele, T. Mathern and Reps. Devlin, Trexler, Niemeyer) recommends that the HOUSE RECEDE from the House amendments on SJ page 758, adopt amendments as follows, and place SB 2097 on the Seventh order.

That the House recede from its amendments as printed on page 758 of the Senate Journal and pages 827 and 828 of the House Journal and that Engrossed Senate Bill No. 2097 be amended as follows:

Page 1, line 1, remove "to create and enact a new section to chapter 50-24.4 of the North Dakota"

Page 1, line 2, remove "Century Code, relating to nursing home reporting requirements;" and replace "section" with "subsection 1 of section"

Page 1, line 3, after "and" insert "section"

Page 1, line 4, replace "; to repeal sections 50-24.4-23 and 50-24.4-25 of the North" with a period

Page 1, remove lines 5 and 6

Page 1, line 8, replace "Section" with "Subsection 1 of section"

Page 1, remove line 10

Page 2, remove lines 19 through 31

Page 3, remove lines 1 and 2

Page 3, line 10, remove the overstrike over "if the department fails to set rates at least forty days"

Page 3, remove the overstrike over line 11

Page 3, line 12, remove the overstrike over "number of days by which the department was late in setting the rates" and insert immediately thereafter "except when a facility fails to file a cost report by October first" and remove the overstrike over the period

Page 3, remove lines 13 through 18

Renumber accordingly

Engrossed SB 2097 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2102: Your conference committee (Sens. Lyson, Flakoff, Christensen and Reps. Severson, DeRose, Herbel) recommends that the HOUSE RECEDE from the House amendments on SJ page 805 and place SB 2102 on the Seventh order.

REPORT OF CONFERENCE COMMITTEE

SB 2116, as engrossed: Your conference committee (Sens. Traynor, Lyson, C. Nelson and Reps. Kretschmar, Grande, Mahoney) recommends that the HOUSE RECEDE from the House amendments on SJ pages 871-872, adopt amendments as follows, and place SB 2116 on the Seventh order:

That the House recede from its amendments as printed on pages 871 and 872 of the Senate Journal and page 928 of the House Journal and that Engrossed Senate Bill No. 2116 be amended as follows:

Page 1, line 8, remove the overstrike over "an infraction" and remove "a noncriminal offense"

Page 2, line 2, overstrike "1 or"

Page 2, line 3, after "dollars" insert "for a minor fourteen years of age or older who has been charged with an offense under subsection 2. The failure to post a required bond or pay an assessed fee by an individual found to have violated the ordinance or resolution is punishable as a contempt of court, except a minor may not be imprisoned for the contempt"

Page 2, line 4, replace "person" with "minor fourteen years of age or older" and remove "1 or"

Page 2, line 7, replace "under this section" with "of subsection 2"

Page 2, line 19, replace "under this section" with "of subsection 2"

Page 2, after line 26, insert:

"c. The failure to post bond or to pay an assessed fee is punishable as a contempt of court, except a minor may not be imprisoned for the contempt."

Page 2, line 28, overstrike "this section" and insert immediately thereafter "subsection 2"

Page 2, after line 31, insert:

"7. A person adjudged guilty of contempt for failure to pay a fee or fine may be sentenced by the court to a sanction or order designed to ensure compliance with the payment of the fee or fine or to an alternative sentence or sanction including community service."

Page 3, line 9, after "offense" insert "committed by a minor fourteen years of age or older"

Page 3, line 10, after "under" insert "subsection 2 of" and after "12.1-31-03" insert "or an equivalent local ordinance or resolution"

Page 3, line 12, overstrike "or"

Page 3, line 13, overstrike "and" and insert immediately thereafter "or"

1. Is under the age of fourteen years and has purchased, possessed, smoked, or used tobacco or tobacco-related products in violation of subsection 2 of section 12.1-31-03; and"

Page 3, line 20, overstrike "1." and insert immediately thereafter "g."

Renumber accordingly

Engrossed SB 2116 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2187, as engrossed: Your conference committee (Sens. Kizer, Lee, T. Mathern and Reps. Porter, Dosch, Sandvig) recommends that the SENATE ACCEDE to the House amendments on SJ page 853 and place SB 2187 on the Seventh order.

Engrossed SB 2187 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2197: Your conference committee (Sens. Lee, Wayne, D. Mathern and Reps. Severson, Grosz, Eckre) recommends that the HOUSE RECEDE from the House amendments on SJ pages 739-740, adopt amendments as follows, and place SB 2197 on the Seventh order:

2001 SENATE APPROPRIATIONS

CONFERENCE COMMITTEE

SB 2017

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2017

Senate Appropriations Committee

☒ Conference Committee

Hearing Date April 10, 2001

Tape Number	Side A	Side B	Meter #
Tape #1	x		0.0 - 27.4
Committee Clerk Signature <i>Jennie Peterson</i>			

Minutes:

Senator Holmberg, Conference Committee Chair, called the meeting to order on SB2017 - Job Service North Dakota.

Roll call: all 6 members present: Senator Holmberg, Chair; Senator Grindberg; Senator Lindaas; Representative Wald; Representative Monson, and Representative Gulleason.

Senator Holmberg asked Representative Wald to go through the amendments (18043.0205).

House put things back as the Schafer's budget recommendations -- felt 750 sufficient.

Senator Holmberg: The amendment to HB1471 --section 4 -- more explanation?

Representative Wald: Representative Berg requested this section be placed here.

Senator Holmberg: Why here? This bill was passed? What does it do?

Representative Wald: Can't recall. Perhaps Legislative Council can help us out?

Jim Smith, Legislative Council Staff: HB1471 already passed. Why here, can't speak to that.

Representative Wald: Perhaps need to call Representative Berg to refresh memories.

Page 2

Senate Appropriations Committee

Bill/Resolution Number SB2017

Hearing Date April 10, 2001

Roxanne Hobza, Legislative Council Staff: Appears it removes what should not have been added; notice strike-over on page 2.

Representative Monson: There was a problem in HB1471 -- discovered after passing, and Governor's signature --- used this bill as a vehicle for correction.

Representative Wald: Language on top of page 2 strikes out

Representative Gulleason: Something regarding the transfer of federal dollars?

Senator Holmberg: Have the bill?

Representative Monson: 1471 passed -- was intended to buy down rate if negative balance; provisions let them get lower rates (via buy down) --- this didn't happen in 1471 so they used this bill as the vehicle to correct. 1471 was signed by the Governor, so needs to be placed here.

Senator Holmberg: Hear testimony by Job Service? Approve this?

Representative Gulleason: No, Representative Berg spoke to the flaw, no penalty; accepted by our committee.

Senator Grindberg: Gave some history on Workforce 2000, and funding. Originally request was for 2 million; Schafer recommendation; 150 thousand available present biennium; Hoeven's version was 2.25 million (.25 House cut). This is a new program -- 4 quadrants; 875 thousand last session --- Governor vetoed. Compromise: 875 with the employee fees --- developers around the state were not happy. Because of needs -- flow of last 2 years; workforce 2000 is necessary.

Senator Holmberg: Senate agreed to cut -- program couldn't sustain itself -- program did help businesses and the state treasury. Those who went through the program earned more, paid more taxes -- end result was good jobs. But we became nervous, shy and were running out of dollars during that last session --- regrets of last session there almost immediately.

Representative Wald: We had a list of programs that Job Service did --- were surprised at some of the training they were doing, even through they knew they were running out of money. House felt they needed to be more selective --- why train people to take the insurance tests? Companies train their own.

Senator Holmberg: Suggesting they are outside the limitation of programs?

Representative Wald: Not sure legal boundaries. But they provided a list -- some programs didn't meet what we felt the Job Service was created for to do.

Senator Grindberg: We debated the list last session -- deserves some scrutiny -- but the primary thrust is in economic development. Agree with the concept, think hearing next year will have more direction -- all programs coordinating through Workforce --- focus of dollars and resources important.

Senator Holmberg: Another factor: new person at the helm -- agree with Representative Wald, 2 years down the road we need to question training list --- presently they need to improvise and have the leeway and flexibility to do what we have funded.

Representative Monson: Believe if we give more lean budget -- they would be careful in the selection of programs. Still increase from 2 years ago -- leaner, more selective, careful.

Workforce dollars in areas -- believe there is some duplication here. C-tech and colleges making nice dollars. Job Service pays and employers pay higher education --- need to coordinate and only have one pay -- one college collected 189 thousand, give or take a few dollars.

Senator Holmberg: Felt? Now different?

Representative Monson: At the time we made decision and now also true. So many budgets to consider. Make Schafer recommendation, be more efficient, more selective getting dollars elsewhere.

Page 4

Senate Appropriations Committee

Bill/Resolution Number SB2017

Hearing Date April 10, 2001

Senator Holmberg: Good presentations on this year -- Job Service looking beyond bureaucratic walls -- even though we sensed Job Service takes a new and positive approach.

Senator Grindberg: Are we duplicating? Workforce 2000 relates to colleges -- goes through the grant process --- wouldn't like colleges to be in charge of workforce. Colleges earn the business --- work together to train, fee payment is the company's decision. Model of 4 quadrants is after the state of Iowa. Colleges need to be aggressive; assertive -- generate business -- get fees under workforce agreements.

Representative Wald: We see Workforce dollars in various budgets.

Senator Holmberg: Believe there are three things we need to have for the next meeting. 1) refinement of section 4; 2) worksheet of different programs; and 3) Dollars for Workforce?

Representative Wald: Problem fees collected? Page 3 2069 referenced?

Senator Holmberg: That was done by the Senate, we are working on the 3-30 amendment // 18043.0205.

Representative Monson: Simplest way would be to have Representative Berg come to the Conference Committee meeting and explain section 4 to all of us.

Senator Holmberg: Prefer you bring the information. Wise to check base with Job Service also.

Representative Monson: Will do.

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2017

Senate Appropriations Committee

☒ Conference Committee

Hearing Date April 11, 2001

Tape Number	Side A	Side B	Meter #
Tape #5	x		0.0 - 38.0
Committee Clerk Signature <i>Tomie Rietzsch</i>			

Minutes:

Senator Holmberg, SB2017 Conference Committee Chair, opened the meeting on Wednesday, April 11th at 3:00 PM in the Harvest Room.

Roll Call: Senator Holmberg, Chair; Senator Grindberg; Senator Lindaas; Representative Wald; Representative Monson; and Representative Gulleason present; full committee.

Senator Holmberg: Copies of the "Summary of Workforce Development Training Funds" documentation as prepared by the North Dakota Legislative Council staff for Representative Wald, March 2001 have been distributed for your review. I visited with Representative Berg and personnel at the Job Service -- per our last meeting. They are okay with the adjustment -- dealt primarily with one employer who had a large negative balance -- thus allowing the repayment. More discussion on the differences? Believe there was some discussion regarding Workforce 2000?

Representative Wald: While going through this and other budgets -- we'd asked the Council to provide a spreadsheet -- wondered where all the money went --- seeing this convinced me -- need to go back to Schafer's appropriation.

Senator Holmberg: Left cold? 2.25 million put into Senate bill, with 4.5 general funds?

Representative Wald: Still 30 Million federal.

Senator Holmberg: Workforce 2000 dollars is siloed for training/retraining workers -- some another programs, Job Corp. etc. Same kind of silo/function for 4.7 million?

Representative Gulleason: We recognize missions behind funds -- some through University, some businesses -- others help retrain people --- there are a variety of missions --- all into one agency -- can't all be into one place?

Senator Holmberg: Perhaps Senator Grindberg can refresh again regarding the 873 thousand infrastructure development dollars?

Senator Grindberg: It was a 4 year plan. Requested 1 million during '99, calls for 1 million 350 thousand this biennium. It was to ramp up 4 quadrants -- was a generous compromise. House took down -- yes, it was for infrastructure; part of the 4.

Senator Holmberg: Where dollars from? Decision regarding programs not complete -- do we rob Peter to pay Paul? We need to get the infrastructure going, 2 areas were more advanced -- SE and SW -- the decision to reduce dollars for infrastructure was difficult -- we did what was needed, but many of us knew the error immediately --- it was not enough for the mission we provided. Once everything was on paper -- in retrospect you/I may not have done it the same way. What the Senate was looking for -- went for the House.

Senator Grindberg: 2 million '99 base reduced --- 2.5 million economic development request -- this was to take strides forward, developers in the state want and need.

Representative Gullason: Extra 750 thousand and 250 thousand more --- how many more people can you train, impact what number?

Senator Holmberg: Depends in part the type of training involved -- perhaps Legislative Council or OMB personnel can respond?

Sandy Paulson, OMB Analyst: Difficult to say a number -- dollar ratio is 8 to 1; 2 million business input for 250 thousand to the general fund.

Roxanne Hobza, Legislative Council Staff: Nothing further.

Representative Monson: Workforce training -- history of infrastructure... And now increase? Usually startup is more expensive -- it's now up and running, why additional dollars to workforce? Larger than last biennium -- shouldn't it now be more efficient? Fund at House level, see how it goes --- think very generous.

Senator Holmberg: One guiding principal -- things won't get funded; what had to put in last time is money we put in -- viewed as expense or investment? Look at the value of workers: increase in hourly wages, means more dollars for workers and for the State in taxes etc.

Representative Wald: Can't disagree -- does improve lifestyles. Must apply some rational -- Schafer's recommendations being on the front burner -- looking at original revenue look. 750 thousand increase --- don't see that percent of increase in other budgets.

Senator Holmberg: Won't argue that --- perhaps hear how Workforce came as the new administration put together budgets? Schafer: 2 million versus Hoeven: plus 250 thousand?

Sandy Paulson: Schafer's budget worked within budget limits. Hoeven reassessment had Workforce important to state and businesses in state; felt the increase was a leverage.

Observation only.

Senator Grindberg: Some available dollars -- 10 million to Water Commission --- impact over priorities to borrow other budgets --- speculation on his part - as I observed, I was not in the room, party to budgets.

Senator Holmberg: Comments? Motion? Perhaps more time to look at the whole issue?

Representative Monson: Workforce Development Council -- explain? Footnote indicates 104 thousand last session; Schafer the same; Hoeven almost 880,703 --- now cross over --big change?

Senator Grindberg: In Commerce Department -- pulling 4 (3 current and one new) areas together. SB2003 moving some 1 million to North Dakota Development fund, 750 thousand into new department -- as well as increase in grant line -- 400 thousand workforce development --- assess different players-- Department of Public Instruction, Job Service, whatever --- part of Workforce development --- currently in conference on issues so can't discuss more.

Representative Monson: Division of Workforce development -- nothing here? Wald's sheet has zero?

Senator Grindberg: 2032 (4 divisions) it's a terminology --- what's there and this new.

Representative Monson: Still in Economic Development and Finance --- not on list?

Senator Grindberg: Don't believe -- 880 thousand footnotes -- Legislative Council --help?

Roxanne Hobza: Funds there as of carryover as Senator Grindberg spoke to.

Senator Holmberg: Workforce part of the component -- sheet on whole elephant -- component fit in entire picture --- appropriate to look at big picture -- understand 103 to 880 thousand is a big jump!

Representative Monson: Looking at columns --- general funds from 2,460,255 to 4,742,370 ??? Dollar investment --- understand; but can't balance budget with that. Tough to say, hard to say,

how well the dollars are spent --- can't balance the budget ; possible it is dollars well spent -- while providing increase.

Senator Holmberg: One suggestion: compare Hoeven's to cross over --- difference of 770 thousand --- all the difference Hoeven's and cross over --realize in the big picture there is no change. Count that spent, there now here. Macro view: dollars there before -- this is not new money?

Representative Monson: Strength point; not sure all counted here -- part of ED&F should have been Schafer/Hoeven -- now here --- should have been --- missed?

Senator Grindberg: Early on the Department of Commerce intended 5 division; 4 now and global markets. Governor and legislature dropped global markets --- neither budget addressed dollars for Workforce. Division of Community Services -- having a new director with 1 million of 2.6 in Hoeven's --- and in development into that area. ..not addressed by the Executive Branch.

Representative Gulleon: Vocation/Technical budget removed by Senate --- still accounted for?

Senator Holmberg: Was a transfer --- involves SB2020 which is going into conference.

Representative Monson: CTEC from 2003 to Commerce Department?

Roxanne Hobza: Doesn't effect dollars here -- didn't ;put in agencies.

Senator Holmberg: Appears we may need more information, look at dollars. We'll adjourn, to reconvene at the call of the chair.

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB2017

Senate Appropriations Committee

☒ Conference Committee

Hearing Date April 17, 2001

Tape Number	Side A	Side B	Meter #
Tape #2		x	45.7 - 50.8
Tape # 3	x		0.0 - 9.0
Committee Clerk Signature <i>Terrie Putsch</i>			

Minutes:

Senator Holmberg, Chair of the SB2017 (Job Service North Dakota) Conference Committee, called the meeting to order at 1:30 p.m. On Tuesday, April 17th in the Harvest Room.

Roll Call: Senator Holmberg, Chair; Senator Grindberg; Senator Lindaas; Representative Wald; Representative Monson; and Representative Gulleson. All members present.

Senator Holmberg: As we recall previous discussions -- anyone have some new ideas? Way to compromise? The issues of division: Believe no disagreement in the Senate to the House amendments (section 4, page 1) regarding benefits of working on the negative accounts -- both Senator Grindberg and Senator Lindaas concurred.

Representative Wald: As stated before, and reiterated by the handout provided last meeting -- perhaps the Senate would accede to the House amendments?

Senator Holmberg: Senate felt and still does that Governor Hoeven's recommendation regarding Workforce training is more adequate -- believe our real difference is in the money. Perhaps in the interpretation of whether it is a benefit or would be used better elsewhere. 250 thousand Dollars for resolution -- like to have the Legislative Council walk through the general funds -- remind us how things fit?

Senator Lindaas: Refresher course wouldn't hurt.

Roxanne Hobza, Legislative Council Staff Analyst: Went through the figures, as listed on report dated March 2001 for Representative Wald.

Representative Wald: CTEC position went to ED&F?

Roxanne Hobza: Correct.

Senator Grindberg: CTEC from SB2003 to Department of Commerce?

Roxanne Hobza: Correct.

Representative Monson: SB2003 still in conference --- not a done deal yet?

Representative Wald: Given that the Job Service is part of the investment account --- how does this mesh with Workforce 2000?

Maren L. Daley, Executive Director of Job Service, was in the audience and asked to respond to this: Workforce investment dollars are for delivery of Workforce programs --- that is set up computers, labor targeted at training programs. Saw gap between federal and moving into higher paying positions --- they address a different market. Sometimes use part of the funds as matching dollars.

Representative Wald: Basic skills training?

Maren L. Daley: Job opportunities and basic skills through the Department of Human Services.

Job Service is the provider of choice in the temporary assistance area -- for need families; which

Page 3

Senate Appropriations Committee

Bill/Resolution Number SB2017

Hearing Date April 17, 2001

has proved to be a benefit in ND -- ND has exceeded their goals. The incentive is to reduce welfare, social cuts.

Representative Wald: Transfer from TANF dollars?

Maren L. Daley: Not part of TANF. Program is in conjunction -- Job Service has the people, locations, so we pick up that portion --- It is a case intensive process, people targeted are those who need the most attention.

Senator Holmberg: Questions/comments/ information you'd like gathered by the Staff in preparation for the next meeting?

Hearing no requests -- meeting adjourned until further notified.

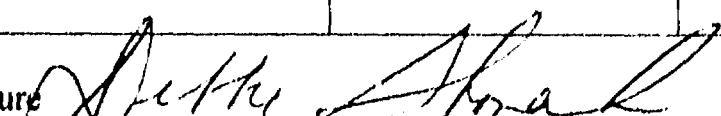
2001 SENATE CONFERENCE COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2017

Senate Appropriations Committee

☐ Conference Committee

Hearing Date April 19, 2001

Tape Number	Side A	Side B	Meter #
2	X		0.0-3.0
Committee Clerk Signature 			

Minutes:

Senator Holmberg opened the fourth conference committee on SB 2017, Job Service of North Dakota. All members were present.

Senator Holmberg: This is our fourth conference on this bill, is there any new positions?

Senator Wald: What is the Senate's position?

Senator Holmberg: The Hoeven Budget but we will listen to other alternatives besides the original Schafer budget.

Senator Monson: I would like to make a motion, that the House recede to the House amendments and further amend line 20, of page 1, to \$2,100,356. With all members voting yes, 6-0, motion pass. Meeting adjourned.

Tape #2, Side A, meter 0.0-3.0

Date: 4-19-01

Roll Call Vote #: _____

2001 CONFERENCE COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2017

CONFERENCE COMMITTEE-Job Service North Dakota

Legislative Council Amendment Number _____

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

the (Senate/House) amendments on (S/H) page(s) 1124 - 1127
1124 - 1127

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

Action Taken Do Pass with Further Amendments

Motion Made By
Senator/Representative Monson

Seconded By
Senator/Representative Wald

Senators	Yes	No	Representative	Yes	No
Senator Holmberg	✓		Representative Wald	✓	
Senator Grindberg	✓		Representative Monson	✓	
Senator Lindaas	✓		Representative Gulleason	✓	

Total

Yes

6

No

0

Absent

0

REPORT OF CONFERENCE COMMITTEE

SB 2017, as engrossed: Your conference committee (Sens. Holmberg, Grindberg, Lindaas and Reps. Wald, Monson, Gulleason) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 1126-1127, adopt amendments as follows, and place SB 2017 on the Seventh order:

That the House recede from its amendments as printed on pages 1126 and 1127 of the Senate Journal and pages 1232-1234 of the House Journal and that Engrossed Senate Bill No. 2017 be amended as follows:

Page 1, line 3, after "reenact" insert "subdivision a of subsection 3 of section 52-04-05 and"

Page 1, line 4, after "to" insert "unemployment compensation employer rates,"

Page 1, line 5, after the first "fund" insert a comma

Page 1, line 6, remove "and" and after "appropriation" insert "; to provide for retroactive application; and to declare an emergency"

Page 1, line 18, replace "2,250,356" with "2,100,356"

Page 1, line 19, replace "58,560,160" with "58,410,160"

Page 1, line 21, replace "2,250,356" with "2,100,356"

Page 2, line 2, replace "\$2,250,356" with "\$2,100,356"

Page 2, after line 5, insert:

"SECTION 4. AMENDMENT. Subdivision a of subsection 3 of section 52-04-05 of the North Dakota Century Code as amended in section 1 of House Bill No. 1471, as approved by the fifty-seventh legislative assembly, is amended and reenacted as follows:

3. a. Except as otherwise provided in this subsection, an employer's rate may not be less than the negative employer minimum rate for a calendar year unless the employer's account has been chargeable with benefits throughout the thirty-six-consecutive-calendar-month period ending on September thirtieth of the preceding calendar year. If an employer in construction services has not been subject to the law as required, that employer qualifies for a reduced rate if the account has been chargeable with benefits throughout the twenty-four-consecutive-calendar-month period ending September thirtieth of the preceding calendar year. If an employer in nonconstruction services has not been subject to the law as required, the employer in nonconstruction services qualifies for a reduced rate if the account has been chargeable with benefits throughout the twelve-consecutive-calendar-month period ending September thirtieth of the preceding calendar year. During the building of the trust fund reserve, the rate assigned to an employer may not exceed one hundred thirty percent of the previous year's rate for that employer and an employer may not receive more than a ten percent decrease in that employer's rate from the previous year's rate, for the calendar years 2000, 2001, and 2002. However, this rate limitation provision for calendar years 2000, 2001, and 2002 does not apply to an experience-rated employer that was a new employer the previous year, a negative employer that was a positive employer the previous

year, a positive employer that was a negative employer the previous year, an employer that has failed to file a report, a new employer, and an employer that chose to make payments in lieu of contributions. ~~During the building of the trust fund reserve for calendar years 2000, 2001, and 2002, a negative employer that was a negative employer the previous year may not make excess contributions under subsection 4 of section 52-04-06 to become a positive employer.~~ The executive director may provide any negative employer whose contributions paid into the trust fund are greater than the benefit charges against that employer's account, for a minimum of three consecutive years immediately preceding the computation date or subject to the law as required, with up to a thirty percent reduction to that employer's rate for any year if that employer has in place a plan approved by the bureau which addresses substantive changes to that employer's business operation and ensures that any rate reduction provided will not put the employer account back into a negative status."

Page 3, line 19, after "appropriated" Insert "on a continuing basis"

Page 4, after line 2, Insert:

"SECTION 8. RETROACTIVE APPLICATION. Section 4 of this Act is retroactive in application to January 1, 2000.

SECTION 9. EMERGENCY. Section 4 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2017 - Job Service North Dakota - Conference Committee Action

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
Salaries and wages	\$33,830,614	\$33,830,614		\$33,830,614	\$33,830,614	
Operating expenses	13,420,143	13,420,143		13,420,143	13,420,143	
Equipment	786,830	786,830		786,830	786,830	
Capital Improvements	453,545	453,545		453,545	453,545	
Grants	7,818,672	7,818,672		7,818,672	7,818,672	
Work Force 2000	<u>2,000,358</u>	<u>2,250,358</u>	(\$150,000)	<u>2,100,356</u>	<u>2,000,356</u>	\$100,000
Total all funds	\$58,310,160	\$58,560,160	(\$150,000)	\$58,410,160	\$58,310,160	\$100,000
Less estimated income	<u>56,309,804</u>	<u>56,309,804</u>		<u>56,309,804</u>	<u>56,309,804</u>	
General fund	\$2,000,358	\$2,250,358	(\$150,000)	\$2,100,356	\$2,000,356	\$100,000
FTE	389.78	389.78	0.00	389.78	389.78	0.00

Dept. 380 - Job Service North Dakota - Detail of Conference Committee Changes

	DECREASE FUNDING FOR WORK FORCE 2000 ¹	TOTAL CONFERENCE COMMITTEE CHANGES
Salaries and wages		
Operating expenses		
Equipment		

REPORT OF CONFERENCE COMMITTEE (420)
April 19, 2001 5:05 p.m.

Module No: SR-70-8914

Insert LC: 18043.0207

Capital improvements		
Grants		
Work Force 2000	(\$150,000)	(\$150,000)
Total all funds	(\$150,000)	(\$150,000)
Less estimated income	-----	-----
General fund	(\$150,000)	(\$150,000)
FTE	0.00	0.00

¹ This amendment decreases funding for Work Force 2000 by \$150,000, from \$2,250,350 which is the level of funding provided by the Senate and recommended in the Hooven executive budget, to \$2,100,350 which is \$100,000 more than funding provided by the House. The proposed level of funding for Work Force 2000 for the 2001-03 biennium of \$2,100,350 represents an increase in funding from the general fund of \$850,350 from the 1999-2001 biennium.

This amendment also amends subdivision a of subsection 3 of Section 52-04-05 of the North Dakota Century Code as amended in Section 1 of House Bill No. 1471 to remove language relating to employer contributions.

Engrossed SB 2017 was placed on the Seventh order of business on the calendar.

2001 TESTIMONY

SB 2017

**Department 380 - Job Service North Dakota
Senate Bill No. 2017**

	FTE Positions	General Fund	Other Funds	Total
2001-03 Schafer Executive Budget	389.78	\$2,000,356	\$58,611,804	\$60,612,160
1999-2001 Legislative Appropriations	390.40	1,250,000	52,863,408	54,113,408
Increase (Decrease)	(0.62)	\$750,356	\$5,748,396	\$6,498,752

2001-03 Hoeven Executive Budget	389.78	\$2,250,356	\$58,611,804	\$60,862,160
Hoeven Increase (Decrease) to Schafer	0.00	\$250,000	\$0	\$250,000

The 1999-2001 appropriation amounts include \$107,544 of other funds for the agency's share of the \$5.4 million funding pool appropriated to the Office of Management and Budget (OMB) for special market equity adjustments for classified employees and \$13,634 of other funds for the agency's share of the \$1.4 million funding pool appropriated to OMB for assisting agencies in providing the \$35 per month minimum salary increases in July 1999 and July 2000. The 1999-2001 appropriation amounts do not include \$15,381,209 of additional spending authority resulting from Emergency Commission action during the 1999-2001 biennium.

Major Schafer Recommendations Affecting Job Service North Dakota 2001-03 Budget

	General Fund	Other Funds	Total
1. Increases funding for Work Force 2000 to \$2,000,356.	\$750,000		\$750,000
2. Deletes .62 FTE positions not requested by the agency.		(\$43,898)	(\$43,898)
3. Increases operating line item for increased information technology costs associated with the statewide information technology network (\$137,250), increased Central Services costs (\$50,000), and interest earned on asbestos lawsuit proceeds (\$75,000).		\$262,250	\$262,250
4. Provides capital project funding from state bonding proceeds for Bismarck service delivery office (Senate Bill No. 2023).		\$2,302,000	\$2,302,000
4. Removes one-time funding received during the 1999-2001 biennium for unemployment compensation incentive.		(\$654,000)	(\$654,000)
5. Decreases federal funding for implementation of one-stop initiatives due to the federal grant expiring at the end of federal fiscal year 2001.		(\$2,351,527)	(\$2,351,527)
6. Removes one-time disaster unemployment assistance funding received by the agency to assist in the recovery from the 1997 flood disaster.		(\$13,624,650)	(\$13,624,650)

**Major Hoeven Recommendations Affecting Job Service North Dakota 2001-03 Budget
Compared to the Bill as Introduced (Schafer Budget)**

	General Fund	Other Funds	Total
1. Increases funding for Work Force 2000 by \$250,000 for total funding of \$2,250,356, which represents an increase of \$1,000,356 from the 1999-2001 biennium.	\$250,000		\$250,000

Major Legislation Affecting Job Service North Dakota

Section 3 of Senate Bill No. 2017 requires a minimum of \$150,000 of the \$2,000,356 provided for Work Force 2000 be available for projects in areas in the state which are not within five miles of any city with a population of more than 8,000.

Senate Bill No. 2023, as discussed earlier, provides authority to issue bonds up to \$2,302,000 for construction of a new Bismarck service delivery office. The bill also provides that special funds of \$2,302,000 must be available for bond repayment.

Senate Bill No. 2009 allows Job Service North Dakota to provide job task analysis services to employers for a reasonable fee and requires all fees collected be deposited in a separate account at the Bank of North Dakota for the purpose of providing job task analysis services. In addition, the bill provides a continuing appropriation for all moneys deposited in the account.

Senate Bill No. 2070 amends North Dakota Century Code (NDCC) Section 52-04-22 relating to the federal advance interest repayment fund to provide a continuing appropriation for the fund and to allow moneys in the fund to be used for principal and interest costs associated with the acquisition of a new service delivery office in Bismarck.

Senate Bill No. 2071 provides a continuing appropriation to Job Service North Dakota of moneys credited to the unemployment compensation incentive fund pursuant to Section 903 of the Social Security Act for the purpose of administration of the unemployment compensation program.

Senate Bill No. 2072 increases old-age and survivor insurance benefits.

House Bill No. 1084 repeals NDCC Section 52-02-17, which requires the balance of the job insurance trust fund to maintain at least \$40 million.

Senate Bill No. 2017
Testimony before the Appropriations Committee
January, 2001

Job Service North Dakota became a part of government when a public labor exchange was created in 1935 with the signing of the Social Security Act. Through the years, our role in providing Job Insurance, Job Placement, Job Training, and Labor Market Information services to the public has continued to expand. Today, we continue to provide numerous services to both job seekers and employers; our role as a provider of labor market information has been expanded to new levels; and we are at the heart of the economic development movement in the state.

One of the primary focal points for Job Service North Dakota is providing excellence in customer service. We continuously focus on excellence in customer service by maintaining a proactive approach to planning that allows us the direction and flexibility of providing services that best meet the needs of our customers.

The future direction of Job Service and services we provide are addressed in our current business plan. We believe our business plan to be a living document, which allows us to review it on an ongoing basis and to make appropriate changes. Our business plan provides us with direction for the future through the use of technology, collaborative efforts with other agencies, and by restructuring our method of operations.

Tab 1. Mission/Values Statement

Technology is a primary tool for Job Service in providing services to all our customers. With the emphasis on technology, we have developed a technology plan, which visualizes our future service delivery through technology. We are continuously expanding the technology in our local office operations, which will allow customers easy access to various services and self-service functions. Client resource centers have been created in our customer service offices whereby clients can access the Internet to aid in job search activities and utilize specialized software to develop resumes, application letters, and improve computer skills.

The agency is moving forward with the implementation of a one-stop operating system called NDWORKS. NDWORKS will integrate a widely available system of employment, training, and information services to effectively link North Dakota citizens with workforce development services. This technology enhancement will benefit customers, business partners, and employees by improving access and delivery of workforce development services.

The recent performance audit conducted of the agency included an audit of our information technology plan. The scope of the audit included a determination if the plan is achieving its goals and if technology can improve the quality and timeliness of the services provided. The audit report recognized the achievements the agency has made in the technology area and included areas for future enhancements.

Job Service is very active in collaborating and cooperating with other agencies in determining how best to provide services to the citizens of North Dakota. A number of the programs we administer such as: New Jobs Training, Workforce 2000, Welfare-to-Work, JOBS, Dislocated Worker, and North Dakota Survival, require that type of cooperation. We also work very closely with Economic Development and Higher Education in various capacities. For example, we have a physical presence at the Skills and Technology Training Center, and have also developed a resource room at the Center, which provides the technology for clients to access our services from that facility.

In recent years, Job Service has implemented a restructured management plan. The intent of the restructuring

was to review our various programs and make changes to allow the programs to be more productive for our customers. We changed our level of management to allow us to be more productive and cost effective. The restructuring reduced the number of upper level management staff, which in turn allows many local office managers to be less involved in meetings and more involved in working with their respective communities. The second tab in the attachments provides an overview of the current organizational structure. Most recently, the agency conducted a review and reclassification of those job titles located in our customer service offices to restructure those titles to be more reflective of our mission of providing customer-focused services.

Tab 2. Organizational Chart

Another factor that was instrumental in our restructuring was flat federal funding, which basically means that we could not afford to do business as usual. With the decline in federal funding and expiration of certain federal programs, a very negative impact could be felt by the agency in the continuation of current services. The recent performance audit recommended that the agency be proactive in determining how we would restructure in the future. It will continue to be the agency's practice to plan for changes in program emphasis, funding levels, and elimination or addition of programs through an internal annual budgeting process and the biennial state budget process. Geographically, we have divided the state into four customer service areas. The third tab in the attachments illustrates the current division into the four customer service areas, and the locations of Job Service offices within each area.

Tab 3. Map and Office Listings

The programs we administer and the services we provide to the citizens of North Dakota assist them to secure employment and contribute to our state's quality of life. The four principal services that we provide are: Job Insurance, Job Placement, Job Training, and Labor Market Information. Each of these services is unique, yet each works intricately with the others to provide the best of services to our customers. A brief overview of our Performance Levels can be found at Tab 4.

Tab 4. Performance Levels

CUSTOMER SERVICE AREA V - CENTRALIZED SERVICES

Customer Service Area V - Centralized Services is responsible for administration of federal- and state-funded services and programs, which are centrally delivered. These state- and federally-funded programs include:

- Job Insurance
- Workforce 2000
- North Dakota New Jobs Training Program
- Old Age Survivors Insurance Program
- Dislocated Worker Office
- Contracts for Training Services

Job Insurance Program

The Job Insurance Program provides temporary income maintenance to eligible unemployed workers who are laid off and unemployed through no fault of their own. The principle components of the Job Insurance program involve payment of benefits, collection of taxes, and administration of the program.

A relatively new component is the Unemployment Insurance reemployment process. The objective of this

process is to ensure that each claimant receives an initial assessment at the time of filing a new or additional claim and, when appropriate, is referred to reemployment services from the point of intake. This process is intended to be flexible and provide each claimant with an individualized employability strategy plan focused on his or her needs. All claimants, at the time of an initial or reopened claim, are assessed and profiled to identify those claimants who may be in need of intensive reemployment services to help them return to work within a reasonable period of time.

A basic benefit-funding principle is that the Job Insurance programs be self-financing. This is typically taken to mean that funds should be accumulated during periods of economic growth so they will be available to pay benefits during economic downturns. Employers share in or pool the risk of unemployment by contributing to a State unemployment fund, which pays out benefits. The individual employer generally does not pay full cost of the event that is insured against at the time the event occurs, although over time their tax rates reflect their experience with unemployment.

The solvency of the Unemployment Insurance Trust Fund was addressed in the recent performance audit. Although the trust fund balance has consistently declined over the past five years, the agency and the Legislature have worked together and passed a new law to provide for an improved trust fund balance in the future. House Bill 1135 was passed by the 1999 Legislative Assembly to provide adequacy of the trust fund in future years. The bill became effective July 1, 1999 and essentially established new policies that will increase the trust fund balance.

In North Dakota, there are over 18,700 covered employers who pay into the state unemployment fund. For the year ended September 30, 2000, Job Insurance benefit payments totaled \$37.5 million. The average benefit duration for claimants was 11.5 weeks with weekly benefit amounts based on claimants' earnings from the first four out of the last five quarters prior to filing their claim. The maximum weekly benefit amount is \$293 and the minimum benefit amount is \$43. Claimants file weekly by phone utilizing a Quikline service, which eliminates the need to mail bi-weekly claim forms.

Along with temporary jobless benefits, claimants are exposed to other services and retraining opportunities based on their individual needs.

Workforce 2000

Enacted by the 1991 North Dakota Legislature, Workforce 2000 is a state-funded job training program designed to assist North Dakota industry and business in retraining and upgrading workers' skills to meet demands brought about by the introduction of new technologies and work methods into the workplace. Funding is made available in the form of a grant under a cost reimbursable contract, which identifies the direct training costs to be covered.

The Workforce 2000 Program has two primary objectives: First, it provides funding assistance to companies to help upgrade the skills of current workers where training is required for continued employment. Second, it provides funding assistance to companies to help them train new employees. Training funded under Workforce 2000 is limited to North Dakota residents who are or will be employed in the State of North Dakota.

The 1999-01 biennium appropriation for Workforce 2000 was reduced by approximately \$600,000 from the 1997-99 appropriation level. The Workforce 2000 funding was fully obligated or committed within the first six months of the biennium. Since December 31, 1999, very limited marketing of Workforce 2000 has occurred. The result has been a marked decrease in the number of funding applications being submitted by North Dakota businesses to invest in training in North Dakota workers. During the 1997-99 biennium a total

of 171 separate projects were funded. For the 1999 - 01 biennium to date a total of 72 projects have been funded. Projects funded since December of 1999 have relied on recovered funding from contact commitments not fully used and reserved funding for new job creation projects which did not start timely or did not utilize funding reserved for their project. The net impact of the changes made in the appropriation level during the 1999 - 01 biennium resulted in the program being fully committed within the first six months, an inability to assure Workforce 2000 funding to new businesses locating to the state or businesses considering expanding employment in the state, reduced the effectiveness in assisting business train their work force to adapt new technologies.

Small companies and companies located in rural areas are especially encouraged to participate under the Workforce 2000 Program. For the current biennium to date, rural projects account for 25% of the total Workforce 2000 Program obligations. All businesses making a request for Workforce 2000 funding assistance are encouraged to participate in the cost of training which can include in-kind contributions of training space, training equipment, training supplies, employee wages while in training and technical assistance. For every dollar of Workforce 2000 funding, employers are matching it with approximately \$6.75.

1999 - 2001 Workforce 2000 Projects

For the current biennium through January 1, 2001, a total of 72 separate projects with 53 different companies were funded. These projects are providing training to 4,685 North Dakota workers. The total training costs associated with these projects is \$8.7 million. Workforce 2000 is contributing \$1.2 million in funding toward these projects. Projects in rural areas received \$333,781 in Workforce 2000 funding or 28% of the total. The Workforce 2000 average training cost per participant is \$255.

1997-1999 Workforce 2000 Projects

A total of 171 separate projects with 99 different companies were funded. These projects provided training to 3,693 North Dakota workers. The total training costs associated with these projects was \$7.49 million. Workforce 2000 contributed \$1.49 million in funding toward these projects. Projects in rural areas accounted for \$489,175 in Workforce 2000 funding or 32% of the total. The Workforce 2000 average training cost per participant was \$375.

The average wage one year after training for those participants still employed was \$14.21 per hour. This reflected a 32.9% increase in wages after the first year of employment.

North Dakota New Jobs Training Program

Enacted by the 1993 North Dakota Legislature, the North Dakota New Jobs Training Program is designed to provide incentives to businesses and industries that are expanding employment opportunities or locating employment opportunities within the state.

The purpose of the North Dakota New Jobs Training Program is to support the growth and competitiveness of North Dakota's work force and industry by providing incentives to encourage businesses to make investments to ensure North Dakota's work force has the skills and expertise to compete in a global economy.

The North Dakota New Jobs Training Program has two primary objectives: First, it provides an incentive for companies who are creating new job opportunities in the state. Second, it provides a mechanism for these

companies to secure no-cost funding to help offset the cost of training new employees for their business expansion and/or start-up.

Under the North Dakota New Jobs Training Program, the employer obtains funds in the form of a loan or repayable grant. The loan can be obtained from a commercial lender, local development corporation, the Bank of North Dakota, or other qualified lenders. Repayable grants could be issued by the state, a city, or a local development corporation.

The loan or grant, plus interest, is repaid through the capture of the state income tax withholding generated from the new job positions, which are created. State income tax withholding can be captured for up to a ten-year period, or until the loan is repaid, whichever comes first.

Eligible businesses include "primary sector businesses," or businesses engaged in the process of providing services in interstate commerce, who are creating new employment opportunities in North Dakota. Employees filling new positions under a North Dakota New Jobs Training Agreement must be paid an income of at least \$7.50 per hour, plus benefits, by the end of the first year of employment in a new job position covered under a project.

North Dakota New Jobs Training Projects

For the period January 1, 1999 through December 31, 2000, a total of 30 projects were developed. These projects cover the creation of 3,143 new jobs. Ten of these projects used the self-finance option. These ten projects accounted for the creation of 694 new jobs.

PROGRAM SUPPORT AREA

The Program Support Area is responsible for the support of the programs delivered through the local Customer Service offices. These programs are primarily related to workforce training and the public labor exchange function. In addition, the Program Support Area is responsible for all agency labor information data and products. The Program Support Area has three primary sections—Workforce Programs, Employment Statistics, and the State Occupational Information Coordinating Committee.

The primary federal training program is administered under the Workforce Investment Act (WIA) of 1998. This program replaces the Job Training Partnership Act (JTPA), which the agency had previously administered. This training program has specific eligibility criteria to serve targeted segments of the population (i.e., dislocated workers, welfare recipients, and low income individuals). The type of training which can be provided include Customized Training, Classroom Training, On-the-Job Training, Work Experience, Pre-Employment, Work Maturity Training, and Limited Internship. WIA requires the use of one-stop centers to provide core services and access (either through physical co-location or electronically) to the services provided by other one-stop partners.

The Workforce Programs section also provides administration, monitoring, technical assistance, and reporting of basic labor exchange services funded through the Wagner-Peyser Act. These basic labor exchange services include solicitation of job openings, matching and referring qualified applicants to job openings, test administration and counseling related to the basic labor exchange program.

Client Resource Centers have been established in all One-Stop Centers to assist clients in accessing services and information with little or no staff involvement. Those clients needing assistance are provided one-on-one assistance in accessing service or information. Personal computers are available for clients to complete a self-registration for employment, view jobs on North Dakota's and America's Job Banks, access labor

market information, access career decision making tools, create resumes, view information about eligible training providers, etc.

Job Service is in the process of implementing NDWORKS, a new computer system designed to meet the needs of tracking and reporting for the Workforce Investment Act. We are working with the Utah Department of Workforce Services on the design and development of this system. We hope to have this system operational by December 31, 2001.

Many of these programs can also provide supportive services, which may include help with transportation, medical care, temporary childcare, food, and shelter.

Other programs operated by Job Service include: the JOBS Program which is designed to assist individuals receiving Temporary Assistance for Needy Families (TANF) to transition from welfare to employment and self-sufficiency; and the Welfare-to-Work Program which provides additional services for hard-to-employ TANF recipients to assist them in gaining long-term, unsubsidized employment and self-sufficiency.

Employer Services

Because of the importance of maintaining continual contact with the employer community, Job Service conducts a continuous employer relations program. The activities in this program include on-site personal employer visits, telephone calls, advertising through the various media, and special mailings. Staff in all Customer Service offices solicit job openings; provide assistance in recruitment of workers; answer questions on job insurance, equal opportunity, or other labor-related issues; and explain other agency programs designed to provide employer assistance. Job Service conducts job matches on openings received and refers qualified applicants to employers.

Employers now have the capability to list their job openings online with both the North Dakota and America's Job Banks. They can search America's Job Bank for resumes of individuals meeting their qualifications and notify that person they are interested in further discussing the job opening with them. To date, over 700 employers have taken advantage of listing their job openings online.

Job Service collaborates with the Workforce Development System by serving as ex officio members on their advisory boards and having staff serve on their provider groups.

Labor Market Information Center

Job Service North Dakota's Labor Market Information (LMI) Center provides labor market information to job seekers, employers, economic developers, as well as the general public.

One way that labor market information is disseminated to the public is through the agency's web site. Job Service North Dakota's web site, which is maintained by the LMI Center, is located at www.jobsnd.com.

Tab 5. Home Page

As advances in technology are made, Job Service has continued to improve and expand its web site in an effort to provide information to the public in the most timely and efficient manner. The addition of the "LMI Warehouse" and the conversion of the "Economy at a Glance" from a static to a dynamic document are prime examples of the innovations that can be made through technology.

The Job Service website contains information about services offered by the agency, labor market

information, allows employers to list their job openings online, allows clients to search North Dakota and America's Job Banks, Federal job openings, education vacancies and State Government job openings. Job Service has 8 of the 50 most requested pages on the State's web server. A recent report shows 33% of the hits on America's Job Bank occur after normal working hours

The LMI Warehouse is a dynamic web page that provides current and historical labor market information in an interactive format, while the Economy at a Glance provides a summary of current statistical information for all 53 counties in North Dakota.

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The Job Service Appropriation Request

Tab 6. Agency Appropriation Chart

The appropriation request for the 2001-2003 biennium includes \$55.4 million in federal funds; \$2.25 million in state general funds and \$.9 million in special funds. Tab 6 shows the breakout of projected federal funds by major program area.

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The estimated \$55.4 million of federal funding is \$18.4 million less than that appropriated for the current biennium. This reduction is due primarily to receipt of one-time funding providing for Disaster Unemployment Assistance and Year 2000 conversion activities. In addition, the agency is no longer receiving funding under the federal Welfare-to-Work program.

Approximately 50 percent of the federal funds are from Federal Unemployment Tax Act revenues for direct administration of the public employment service and unemployment insurance programs. The balance of the funding is from federal general revenues for programs such as Labor Market Information, Veterans Employment Services, Workforce Investment Act and Job Opportunities and Basic Skills.

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The special funds request of \$886,620 applies to several programs:

Asbestos Abatement. Special funds of \$75,000 have been included for asbestos abatement at the central office of Job Service in Bismarck. This amount represents additional interest earnings on this fund that had not been appropriated previously but now need to be expended for the project.

New Jobs Training Program. (\$110,000) Application fees, paid by employers, are utilized to fund administrative and legal costs incurred by Job Service prior to project funding.

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OASIS Administration. (\$173,352) Special funds from the OASIS trust fund of approximately \$8,000 are requested to cover the administrative costs associated with the operation of the OASIS retirement program. This program still exists to meet benefit claims (\$165,352) of the Public Employees Retirement Program established prior to the agreement bringing North Dakota employees under Social Security in 1957.

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Conclusion

Job Service North Dakota will continue to provide job insurance, employment-related services, training opportunities, and labor market information. The delivery of one-stop services moves toward the increased use of technology and self-help options for our customers. Agency staff effort can then be directed towards those customers with a need for one-on-one concentrated services. We look forward to continued partnerships with private industry and state agencies for the good of North Dakota citizens.



Our Mission

Job Service North Dakota provides customer-focused services to meet the current and emerging workforce needs of the state.

Our Values

Synergy: Job Service employees and work units collaborate across organizational boundaries and with external partners to achieve results greater than those possible through individual efforts.

Empowerment: Empowerment is the authority and accountability to achieve results at the customer level. Individuals and groups within Job Service are empowered and encouraged to use their talents, skills, and initiative to creatively and responsibly meet customers' needs.

Respect: Respect is the individual and collective treatment of others that honors their abilities and contributions. Respect is founded in integrity, and generates trust and sensitivity to the needs, opinions, and feelings of all those with whom we interact.

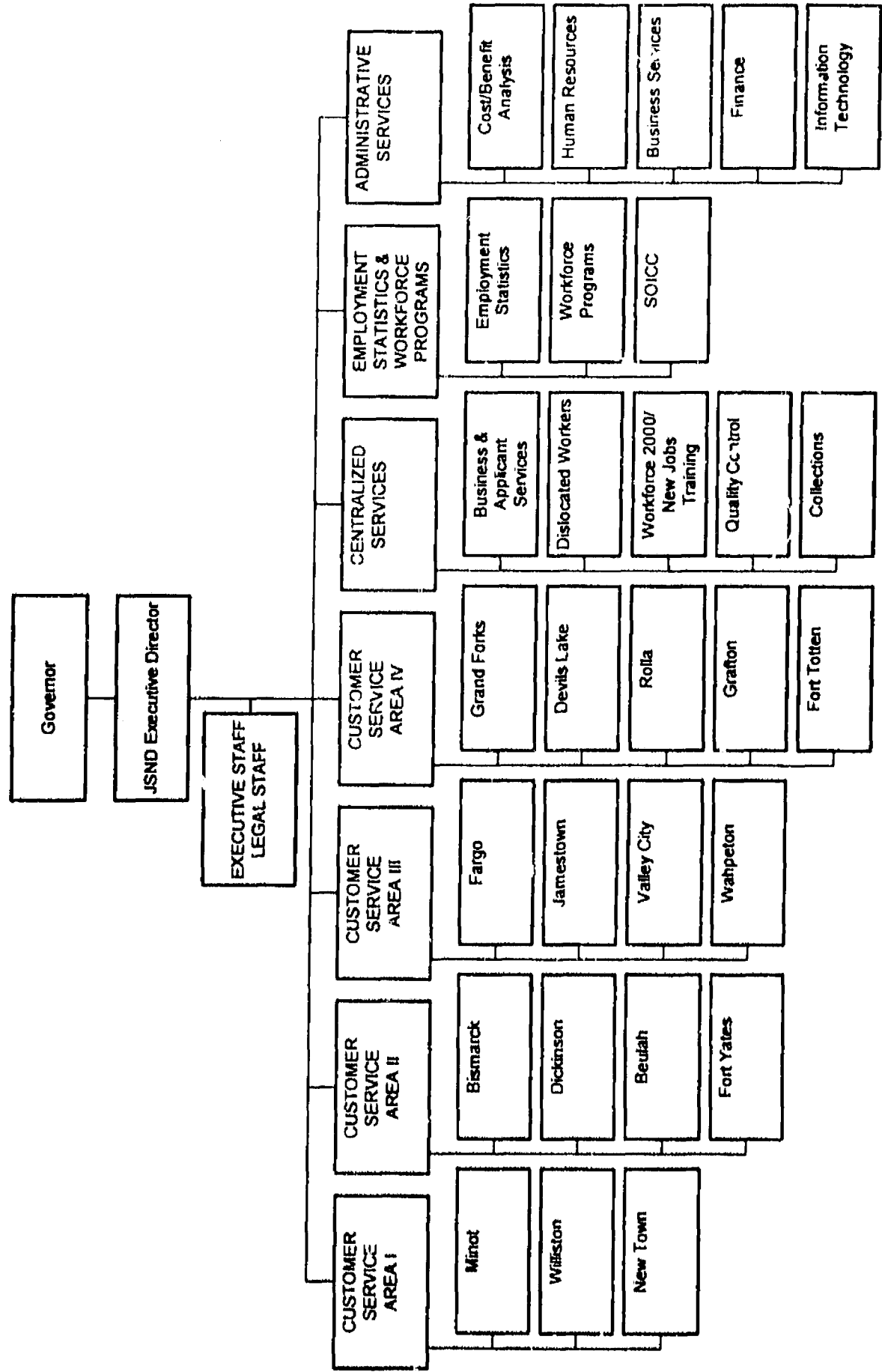
Vision: We continually reach beyond our paradigms for the best solutions to meet the needs of our customers. We welcome the challenges of the future.

Initiative: Initiative is valued, expected, and rewarded. Staff will be encouraged to develop the skills required to be solution providers.

Communication: Communication is the unrestricted exchange of information that leads to understanding and a collective pursuit of all goals and objectives.

Excellence: Excellence is the continuous pursuit of customer-driven quality and improvement by highly competent and skilled employees.

JOB SERVICE NORTH DAKOTA



Rev. 09/00

CUSTOMER SERVICE AREAS



BOLD CAPS County Name

AREA III



WORKFORCE PROGRAMS
ISVD-6045 (R 1-01)

**Job Service North Dakota is a Proud Member of America's Workforce Network.
We are an Equal Opportunity Employer/Program Provider. Auxiliary Aids
and Services are Available Upon Request.**

Job Service North Dakota Service Delivery System

Job Service Offices

Williston
Dickinson
Bismarck-Mandan
Beulah
Minot
Rolla
Devils Lake
Grafton
Grand Forks
Fargo
Wahpeton
Valley City
Jamestown

Reservation Outreach Offices

Fort Berthold (New Town)
Standing Rock (Fort Yates)
Spirit Lake Nation (Fort Totten)
Turtle Mountain (Rolla)

University/College Placement Offices

University of North Dakota
North Dakota State University
Mayville State University
State College of Science
UND-Lake Region
Minot State University
Dickinson State University
Bismarck State College
Valley City State University
UND-Williston

Job Information Centers

Customer Service Area I

Crosby
Tioga
Watford City
Bowbells
Stanley
Parshall
Mohall
Kenmare
Velva
Towner
Bottineau
Rugby
Minot AFB

Customer Service Area II

McClusky
Garrison
Underwood
Washburn
Center
Glen Ullin
Hebron
New Salem
Elgin
Carson
Linton
Steele
Stanton
Killdeer
Beach
Mott
Bowman
Hettinger

Customer Service Area III

Finley
Hope
Hatton
Mayville
Hillsboro
Casselton

Area III con't

Enderlin
Lisbon
Gwinner
Forman
Lidgerwood
Hankinson
Harvey *
Fessenden
Carrington
Cooperstown
Napoleon
Wishek
Ashley
Edgeley
LaMoure
Oakes *
Ellendale

Customer Service Area IV

Langdon
Cando
Minnewaukan
New Rockford
Walhalla
Cavalier
Drayton
Park River
Larimore
Lakota
McVie
Northwood
Grand Forks AFB

*Part-time offices

Job Service North Dakota Attained Service Levels

Employment Services July 1, 1999 - June 30, 2000 Program Year

- 91,464 active applications
- 47,967 job openings
- 46,856 job placements/obtained employments

Job Insurance October 1, 1999 - September 30, 2000

- \$37.5 million paid in Job Insurance benefits
- \$31.6 million Job Insurance Trust Fund balance (as of 12/31/00)
- 19,515 new claims

North Dakota Job Training Programs

- Workforce 2000 Projects July 1, 1999 - November 13, 2000
 - 68 separate projects
 - 4,641 individuals trained
 - \$8.36 million total training costs
 - \$1.11 million paid through Workforce 2000
 - \$239 average cost per trainee to Workforce 2000
- North Dakota New Jobs Creation January 1, 1999 - November 13, 2000
 - 30 Projects
 - 3,384 New Jobs Created
 - 10 Projects using self financing option (July 1, 2000 to Present)
 - 694 New Jobs Created

Federally-Funded Job Training Programs July 1, 1999 - June 30, 2000

- Job Training Partnership Act program enrollments
 - 696 Title II-A Adult training
 - 27 Title II-A Adults over 55
 - 1,239 Title II-B Summer Youth Employment & Training
 - 587 Title II-C Year-Round Training for Youth
 - 566 Title III Dislocated Workers
- JOBS (Job Opportunity and Basic Skills)
 - 3,206 AFDC Recipients
- Trade Adjustment Assistance (TAA)
 - 161 Individuals Enrolled
- Senior Community Service Employment Program
 - 102 Individuals Enrolled
- Job Corps
 - 372 Individuals Enrolled
- Welfare - To - Work
 - 568 Individuals Enrolled
- North Dakota Survival

- 385 Individuals Enrolled

Labor Market Information

- Seven Local Employment Surveys (published in 1999 and 2000)
- *Occupational Survey Wages and Employment 2000* (4-00)
- *Labor Market Advisor and State Unemployment Rates* (published monthly)
- *North Dakota Employment & Wages-1999* (10-00)
- *North Dakota's Economic Roadmap 2000* (replaces the Annual Planning Report)
- *Employment Projections to 2006* (12-98)
- *Six City Benefit Surveys in 1999 and Six City Benefit Surveys in 2000*
- *Up and Down the River: The 1997 Flood Impact on Employment and Wages-Grand Forks County* (3-98)
- *Religious Employment in North Dakota-1997* (3-98)
- Job Service website expansion includes more historical data, links to other sites, and continued enhancement of interactive pages.



America's **Job Bank**

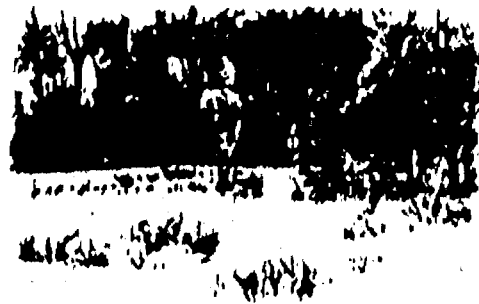
Home	State of ND	Latest News	Related Sites	Contact Us	Search
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JOB SEEKERS:

- [Job Listings](#)
- [State Gov't Jobs](#)
- [Jobs outside ND](#)
- [Education Vacancies](#)
- [Federal Jobs](#)
- [Job/Career Fairs](#)
- [Business Links for Job Seekers](#)
- [More information for Job Seekers](#)
- [Resume on Americas Job Bank](#)
- [Creative Job Search](#)
- [Workforce Development](#)

BUSINESS:

- [List an opening with Job Service](#)
- [Post a job-Americas Job Bank](#)
- [Workforce Development](#)
- [ND Businesses](#)
- [More information for employers](#)

OTHER STATE AGENCIES**LABOR MARKET INFO****ON-LINE PUBLICATIONS****JOB INSURANCE INFO****ND COLLEGES/UNIVERSITIES****JOB SERVICE LOCATIONS****ABOUT JOB SERVICE****VETS****WORKFORCE INVESTMENT ACT****ELIGIBLE TRAINING PROVIDERS****YOUNG ADULTS****WEB BASICS & TUTORIAL****e-news**

- [crisnd.com](#)
- [Customer Resource Information System for ND](#) NEW
- [Eligible Training Providers](#) NEW
- [List "Education Vacancies" on line](#) NEW

"There's an employer looking for you at." **America's Job Bank**

Welcome to Job Service North Dakota

This site is designed for you, the people who are interested in viewing and using our services. We proudly state that our mission is to provide **customer-focused services**. To us, that means that we meet your needs at every level. You can access our services through technology, or through personal contact...it is your choice.

Our new connection **jobsnd.com** was designed for ease of use. Like the rest of the world, we are changing. We believe change does not "happen" to us; it is something we plan for and design with you in mind. Your feedback is important.

Thank you for visiting our web site.

Maren L. Daley, Executive Director

[Mission & Vision Statement](#)

[Accessibility Information](#)

[Disclaimer](#)

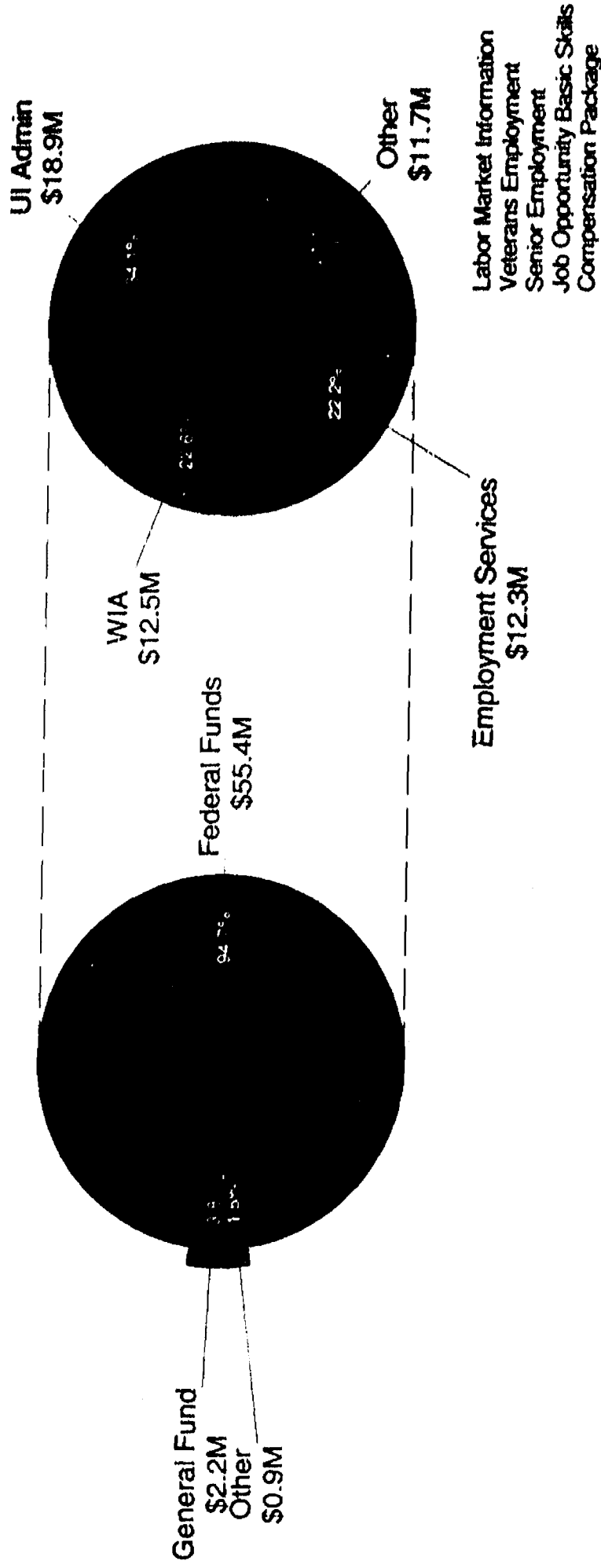
Local Gov't	ND Newspapers	Road & Travel Info	Project Back Home	B L S
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Job Service North Dakota

In Millions of Dollars

2001-2003 Agency
Appropriation Request

Federal Funds by Program
Area



Prepared by LMI Center 12/15/2000

Job Service North Dakota

Appropriations Committee Handout



*pages 1-6
same as
in January
testimony*

Prepared for Appropriations Committee
by Job Service North Dakota
Senate Bill 2017
February 2001

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The Job Service Appropriation Request

Engrossed Senate Bill No. 2017...Section 1, 2 & 3

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Engrossed Senate Bill No. 2017...Section 4

Section 52-04-22 of the North Dakota Century Code created the Federal Advance Interest Repayment Fund, referred to as the FAIR Fund, and identified the revenue and expenditure items that are allowable for the fund. Revenue to the fund consists of the penalty and interest collections as provided by the Unemployment Compensation Law and any interest earnings accruing to the fund.

Current statutory authorized uses for the fund include:

- ◆ Interest due on federal advances to the state trust fund.
- ◆ Interest costs associated with the bond payments that funded the construction of the current Grand Forks Job Service office.
- ◆ Costs of repair, renovation, or alteration of Job Service office facilities.
- ◆ Payment of the replacement rate charged for use of state fleet vehicles.

Section 4 would add two allowable uses for the fund and provide for appropriation associated with the uses. The additional uses proposed are as follows:

- ◆ First, it allows principal costs associated with the bond payments that funded the construction of the current Grand Forks Job Service office. Currently, bond principal payments are charged to Federal Grants and Bond interest payments are charged to the FAIR fund.

This results in the equity accruing to the federal government. The intent of this legislation is to charge the bond principal to the FAIR fund and bond interest to the Federal grants. This change will allow building State equity in the property.

- ◆ Second, it allows principal and interest costs associated with bond financing for acquisition of a new Job Service Customer Service Office facility in Bismarck. The intent would be to charge bond principal payments to the FAIR fund and Interest to Federal grants. This financing method would provide state equity in this property. Tab 8 details our need for a new Service Delivery Office in Bismarck. Bond financing for the new service delivery office is included in SB 2023, the capital projects bill.

Engrossed Senate Bill No. 2017...Section 5

Tab 9. Job Task Analysis

Section 5 seeks statutory authority to charge a fee to provide Job Task Analysis as an enhanced service for our Business Customer. Job Task Analysis is a task-based model, which identifies critical skills required to satisfactorily perform the tasks of a profiled position. This new service will enable Job Service North Dakota to better assist businesses with a qualitative and quantitative method of identifying critical skills required to satisfactorily perform any given job. Through this service the business is aided in their recruitment, selection and retention of employees. The information resulting from the Job Task Analysis is used to measure the skills of current and/or prospective employees versus the skills needed for the position. The identification of needed training aids the business or potential training provider in the development of future training programs. There is a critical need for recruitment, selection, retention and skill set identification in today's labor market for North Dakota businesses, job seekers and training service providers.

This section also provides for a continuing appropriation for fees collected for Job Task Analysis services. Estimated revenues and expenditures of \$245,061 are included in Section 1 of our budget request. Additional information on Job Task Analysis is provided in Tab 9.

Engrossed Senate Bill No. 2017...Section 6

Section 6 of our appropriation bill amends Section 4, Chapter 433 of the 1999 North Dakota Session Laws, which provided appropriation authority for expenditure of special Unemployment Insurance "Reed Act" funding appropriated by the US Department of Labor for the years 2000, 2001 and 2002. These funds can only be used for the administration of the Unemployment Insurance program.

Appropriation authority for these funds was contained in HB 1089 that was passed by the 1999 legislative session. The appropriation authority is conditional on reducing unemployment insurance duration by ½ week for each year. The amendment removes these conditions for use of appropriation authority and provides a continuing appropriation.

The fund is expected to have approximately \$599,000 which Job Service is requesting authority to use for funding costs associated with implementing a centralized claims center. The centralized claims center has been identified as a critical success factor in our business plan and is a recommendation contained in Job Service North Dakota's 2000 performance audit.

The centralized claims center will improve program operations, provide customers with improved accessibility for filing their Unemployment Insurance claims, reduce administrative costs associated with the claims filing process and allow administrative savings to be used to provide those services which will assist claimants in returning to work sooner.

The centralized claim call center will have a positive impact on the state's Unemployment Insurance Trust Fund by reducing administrative costs associated with the claims filing process. Job Service will free up staff resources to focus on efforts to reduce claimant duration and claimant exhaustion rates. These efforts will result in lower benefit payouts to the trust fund.

Job Service North Dakota has received a \$821,000 competitive grant from the US Department of Labor that will partially fund the centralized claims center project. We are asking for appropriation authority to use the "Reed Act" distribution to complete the project.

Reducing claimant duration and exhaustion rates are a high priority for Job Service. This is a critical success factor in our business plan and we are making progress. The following reflects claimant duration based on tracking we are doing for HB 1089:

	<i>PY 98 (7-1-98 to 6-30-99)</i>	<i>PY 99 (7-1-99 to 6-30-00)</i>	<i>PY 00 (7-1-00 to 6-30-01)</i>
Duration	11.16 Weeks	10.22 Weeks	
	<i>PY 98 (7-1-98 to 2-28-99)</i>	<i>PY 99 (7-1-99 to 2-29-00)</i>	<i>PY 00 (7-1-00 to 2-28-01)</i>
Duration	8.75 Weeks	8.59 Weeks	8.42 Weeks

Duration is affected by weather and economic conditions, which are significant variables. For that reason, Job Service is not comfortable with committing to a major initiative such as the centralized claims center without having identified resources to cover the costs.

Job Task Analysis

In 1997, Job Service North Dakota found it necessary to begin the process of Strategic Business Planning. This was accomplished to provide direction and goals to our agency. Our Strategic Business Plan has become a fluid, working document, providing the essential guidance to accomplish our mission: That *Job Service North Dakota provides customer-focused services to meet the current and emerging workforce needs of the state.* With the business plan and the mission statement, Job Service North Dakota adopted a vision: That *Job Service North Dakota is the provider of choice for workforce services.*

Job Service North Dakota works with the business community on a daily basis; providing them with Labor Market Information; listing job orders locally, statewide, and nationally; referring qualified job seekers to businesses; assisting with screening job seekers; providing guidance and assistance in writing proposals for training funds; providing enhanced services such as skills analysis; and the list continues.

Through the Job Task Analysis process, everyday generic work skills are transformed into job-specific skills, employer specific skills, and/or position specific skills. This process assists the business in the development of enhanced job descriptions, assessing the job applicants, creating employee career development plans, and identifying areas where training is needed. Job Task Analysis assists the business in developing and maintaining a quality workforce.

Job Service North Dakota staff understands that Job Task Analysis can and will provide an excellent means of helping businesses recruit, select, train, and retain the right employees. Job Task Analysis can provide a quantitative and qualitative approach to assessment of skills/competencies required to accomplish the tasks of a specific job for a specific business. It was for this reason that Job Service North Dakota included Job Task Analysis in the 1997 Business Plan as an enhanced/expanded service to be offered to our business customers. The commitment to provide needed services to customers is indicated in the 2000 Business Plan, which states "Job Service North Dakota will complete a Job Task Analysis pilot project and develop recommendations regarding it's use as a tool to help businesses identify skill levels in hiring and training".

What benefits can Job Task Analysis provide for North Dakota businesses?

1. Job Task Analysis can assist businesses in formulating a well-defined job description. In the information technology age, an open position is now posted globally, rather than just locally. It is therefore essential to have a good job description when advertising an open position. A good job description helps prospective employees understand the job and realize whether or not they have the proper qualifications to satisfactorily perform the required work.
2. Job Task Analysis can identify critical skills/competencies needed to perform the specific task of the job. These critical skills/competencies are identified by

Incumbent workers with an excellent knowledge of the tasks required for the job. Since the workers themselves establish the standards, utilization of the skills/competencies for employee selection purposes is legally sound. Critical skills/competencies can be viewed as those competencies needed to learn the job and skills that can be trained while on the job.

3. Job Task Analysis provides information to employers and human resource personnel, so that they have a better idea of what they want in prospective employees. Traditionally, employers look for "what" an applicant can do rather than "how" an applicant can accomplish tasks. By looking for the "how" and training for the "what", a better match is made; thus reducing turnover and training costs.
4. Job Task Analysis facilitates the establishment of levels or standards of performance by the incumbent workers. These levels or standards can be used to set expectations of both employee and employer; and to establish and maintain open communication resulting in a good work environment.
5. Job Task Analysis can identify skill/competency gaps where training can be utilized with incumbent workers and new hires. Through self-analysis or assessment testing, the incumbent and the prospective employee can determine what they are lacking in the appropriate level of skills/competencies, and seek training to further their career and advance within the company.

To verify the benefits of Job Task Analysis to the business community, Job Service North Dakota conducted a pilot project from October 1, 1999, to September 30, 2000, in the northeast quadrant of the State. This included the counties of Rolette, Towner, Cavalier, Pembina, Benson, Ramsey, Walsh, Nelson, and Grand Forks. The Job Service North Dakota Customer Service Office in Grand Forks was the center of the pilot project. The objectives of the pilot project were as follows:

1. Explore the need for Job Task Analysis as a resource tool for workforce recruitment and retention.
2. Identify a desirable Job Task Analysis product/service vendor.
3. Determine the financial impact on the Job Service North Dakota budget.
4. Determine the human resources required to offer an enhanced service such as Job Task Analysis.
5. Identify a willingness of North Dakota businesses to pay for an enhanced service.
6. Determine funding sources to provide Job Task Analysis.

While exploring the need for Job Task Analysis you can see that over the past 6 years (since 1994), the seasonally adjusted unemployment rate for the state of North Dakota has not been higher than 3.9 %, and has been as low as 2.1%. While the total available labor force has risen by only 740 people (from 336,571 to 337, 311), the number of people employed has risen by 5,446 (from 323,508 to 328,954). There is consistently

more job openings listed with Job Service North Dakota than there are registered job seekers.

On January 11, 2001, there were 1,242 job seekers registered and 1,935 openings listed at the Grand Forks office. This causes a very tight labor market, in fact, a job seekers market. With a job seekers market there is very little loyalty to the company for whom an individual is working. This job seekers market and lack of loyalty can be costly to a business when someone is trained for a position only to lose them to another company. The turnover cost of a *fast food/quick service worker* is figured to be \$ 545 per worker. The turnover cost of a *fast food/quick service manager* is approximately \$2,300 per manager. In the production arena, the turnover cost of a *composite fabricator* is estimated at \$3,250 per fabricator. In a company of 100 employees with an annual turnover rate as low as 5%, the cost could be as high as \$16,250. There is a need to hire the right person for the job the first time.

Two product/service vendors were utilized during the pilot project. They were AES International (AES) of Detroit Lakes, MN, and American College Testing (ACT) of Iowa City, IA. These two products differ in the number of skills/competencies assessed and the end product or means available to the business to accomplish the desired effect. AES assesses the 37 competencies of the Secretary's Commission on Achieving Necessary Skills while ACT assesses Reading for Information, Applied Mathematics, Applied Technology, Locating Information, Teamwork, Observation, Listening, and Writing. These products were selected from a field of eleven products researched from May 1999 to August 1999. ACT is designed for assessment of entry-level positions while AES provides assessment for all positions, entry level through professional level. These products complement each other and work well together. AES Skill Coach is the primary assessment engine for Johns Hopkins University Career Transcript System used by hundreds of community colleges (and growing) in Welfare-to-Work programs. AES was adopted by the state of Washington as the profiling tool for all standards-based curricula in the Washington State Community College system. AES tools are currently being used by 800 businesses in 32 states and by education in 28 states. Over 2,900 AES profiles have been completed since AES began business in 1994. AES requires that a value be placed on the use of their products and services, therefore indicating the need to charge for the service. ACT has 2,243 companies using Work Keys in 40 states with educational entities using Work Keys in 48 states. Over 6,000 jobs have been profiled by ACT certified profilers in the past 5 years. ACT currently has 612 certified profilers utilizing Work Keys. Although ACT does not require that a value be placed on their products, they do charge annual license fees for profilers and service centers and charge for the processing of individual assessments as they are scored. ACT has become a primary workforce assessment tool in the United States. Many companies have developed and continue to develop training materials and programs that assist individuals in achieving the level of performance required for a specific job with a specific business.

Within the upper Midwest Region, AES tools are being utilized in Minnesota in an educational setting. In the same area, ACT Work Keys are being utilized in Minnesota, Iowa, and Nebraska in both the educational and business setting, and in Wyoming and

South Dakota in an educational setting only. Montana is not utilizing any vendor skills assessment tools at this time. Our fine State of North Dakota has only begun to explore the possibilities with the pilot project operated by Job Service North Dakota. As more jobs and/or occupations are profiled to determine the critical skills/competencies the areas of Welfare to Work and School to Work can be explored.

Funding of the Job Task Analysis pilot project was achieved through utilization of a \$25,000 grant from the Interstate Conference of Employment Security Agencies (ICESA), \$23,000 of the Federal One-Stop Service Center implementation grant, and approximately \$28,000 of Federal Employment Security (ES) funds. The approximate cost of \$76,000 covered training, licensing, and wages of two profilers, training and licensing of one service center for ACT assessments, computer equipment, cost of product use, travel, lodging, and per diem. The pilot project did not add staff to push or sell Job Task Analysis to businesses as an enhanced service. The pilot project utilized existing Employment Security staff and offered Job Task Analysis only as a solution to a specific problem for the business with whom they were working. Job Service North Dakota would launch this program with 3.5 full time equivalent positions. The cost committed to this project for this biennium budget for Job Service North Dakota would be about \$245,000. With the additional draw on Job Service North Dakota, core services cannot be sustained.

As stated, Job Task Analysis was offered only as a solution to a specific human resource problem of a business uncovered during normal working relations with that business. Once Job Task Analysis was determined to be a solution, a service agreement was presented quoting a price for the enhanced service. Only after the company had agreed to pay the fee, were they informed that Job Service North Dakota would cover all costs. Only one business of the fourteen offered Job Task Analysis stated they could not afford the cost, all others were ready and willing to pay between \$1,124 and \$3,371 for the profiling of one of their positions. Prices quoted varied depending on the anticipated time to complete a profile and the complexity of the position being profiled. North Dakota businesses, like any other businesses, are willing to pay for a service provided as a solution to a problem.

The Job Task Analysis pilot project has proven that there is a need, that North Dakota businesses are willing to pay for this service, and that the extra ordinary costs associated with Job Task Analysis cannot be funded through normal funding streams without degrading core services. Therefore, to offer Job Task Analysis as a value-added enhanced customer service to North Dakota business, it will be necessary to charge a fee to recover our direct costs.

Job Service North Dakota is committed to offering Job Task Analysis to North Dakota businesses. Without legislative authorization to charge a fee for this enhanced service, Job Service North Dakota would be forced to pick and choose which business to which they could offer Job Task Analysis. This would have to be determined with the consideration of those most in need of the service. The lack of authorization of fee for service would also limit the service provider availability to AES International. This

would remove the availability of the ACT Assessment testing which provides numerical matching between the job seeker and the level at which the position was profiled. With authorization to charge a fee for Job Task Analysis, the North Dakota Legislature will ensure that all businesses have an equal opportunity to receive this valuable service.

The organizations that traditionally offer Job Task Analysis services are public in nature, either educational entities or employment service agencies. It is believed that along with equipment and man-hour costs, the primary reason the private sector is not actively engaged in providing these services is the difficulty in making an effective sale. An effective sale must include a solution to the problem, as the business perceives it. Businesses, like individuals, will not readily provide critical information needed to identify problems until a trust factor is established. That trust factor usually comes about from working well together on related issues. For a private organization to offer Job Task Analysis, they would first have to be successful in another line of business to cover the cost of the many hours required to establish that personalized relationship needed to gain the trust of the prospective business.

NORTH DAKOTA

New Jobs Training Program

*No-Cost Job Training
for New and Expanding
Businesses*



Administered by Job Service North Dakota

Program

Overview and Mission

The North Dakota New Jobs Training Program provides incentives to businesses and industries that are creating new employment opportunities through business expansion or relocation to the state. The program provides a mechanism for companies to secure no-cost funding to help offset the cost of training new employees for business expansion and/or startup. The program was established by the 1993 North Dakota Legislature.

North Dakota New Jobs Training Program **Funding Assistance**

Under the New Jobs Training Program, the business obtains funds in the form of a loan, a repayable grant, or under a self-financing option. The loan can be obtained from a commercial lender, local development corporation, Bank of North Dakota, or other qualified lender. Repayable grants could be issued by the state, a city, or a local development corporation.

The loan or grant, plus interest, is repaid through the capture of the state income tax withholding generated from the new job positions that are created. Under the self-financing option, sixty percent of the allowable state income tax withholding can be reimbursed directly to the participating business. *The withholding credit is based on the new job position and not individuals in the position.* The new job position may have any number of individuals in the position during the life of the project. State income tax withholding can be captured for up to a 10-year period, or until the loan is repaid, whichever comes first.

Your **Business** *may* **Qualify**



If your business is locating to the state or is a business that is expanding, you may qualify for funding. The initial criteria is that the business must be a "primary sector" business, defined as one that adds value to a product, process or export service, resulting in the creation of new wealth, excluding production agriculture. Eligible new job positions that can be included under a North Dakota New Jobs Training agreement must pay at least \$7.50 per hour, plus benefits, by the end of the first year of employment.

Other qualifying criteria include:

- ✕ Businesses locating to the state must create a minimum of five new jobs. Expanding businesses must increase the level of employment by at least one employee.
- ✕ Your business must not be closing or reducing its operations in one area of the state and relocating the same operation to another part of the state.
- ✕ Your business must have an economically and socially desirable purpose.

Calculation of **State Income Tax Withholding Credit**

The amount of state income tax withholding available to a project is based on:

- ✖ The number of new positions created.
- ✖ The wage rate paid to individuals filling the new job 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 considers the individual's average tax liability, using a varying number of exemptions.
- ✖ 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 of the project, to establish the maximum state income tax withholding available under a North Dakota New Jobs Training Project.



Determining the loan amount or self-financing amount:

1. The employer provides the lender with the amount of state income tax withholding available.
2. Based on the interest rate charged and draw-down schedule established by the employer, the lender amortizes the total amount of state income tax withholding back to determine the loan amount.
3. Under the self-financing option, sixty percent of the allowable quarterly withholding will be reimbursed directly to the employer up to the maximum available withholding identified in a project agreement.

Early Repayment

If the employer creates the number of new jobs identified in the North Dakota New Jobs Training Agreement, at the wage rates projected, most loans or self-financing options will repay themselves in less than the 10-year project period. Early repayment 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 loan repayments.
- ✖ Most individuals have more state income tax withheld than their actual tax liability.
- ✖ The agreement does not build in salary increases during the 10-year period, resulting in larger withholdings.

Repayment **Terms**

- ✕ Employers must file a Form F306 quarterly state income tax withholding report with the North Dakota State Tax Department. Form F306 identifies the quarter ending date, project number, and the total amount of North Dakota state income tax withheld during the quarter from wages paid to employees who fill qualified new job positions.
- ✕ The qualified new job position number, the name and Social Security number of the employee filling the new job position, and the amount of North Dakota state income tax withheld during the quarter for the employee are also required.

After receipt and verification of Form F306, the North Dakota State Tax Department will transfer the amount of the new jobs credits from withholding to a special fund set up and administered by the state treasurer. A check will be drawn on the special account payable to the lender identified in the agreement or directly to the business under the self-financing option. This transfer will be made by the third working day of the third month following the end of the calendar quarter. For the first quarter, this will occur in June; the second quarter in September; the third quarter in December; and the fourth quarter in March.



Loan **Proceeds**

There are no limitations on the use of these funds. The loans received under the New Jobs Training Program can be used by employers for whatever purpose they wish.

The project will be monitored to insure that the number of new job positions agreed to in the Final Agreement are actually created and that these new job positions are paid at least a minimum of the wage specified in the agreement.

Application **Process**

Requests for information on the New Jobs Training Program should be submitted to:

Manager, Customer Service Area V
Job Service North Dakota
P.O. Box 5507
Bismarck, North Dakota 58506-5507
Phone: 701-328-2843 • Fax number: 701-328-2414



CSA V
JSND 4006 (R 6-99)

Job Service is an equal opportunity
employer/program provider.
Auxiliary aids and services are available

March 2001

SUMMARY OF WORKFORCE DEVELOPMENT TRAINING FUNDS

Workforce development training includes education from high school through college and advanced, customized, and specialized training courses. For the purpose of this summary, workforce development training excludes any educational training provided as general coursework by the North Dakota University System and any educational training below the higher education level. Within this context, the major state agencies partnering to provide workforce development training throughout the state include the North Dakota University System, Job Service North Dakota, State Board for Vocational and Technical Education, Department of Human Services, and Workforce Development Council.

	1999-2001 Biennium	2001-03 Biennium Schafer Executive Budget	2001-03 Biennium Hoeven Executive Budget	2001-03 Biennium as of Crossover
General Fund Programs				
North Dakota University System - College Technical Education Council (CTEC)	\$197,627	\$194,788	\$194,788	\$194,788
Vocational Education - Workforce training	875,000	875,000	1,350,000	1,350,000
Vocational Education - Industry training program	32,795	30,000	30,000	30,000
Workforce Development Council 11	104,157	104,159	103,964	880,703
Job Service - Work Force 2000 12	1,250,676	2,000,356	2,250,356	2,250,356
Department of Human Services - JOBS program 13	0	36,523	36,523	36,523
Subtotal - General fund	<u>\$2,460,255</u>	<u>\$3,240,826</u>	<u>\$3,965,631</u>	<u>\$4,742,370</u>
Federal Funds Programs				
Workforce Development Council 11	\$104,157	\$104,156	\$103,963	\$60,584
Job Service - Senior community service employment program	1,069,524	1,052,242	1,052,242	1,052,242
Job Service - Job Corps 14	449,822	0	0	0
Job Service - Trade adjustment assistance	1,271,962	1,176,217	1,176,217	1,176,217
Job Service - Job Training Partnership Act 15	4,247,422	0	0	0
Job Service - Welfare-to-work 16	1,629,539	0	0	0
Job Service - Dislocated worker	1,849,680	235,345	235,345	235,345
Job Service - Job opportunities and basic skills	3,598,513	4,472,977	4,472,977	4,472,977
Job Service - Workforce Investment Act	6,983,485	12,496,060	12,496,060	12,496,060
Department of Human Services - JOBS program 13	6,296,965	7,172,682	7,172,682	7,172,682
Department of Human Services - TANF program	587,170	3,083,671	3,083,671	3,083,671
Department of Human Services - Food stamp 17	510,000	507,500	507,500	507,500
Subtotal - Federal funds	<u>\$27,598,239</u>	<u>\$30,300,850</u>	<u>\$30,300,657</u>	<u>\$30,257,278</u>
Special Funds Programs				
Job Service - Department of Veterans Affairs 18	\$68,881	\$0	\$0	\$0
Job Service - New jobs	179,884	110,000	110,000	110,000
Job Service - Bremer Foundation 18	70,000	0	0	0
Department of Human Services - JOBS program 13	0	12,370	12,370	12,370
Department of Human Services - Food stamp 17	10,000	7,500	7,500	7,500
Subtotal - Special funds	<u>\$328,565</u>	<u>\$129,870</u>	<u>\$129,870</u>	<u>\$129,870</u>
Total all funds	<u><u>\$30,385,059</u></u>	<u><u>\$33,671,546</u></u>	<u><u>\$34,396,158</u></u>	<u><u>\$35,129,518</u></u>

11 Funding for the Workforce Development Council for the 1999-2001 biennium was included in the budget for the Department of Economic Development and Finance. In the 2001-03 Schafer executive budget recommendation, funding for the council was moved from the Department of Economic Development and Finance to the State Board for Vocational and Technical Education. In the 2001-03 Hoeven executive budget recommendation, funding for the council was provided for in the budget for the Department of Commerce. As of crossover, funding for the Workforce Development Council is included in the budget for the Department of Commerce. The following provides information regarding the total funding provided in the 1999-2001 biennium and the total funding proposed for the 2001-03 biennium:

	1999-2001 Biennium	2001-03 Biennium Schafer Executive Budget	2001-03 Biennium Hoeven Executive Budget	2001-03 Biennium as of Crossover
General fund	\$104,157	\$104,159	\$103,964	\$880,703
Special funds	104,157	104,156	103,963	60,584
Total	<u><u>\$208,314</u></u>	<u><u>\$208,315</u></u>	<u><u>\$207,927</u></u>	<u><u>\$941,287</u></u>

The funding provided for Work Force 2000 in the 1999-2001 biennium was \$1,250,676, of which \$1,250,000 was from the general fund, and \$67 was from federal funds. All funding proposed for Work Force 2000 for the 2001-03 biennium is from the general fund.

13 The following provides information regarding the total funding provided in the 1999-2001 biennium and the total funding proposed for the 2001-03 biennium for the Department of Human Services JOBS program:

	1999-2001 Biennium	2001-03 Biennium Schafer Executive Budget	2001-03 Biennium Hoeven Executive Budget	2001-03 Biennium as of Crossover
General fund	\$0	\$36,523	\$36,523	\$36,523
Federal funds	5,296,965	7,172,682	7,172,682	7,172,682
Special funds	0	12,370	12,370	12,370
Total	<u>\$5,296,965</u>	<u>\$7,221,575</u>	<u>\$7,221,575</u>	<u>\$7,221,575</u>

14 The Job Corps contract terminated on June 30, 2000.

15 The Job Training Partnership Act expired on June 30, 2000.

16 Funding availability for the welfare-to-work program expires on June 30, 2001.

17 The following provides information regarding the total funding provided in the 1999-2001 biennium and the total funding proposed for the 2001-03 biennium for the Department of Human Services food stamp employment training program:

	1999-2001 Biennium	2001-03 Biennium Schafer Executive Budget	2001-03 Biennium Hoeven Executive Budget	2001-03 Biennium as of Crossover
Federal funds	\$510,000	\$507,500	\$507,500	\$507,500
Special funds	10,000	7,500	7,500	7,500
Total	<u>\$520,000</u>	<u>\$515,000</u>	<u>\$515,000</u>	<u>\$515,000</u>

18 This program was funded in the 1999-2001 biennium with one-time grant funding.

WORKFORCE INVESTMENT ACT OF 1998

The Workforce Investment Act of 1998 provides the framework for a workforce preparation and employment system designed to meet both the needs of businesses and the needs of jobseekers. The Act replaces the Job Training Partnership Act that was repealed effective July 1, 2000.

The Workforce Investment Act is organized into the following five titles:

- Title I authorizes a new workforce investment system and requires establishment of state and local workforce investment boards and a "one-stop" delivery system.
- Title II reauthorizes adult education and literacy programs for federal fiscal years 1999-2003.
- Title III amends the Wagner-Peyser Act to require Job Service North Dakota activities to become part of a "one-stop" system.
- Title IV reauthorizes vocational rehabilitation programs through federal fiscal year 2003.
- Title V provides information regarding general provisions, including incentive grants for states exceeding negotiated performance levels.

Under the Workforce Investment Act, each state is required to establish a state workforce investment board. The state workforce investment board is responsible for managing the state's workforce investment system, creating and maintaining a strategic plan, designating local workforce investment areas, and reviewing performance measures for the state.

The Workforce Investment Act also requires states to implement a "one-stop" delivery system. Under such a system, customers may access job training, education, and employment services at a single location, and employers have a single point of contact to list job opportunities and provide information regarding skills needs by their workers.

WORKFORCE INVESTMENT ACT FUNDING

The Workforce Investment Act provides separate funding for adults, dislocated workers, and youth activities. Of a state's funding for adults and youth activities, 85 percent is required to be allocated to local areas and 15 percent is reserved for statewide activities, including technical assistance and development of a "one-stop" system. Of the funding for dislocated workers, 60 percent is required to be provided to local areas, 25 percent is reserved for rapid response activities, and 15 percent is for statewide activities.

The funding received through the Workforce Investment Act is primarily used for employment

services, education, and job training assistance. However, funding is also used for implementation of "one-stop" delivery systems and administration.

Job Service North Dakota was appropriated \$6,248,030 in workforce investment funds for the 1999-2001 biennium and anticipates receiving approximately \$12,496,060 in workforce investment funds for the 2001-03 biennium. The following table provides estimated uses of the workforce investment funding:

	1999-2001 Biennium	2001-03 Biennium
Participant grants	\$2,500,000	\$4,900,000
Direct client services	2,300,000	4,700,000
Statewide activities	600,000	1,200,000
Administration	800,000	1,600,000
Total	\$6,200,000	\$12,400,000

The Workforce Investment Act also requires each state to negotiate appropriate statewide performance levels for adult activities, dislocated worker activities, and youth activities with the United States Secretary of Labor. Beginning in July 2000, each state is eligible to receive an incentive grant if the state exceeds performance expectations for the workforce investment system, adult education, and vocational education. The amount of incentive grants is determined by the Secretary of Labor and ranges from \$750,000 to \$3 million. The incentive funds are required to be used on innovative programs for workforce investment system activities, adult education, or vocational education.

INDIVIDUAL TRAINING ACCOUNTS

The Workforce Investment Act includes provisions for states to establish individual training accounts. Individual training accounts are funds that are designated for the customers to purchase the training they determine is appropriate for them. The individual training accounts may be electronic transfer of funds, vouchers, credit, or debit cards.

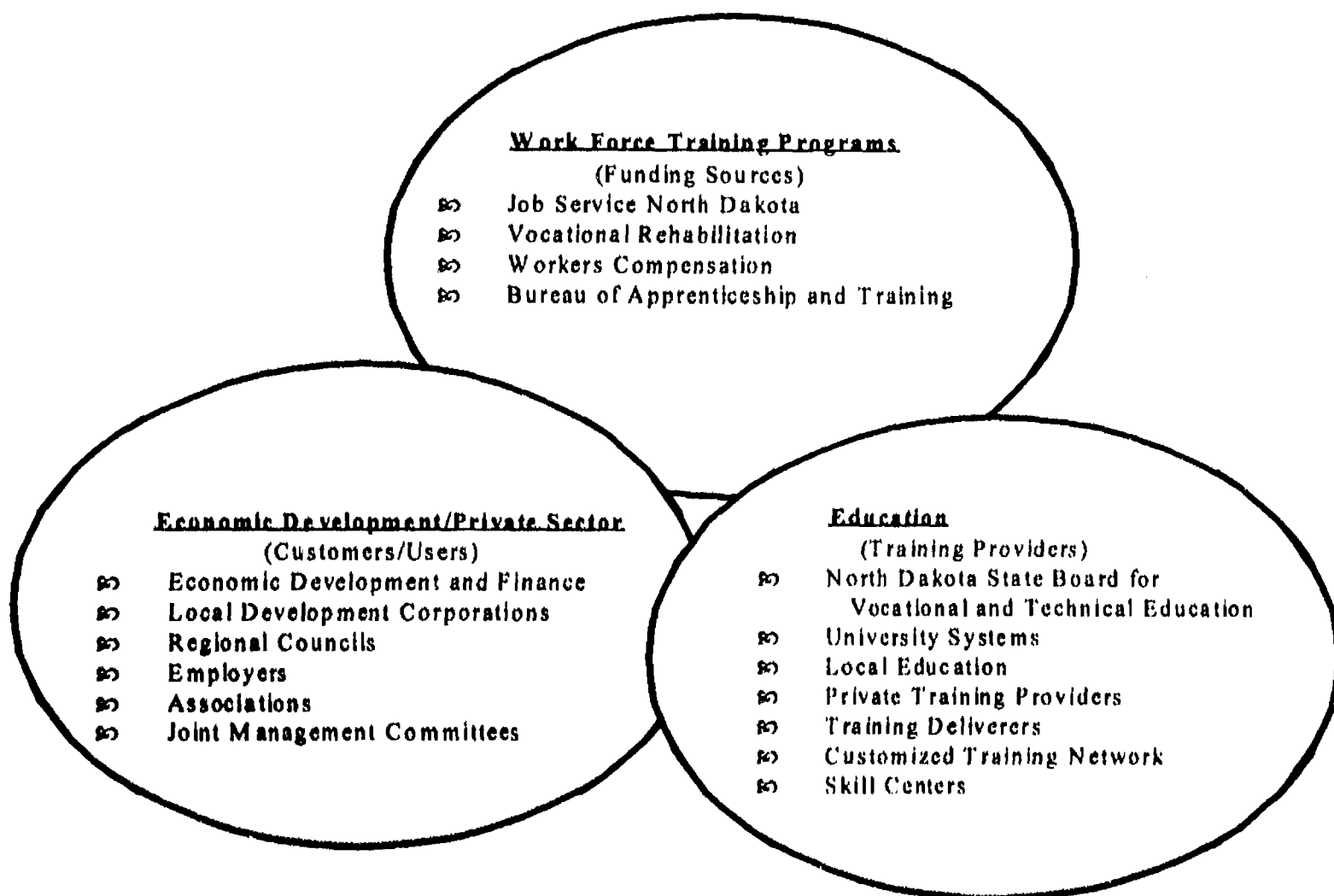
In North Dakota, individual training accounts are only authorized for individuals interested in receiving training in targeted industries which are determined by the Department of Economic Development and Finance or in occupations that are in high demand. To utilize an individual training account, an individual receives a list of selected training providers from Job Service North Dakota and determines which training to attend. Job Service North Dakota determines the amount of funding provided to the individual for assistance with training costs based on an individual's need and provides the training provider the authorized amount of training assistance.

Role of State-Funded Work Force Training Programs in Economic Development and Responding to North Dakota Business and Industry Work Force Training Needs

Work force development and training is a primary concern of North Dakota business, industry, and economic development leaders. Rapid advances in technology, global competition, and the introduction of new work methods fuel the need for ongoing work force retraining and upgrading training at an ever increasing rate.

A successful response to employer work force training requires coordination and collaboration between North Dakota employers, economic development leaders, work force training programs, and the public and private training providers across the state.

Work Force Development Partnership



NORTH DAKOTA WORKFORCE DEVELOPMENT DIVISION

Work force availability and work force training are important issues for businesses planning to expand in the state or businesses looking at locating to the state. These are important components of proposals when economic development professionals try to attract businesses to the state.

Job Service North Dakota role in the Workforce Development System is to recruit workers, identify and assess the skills of the available work force, and to develop service strategies that will assist job seekers with skill gaps to obtain the training and experience to qualify for the employment opportunities in the state.

Job Service North Dakota works directly with the partners of the Workforce Development System to coordinate responses from economic development professionals in responding to work force availability and work force skills for businesses expressing an interest in locating and/or expanding operations in the state of North Dakota.

Job Service North Dakota is a key player in economic development efforts for several reasons.

1. Job Service North Dakota, through its Public Employment Service is the largest single source of available workers for North Dakota businesses.

- Job Service has a statewide computer network that provides employer job openings with exposure to job seekers from across the state, as well as from across the Nation.

2. Job Service is the single largest source of available labor market information in the State.

- We provide businesses with information on job and labor market trends, work force availability, wage and fringe benefits, emerging occupations, employment and unemployment statistics.

3. Job Service North Dakota is responsible for administration of both federal and state workforce training programs.

- We provide businesses with access to resources to help offset the cost associated with training a work force for a business start-up or business expansion.

Job Service is involved with new job creation and business expansion projects in their earliest stages. We are asked to provide information on work force availability and to provide projections on the funding which could be available to help train available workers for specific expansion and new business start-ups.

Prepared by Job Service North Dakota
November 15, 2000

WORKFORCE 2000

and

**NORTH DAKOTA
NEW JOBS TRAINING
PROGRAMS**

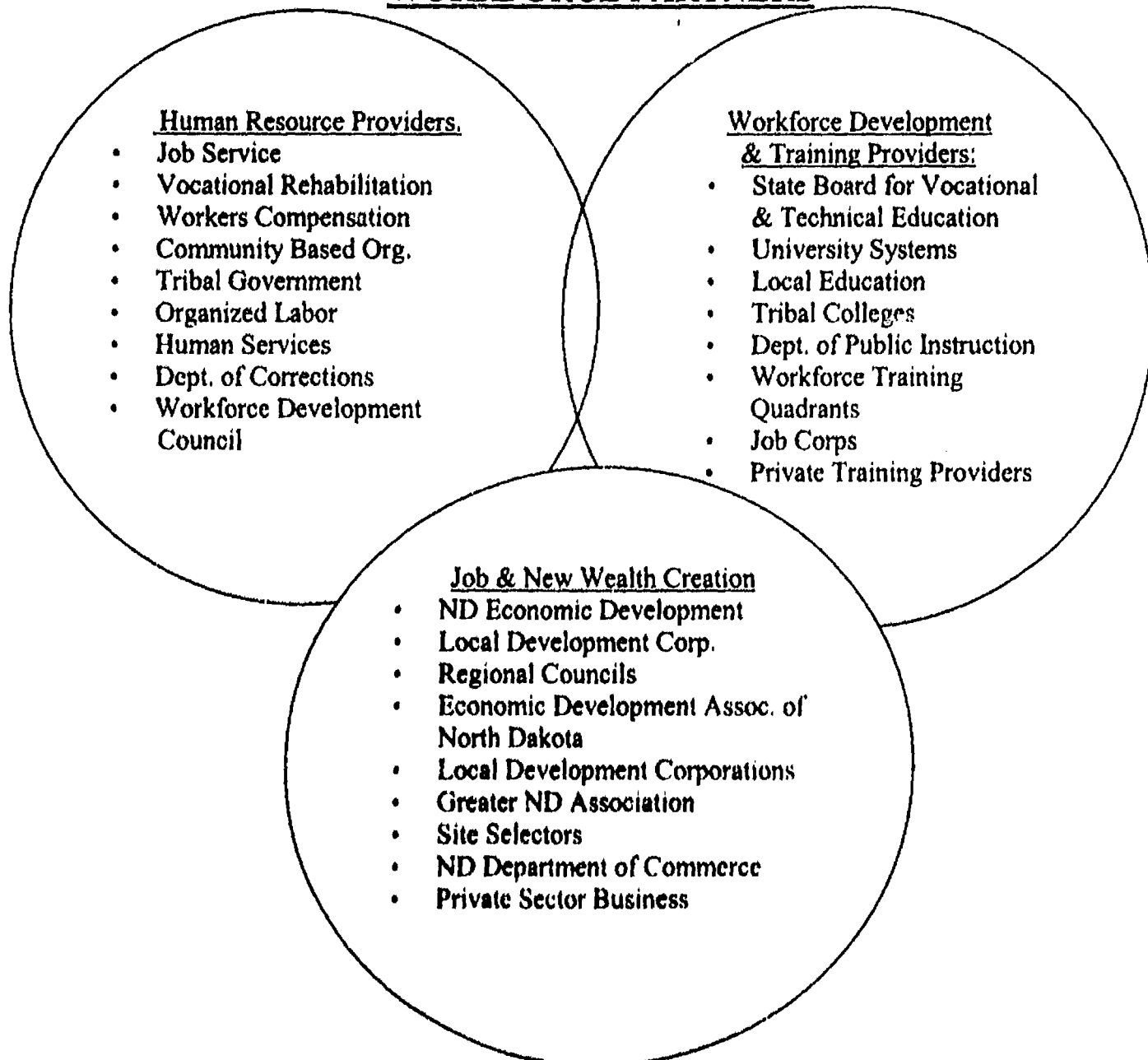
***Role of State-Funded Work Force Training Programs
In Economic Development and Responding to
North Dakota Business and Industry Work Force Training Needs***

Business expansion and new job creation depend upon an available and qualified work force. Work force development is a critical success factor identified in the Job Service Customer First Business Plan.

Work force availability and workforce training are primary concerns for North Dakota business, industry, economic development leaders and the state's leadership. Rapid advances in technology, global competition, and the introduction of new work methods fuel the ongoing need to retrain and upgrade the skills of our work force.

A successful response to address employer needs for an available work force and a trained work force requires coordination and collaboration between North Dakota employers, economic development leaders, work force development and human resource agencies the public and private training providers across the state.

WORKFORCE PARTNERS



HISTORY OF STATE WORK FORCE TRAINING PROGRAMS

Prior to July 1, 1991, North Dakota's primary resource for addressing employer work force training was through the use of federally funded programs.

Federally funded work force training programs target specific segments of the population (i.e., dislocated workers, welfare recipients, disabled, and low income). This targeting left gaps in the state's ability to effectively address the training needs of employers locating to the state or expanding employment within the state.

Since 1991, the state Legislature and Governor have enacted state legislation to compliment and fill the gaps in the federal work force programs.

WORKFORCE 2000

Workforce 2000 was enacted by the 1991 Legislative Assembly. This state-funded work force training program is designed to fill gaps in federally funded programs. Workforce 2000 can provide a match to employers to help cover some of the direct training cost when they provide retraining and upgrade training to their current work force in order to meet demands which are brought about by the introduction of new technologies and work methods.

Employers complete a Workforce 2000 proposal and submit the proposal to Job Service North Dakota. The proposal is reviewed by a Workforce 2000 Advisory Committee and recommendations on funding are made to the Executive Director of Job Service North Dakota.

Members of the Workforce 2000 Advisory Committee represent Job Service North Dakota, Economic Development and Finance, State Board for Vocational and Technical Education, Greater North Dakota Association, Small Business Development Center, private business, organized labor and private development corporations.

The Workforce 2000 Program is a popular program with North Dakota business and industry, Economic Development Professional and North Dakota leaders.

Follow-up on program participants one year after completion of training showed the following percent of increase in wages and average hourly wage of all participants in the program.

Biennium	Percent Increase	Average Hourly Wage *
1991-1993	8.0%	\$10.17
1993-1995	12.3%	\$11.10
1995-1997	25.4%	\$12.16
1997-1999	32.9%	\$14.21

* The Average Hourly Wage one year after training reflects a number of individuals trained under a Preemployment option. These individuals were unemployed and had no earnings at the time they started training.

1999-2001 Biennium Funding

Funding \$1.25 million

To date, (January 1, 2001), 72 projects have been funded (Attachment I). These projects are providing upgrade and retraining to 4,685 individuals. Total training costs of projects funded to date are \$8.7 million. Workforce 2000 is providing \$1.2 million in match to help cover direct training costs associated with these projects.

The average Workforce 2000 cost per participant is \$255. Rural projects have received funding commitments of \$333,781 or 28% of the total Workforce 2000 funds committed.

Workforce 2000 requires a match from employers. Workforce 2000 does not cover the full cost of training projects proposed by employers. Employers select the training provider who they believe can best deliver the training needed in the timeframe and to the specifications identified by them.

The state's University System and Customized Training Network are the training providers of choice by employers for twenty-three of the projects currently funded by Workforce 2000. Local education and local vocational centers are the training provider of choice by employers for an additional three projects currently funded by Workforce 2000 (Attachment II and III).

Workforce 2000 has been a key component of proposals developed to attract new businesses and assist expansion of existing businesses in the state.

NORTH DAKOTA NEW JOBS TRAINING PROGRAM

The 1993 Legislative Assembly enacted into law the "North Dakota New Jobs Training Program."

This state-funded work force training program provides for a state income tax withholding credit equal to the state income tax withholding projected to be generated from new jobs created. To qualify, the employer must either be locating to the state or expanding employment within the state. New jobs created which qualify under a project developed between Job Service North Dakota and the employer must pay a minimum of \$7.50 per hour plus benefits within the first 12 months of employment.

To access funding, the employer obtains a grant or loan from a city, local development corporation, commercial or private lender. The loan or grant covers the costs of work force training and program administration identified in the project agreement between the employer and Job Service North Dakota. The grant or loan and interest are repaid through state income tax withholding credits generated from the new job positions created. State income tax withholding credits can be captured for up to ten years or until the loan is repaid, whichever comes first. A signed Preliminary Agreement or Final Agreement must be in place prior to the start date of any employees to be included under the project.

Beginning January 1, 1999, through November 13, 2000, the North Dakota New Jobs Training Program had 30 new projects. These projects cover creation of 3,384 new jobs. Ten of these projects used the self-financing option (July 1, 2000, to present) creating 694 new jobs.

Project Number	Company	City	Number of New Jobs
036-99	Reliastar Life Insurance Co	Minot	569
038-99	Clark Equipment	Bismarck	125
039-99	LM Glasfiber	Grand Forks	136
040-99	Fisher Martin, Inc.	Dickinson	15
041-99	Vector Training System	Grand Forks	24
042-99	Medical Arts Press	Ray	30
043-99	Commercial Group West	Kenmare	100
044-99	Dakota Aero Manufacturers	Devils Lake	60
045-99	Integrity Windows	Fargo	52
046-99	American Crystal Sugar	Moorhead	18
047-99	Cardinal IG Company	Fargo	78
048-99	Medscape	Minot	101
049-99	MLT, Inc.	Minot	404
050-99	Imation Corporation	Wahpeton	134
051-99	Unique Products	Minnewauken	14
052-99	Great Plains Software OC	Fargo	170
053-99	Crary Company	West Fargo	81
054-99	Amazon.Com Holdings Inc.	Grand Forks	287
055-99	Killdeer Mountain Mfg.	Killdeer	32
056-99	Cross Consulting Group	Watford City	52
059-99	Rosenbluth International	Linton	414
001-00	Twin Buttes Custom Homes	Twin Buttes	61
002-00	Tecton Products	Fargo	21
003-00	Marvin Windows	Grafton	172
004-00	Stone Container Corporation	Fargo	56
(X)5-00	Hebron Brick Company	Hebron	12
(X)6-00	Polar Ware Company	McClusky	20
(X)7-00	BeAllHome.Com	Fargo	102
(X)8-00	Pump Systems, Inc.	Dickinson	7
(X)9-00	Ziegler Industries, Inc.	Mandan	17

JOB SERVICE NORTH DAKOTA'S ROLE IN DELIVERY OF WORK FORCE TRAINING

Job Service North Dakota is an umbrella agency. In addition to the Workforce 2000 and the New Jobs Training Program, Job Service administers a number of federally funded work force training programs.

The integration of these federal and state funded work force training programs maximizes the assistance to both North Dakota workers and North Dakota employers in meeting the skill requirements to compete in global economy.

WIA

(Work Force Investment Act)

WOTC

(Work Opportunity
Tax Credit Program)



Welfare to Work
Tax Credit Program

North Dakota New Jobs Training
Program

WARN Office

- **Dislocated Worker Unit**

Senior Community Service
Employment Program

Job Service North Dakota has a statewide delivery system. This service delivery network provides an ability to disseminate information and give access to work force training programs by all employers and residents of the state regardless of their geographic location.

The type of training which can be provided through funding under the various federal and state work force training programs include the following:

► **CUSTOMIZED TRAINING**

Customized training programs are designed to provide specific technical and occupational skills training so individuals may acquire the necessary competencies to perform the duties and responsibilities that are required for employment with a specific employer. Customized training can be provided as a pre-employment service as long as the employer agrees to give hiring preference to individuals completing the training. Cost of curriculum development, instructional staff, facilities, etc., can be provided for under funding from one of the programs administered by Job Service North Dakota.

► **CLASSROOM TRAINING**

Classroom training can be provided for both occupational skill development and basic or remedial skills. Normally, this training takes place within an established course curriculum offered through a secondary or postsecondary training institution. Tuition costs, books, fees, and supplies can be paid for through one of the programs administered by Job Service North Dakota.

► **ON-THE-JOB TRAINING**

On-the-job training is conducted at the employer's place of business and is designed to enable an employee to learn the necessary job skills in order to qualify for a particular occupation. On-the-Job Training Programs can be written for a maximum of six months in duration. Employers receive up to a 50 percent reimbursement of the employee's hourly wage for the extraordinary costs they incur in providing the training.

► **TECHNICAL/OCCUPATIONAL UPGRADING**

These programs are designed to provide currently employed individuals with necessary technical and occupational competencies to remain current in their positions. Training is normally required as a result of the introduction of new technologies or work methods into the workplace. This training can be provided through the use of industry trainers, workshops, in-service training, or through secondary or postsecondary training providers. Cost of instructors and material can be covered under one of the programs administered by Job Service North Dakota.

The designation of Job Service North Dakota as administrative entity for state work force training programs accomplishes several goals.

1. Provides one stop for employers and economic development professionals in accessing funding to help cover the costs of work force training.

2. The state programs compliment the federal work force training programs. They allow for maximum flexibility and the most efficient use of resources to meet the work force training needs. State-funded work force training programs are used as a last resort and fill gaps which federal programs are unable to meet.
3. Allows for flexibility to quickly respond to employer requests. In emergency situations, contracts with employers to provide work force training funding have been negotiated and approved in the same day.
4. Job Service North Dakota, itself, does not do any training. Funding from the federal and state programs administered are used to purchase training or to reimburse the employer for training costs which they incur. This includes contracting for training directly with a secondary, postsecondary, or vocational education system, or under Workforce 2000, allowing the employer to contract directly for those services to obtain state-of-the-art technology training.

ROLE OF WORKFORCE 2000 AND NORTH DAKOTA NEW JOB TRAINING PROGRAM

Work force availability and work force training are important components when attracting new businesses to the state. Work force availability and work force training are also major considerations for employers who are planning business startups or business expansion.

Job Service North Dakota works directly with economic development professionals from across the state in responding to businesses expressing an interest in locating and/or expanding business operations in the state of North Dakota.

North Dakota has a distinct advantage over a number of other states for employers accessing work force training funds. Because Job Service North Dakota administers the majority of the federal work force training programs, Job Service North Dakota is able to provide for one stop for both worker recruitment and accessing the range of federal funded and state funded work force training programs. In other states, employers would be dealing with several different agencies to access the same services and funding sources. The mix of programs and fund sources allows Job Service North Dakota to effectively respond to requests by employers for the provision of adequately trained workers.

Attachment I: Workforce 2000 Approved Projects

Attachment II: Workforce 2000 Project training delivered through university systems

Attachment III: Workforce 2000 training delivered through secondary and postsecondary schools

WORKFORCE 2000
STATE FUNDED JOB TRAINING PROGRAM
APPROVED PROJECTS
1999-2001 FISCAL YEAR
AS OF JANUARY 1, 2001

CONTRACT NUMBER	PROPOSER	CODE	RURAL	PROJECT TITLE	WORKERS TRAINED	BUDGET TOTAL	WORKFORCE 2000 PROGRAM	FEDERAL PROGRAM	EMPLOYER	NO NEW JOB TRAINING	OTHER	AVERAGE COST PER TRAINEE
WF-01-01	MEDQUEST TRANSCRIPTION	2	X	MEDICAL TRANSCRIPTION	6	\$ 2,865.00	\$ 403.40	NO	\$ 2,461.60	NO	\$ -	\$ 67.23
WF-02-01	MEDQUEST TRANSCRIPTION	2	X	MEDICAL TRANSCRIPTION	8	\$ 2,014.00	\$ 496.00	NO	\$ 1,518.00	NO	\$ -	\$ 62.00
WF-03-01	CASE	10		CELL MANUFACTURING	10	\$ 202,850.00	\$ 10,610.00	NO	\$ 192,240.00	NO	\$ -	\$ 1,061.00
WF-04-01	LONGVIEW FIBER	0		MANUFACTURING EQUIP	0	\$ -	\$ -	NO	\$ -	NO	\$ -	\$ 80.00
WF-05-01	RDO FOODS	32		TECHNOLOGY	32	\$ 178,936.00	\$ 12,816.00	NO	\$ 166,120.00	NO	\$ -	\$ 400.50
WF-06-01	AVKO USA, LLC	27		BARCODE	27	\$ 9,610.00	\$ 3,200.00	NO	\$ 6,410.00	NO	\$ -	\$ 118.52
WF-07-01	PERFORMANCE CENTERS	0		MICROSOFT	0	\$ -	\$ -	NO	\$ -	NO	\$ -	\$ 80.00
WF-08-01	STEFFES CORPORATION	31		TECHNOLOGY	31	\$ 54,439.00	\$ 3,587.50	NO	\$ 50,851.50	NO	\$ -	\$ 115.73
WF-09-01	VECTOR TRAINING SYSTEMS, INC.	19		PROGRESS	19	\$ 40,430.00	\$ 14,986.63	NO	\$ 25,443.37	NO	\$ -	\$ 788.30
WF-10-01	NORTH CENTRAL DATA COOPERATIVE	6		GENRAD TESTING	6	\$ 13,200.00	\$ 3,000.00	NO	\$ 10,200.00	NO	\$ -	\$ 500.00
WF-11-01	KILLDEER MOUNTAIN MANUFACTURING	2	X	MEDICAL TRANSCRIPTION	13	\$ 22,783.00	\$ 18,482.00	NO	\$ 4,301.00	NO	\$ -	\$ 1,420.15
WF-12-01	NETWORK HEALTH SERVICES	1		TECHNOLOGY	98	\$ 214,000.00	\$ 8,626.07	NO	\$ 205,373.93	NO	\$ -	\$ 67.13
WF-13-01	STEFFES CORPORATION	26		PROENGINEERING	26	\$ 26,020.00	\$ 4,836.00	NO	\$ 21,182.00	NO	\$ -	\$ 186.08
WF-14-01	DURA TECH	17		ISO 9000	17	\$ 227,716.00	\$ 17,223.75	NO	\$ 210,492.25	NO	\$ -	\$ 1,013.16
WF-15-01	TURTLE MOUNTAIN MANUFACTURING	2	X	MEDICAL GAS INSTALLATION	0	\$ 45,520.00	\$ -	NO	\$ 45,520.00	NO	\$ -	\$ 80.00
WF-16-01	PLUMBERS & PIPEFITTERS	1		SOFTWARE	3	\$ 13,931.00	\$ 758.00	YES	\$ 13,173.00	YES	\$ -	\$ 252.67
WF-17-01	GLOBAL ELECTRIC MOTORCARS	1		START-UP	595	\$ 1,310,049.00	\$ 188,000.00	YES	\$ 1,122,049.00	YES	\$ 11,000.00	\$ 282.35
WF-18-01	RELIANT FINANCIAL CORPORATION	2	X	MEDICAL TRANSCRIPTION	5	\$ 15,100.00	\$ 2,160.00	NO	\$ 13,000.00	NO	\$ -	\$ 360.00
WF-19-01	TOOL CRIB OF THE NORTH	2		TOOL CRIB OF THE NORTH	101	\$ 241,535.00	\$ 17,718.37	YES	\$ 223,816.63	YES	\$ -	\$ 175.43
WF-20-01	GLOBAL ELECTRIC MOTORCARS	1		ISO 9000	61	\$ 76,625.00	\$ 5,788.50	YES	\$ 70,836.50	YES	\$ -	\$ 94.89
WF-21-01	COMMERCIAL GROUP WEST LLC	2		QUALITY PROCESS	20	\$ 59,910.00	\$ 32,400.00	YES	\$ 27,510.00	YES	\$ -	\$ 1,620.00
WF-22-01	PRIMEWOOD	2		CUSTOMER SERVICE	498	\$ 137,540.00	\$ 20,250.00	NO	\$ 117,290.00	NO	\$ -	\$ 40.58
WF-23-01	MEDICAL ARTS PRESS	2	X	TECHNOLOGY	42	\$ 226,125.60	\$ 13,859.53	YES	\$ 212,266.07	YES	\$ -	\$ 325.23
WF-24-01	ROSENBLUTH INTERNATIONAL	177		EXPANSION	177	\$ 217,500.00	\$ 41,443.63	YES	\$ 176,056.37	NO	\$ -	\$ 204.14
WF-25-01	AMERICAN CRYSTAL SUGAR	2	X	TECHNOLOGY	52	\$ 100,300.00	\$ 30,000.00	YES	\$ 70,300.00	YES	\$ -	\$ 1,500.00
WF-26-01	MARVIN WINDOWS	2	X	MEDICAL TRANSCRIPTION	5	\$ 679,037.00	\$ 23,285.00	YES	\$ 655,742.00	YES	\$ -	\$ 447.86
WF-27-01	MEDQUEST TRANSCRIPTION	5		ISO 9000 AUDIT	5	\$ 4,326.89	\$ 1,585.00	YES	\$ 2,741.89	YES	\$ -	\$ 300.00
WF-28-01	DAKOTA AERO MANUFACTURERS	125		TECHNOLOGY	125	\$ 125,000.00	\$ 30,000.00	YES	\$ 95,000.00	YES	\$ -	\$ 319.00
WF-29-01	L.M. GLASFIBER	6		SOFTWARE	6	\$ 2,807.00	\$ 540.00	NO	\$ 2,267.00	NO	\$ -	\$ 90.00
WF-30-01	AMERICAN CONTRACTING, INC.	20		SURFACE DESIGN	20	\$ 28,630.00	\$ 4,631.40	YES	\$ 23,998.60	YES	\$ -	\$ 231.57
WF-31-01	IMATION	1		COATING	1	\$ 1,942.00	\$ 485.00	YES	\$ 1,457.00	YES	\$ -	\$ 485.00
WF-32-01	CRARY COMPANY	16		INSURANCE LICENSE	16	\$ 5,600.00	\$ 700.00	NO	\$ 4,900.00	NO	\$ -	\$ 43.75
WF-33-01	PERFORMANCE CENTERS	6		MRP SOFTWARE	31	\$ 20,025.00	\$ 7,190.00	YES	\$ 12,835.00	YES	\$ -	\$ 1,196.33
WF-34-01	L.M. GLASFIBER	6		CONTINUOUS IMPROVEMENT	600	\$ 1,700,000.00	\$ 180,875.00	YES	\$ 1,519,125.00	YES	\$ -	\$ 76.39
WF-35-01	COMPACT TECHNOLOGIES	150		CALL CENTER	150	\$ 50,987.00	\$ 29,851.50	YES	\$ 21,135.50	YES	\$ -	\$ 307.46
WF-36-01	MLT IND	2		SKILL TRAINING	200	\$ 176,700.00	\$ 44,500.00	NO	\$ 132,200.00	NO	\$ -	\$ 495.00
WF-37-00	DAKOTA AIRCRAFT CORPORATION	8		AUTOCADD 2000	8	\$ 7,477.00	\$ 2,940.00	YES	\$ 4,537.00	YES	\$ -	\$ 367.50
WF-38-01	STEFFES CORPORATION	59		NEW TECHNOLOGY	209	\$ 59,075.00	\$ 6,875.86	NO	\$ 52,199.14	NO	\$ -	\$ 116.54
WF-39-01	IBEW/NECA JATC	15		MEDICAL TRANSCRIPTION	15	\$ 69,164.00	\$ 13,330.00	NO	\$ 55,834.00	NO	\$ -	\$ 63.78
WF-40-01	DAKOTA AERO MANUFACTURERS	12		TECHNOLOGY TRAINING	12	\$ 9,000.00	\$ 3,196.00	YES	\$ 5,804.00	YES	\$ -	\$ 50.00
WF-41-01	UNIBAND, INC.	16		INSURANCE LICENSE	16	\$ 5,884.00	\$ 1,732.50	YES	\$ 4,151.50	YES	\$ -	\$ 286.33
WF-42-01	GFG FOODSERVICE	1		SUPERVISORY	140	\$ 816.20	\$ 385.00	YES	\$ 431.20	YES	\$ -	\$ 104.28
WF-43-01	DYNAMICS MARKETING	2	X	ISO AUDIT TRAINING	21	\$ 57,421.00	\$ 34,125.00	YES	\$ 23,296.00	YES	\$ -	\$ 386.00
WF-44-01	INTEGRITY WINDOWS	2		WELDING	3	\$ 23,482.00	\$ 1,335.00	YES	\$ 22,147.00	YES	\$ -	\$ 243.75
WF-45-01	INTEGRITY WINDOWS	2		ROBOTICS	200	\$ 637,500.00	\$ 52,500.00	YES	\$ 585,000.00	YES	\$ -	\$ 591.81
WF-46-01	IMATION	50		SUPERVISORY	50	\$ 11,767.00	\$ 5,500.00	YES	\$ 6,267.00	YES	\$ -	\$ 445.00
WF-47-01	MELROE COMPANY	1	X	AUTOCAD	3	\$ -	\$ -	YES	\$ -	YES	\$ -	\$ 262.50
WF-48-01	INTEGRITY WINDOWS	2		CUSTOMER SERVICE	2	\$ -	\$ -	YES	\$ -	YES	\$ -	\$ 209.00
WF-49-01	DAKOTA AIRCRAFT CORPORATION	1	X	FUELAGE TRANSFER	3	\$ -	\$ -	YES	\$ -	YES	\$ -	\$ 1,603.33
WF-50-01	AMAZON COM	1		START-UP	3	\$ -	\$ -	YES	\$ -	YES	\$ -	\$ -
WF-51-01	DAKOTA AIRCRAFT CORPORATION	1		START-UP	3	\$ -	\$ -	YES	\$ -	YES	\$ -	\$ -
WF-52-01	POLAR WARE COMPANY	1	X	START-UP	3	\$ -	\$ -	YES	\$ -	YES	\$ -	\$ -
WF-53-01	POLAR WARE COMPANY	1	X	START-UP	3	\$ -	\$ -	YES	\$ -	YES	\$ -	\$ -

Attachment I

WF-54-01	KILLDEER MOUNTAIN MANUFACTURING	1 X	START-UP	36 \$	41,180.00	\$	18,528.50	YES	\$	22,633.50	YES	\$	514.83
WF-55-01	IMATION	2	EXPANSION	421 \$	57,935.00	\$	35,865.00	YES	\$	22,050.00	YES	\$	85.24
WF-56-01	BAKER BOY BAKE SHOP, INC.	2	EXPANSION	17 \$	29,912.00	\$	7,482.02	YES	\$	22,429.98	YES	\$	440.71
WF-57-01	J. R. SIMPLOT FOOD GROUP	2	TECHNOLOGY	117 \$	205,165.00	\$	21,790.00	NO	\$	184,375.00	NO	\$	188.24
WF-58-01	INTEGRITY WINDOWS	2	ELECTRICAL	1 \$	1,501.00	\$	785.00	YES	\$	716.00	YES	\$	785.00
WF-59-01	NISS ENTERPRISES	1 X	MASTERCAM/SOLIDWORKS	3 \$	7,282.50	\$	5,000.00	NO	\$	2,282.50	NO	\$	1,888.87
WF-60-01	TWIN BUTTES CUSTOM HOME	2	START-UP	27 \$	238,800.00	\$	8,100.00	YES	\$	228,700.00	YES	\$	300.00
WF-61-00	CLOVERDALE FOODS COMPANY	2	SUPERVISORY/PRODUCTIVITY	65 \$	281,905.00	\$	32,102.00	YES	\$	249,803.00	YES	\$	483.88
WF-62-00	MANDAREE ENTERPRISES	X	IMAGE SOFTWARE	16 \$	18,513.00	\$	11,202.00	NO	\$	7,311.00	YES	\$	43.36
WF-63-00	TOTAL EMED OF TENNESSEE	2 X	MEDICAL TRANSCRIPTION	75 \$	82,288.75	\$	3,287.19	YES	\$	78,971.56	YES	\$	1,575.20
WF-64-00	GLOBAL ELECTRIC MOTORCARS	2	ENTERPRISE RESOURCE PLANN	20 \$	105,213.00	\$	31,504.00	YES	\$	73,709.00	YES	\$	300.00
WF-65-00	CONTACT CENTERS UNLIMITED	1 X	TELEPHONE CALL CENTER	50 \$	45,000.00	\$	15,000.00	YES	\$	30,000.00	YES	\$	785.00
WF-66-01	IMATION	2	ELECTRICAL PROTECTION	1 \$	5,301.00	\$	785.00	YES	\$	4,516.00	YES	\$	500.00
WF-67-01	EARTH KING INC.	1 X	PACKAGING TECHNOLOGY	6 \$	5,300.00	\$	3,000.00	YES	\$	2,300.00	YES	\$	1,885.83
WF-68-01	TECTON PRODUCTS L.L.C.	2	ISO 9001	12 \$	22,840.00	\$	19,880.00	YES	\$	2,960.00	YES	\$	745.71
WF-69-01	HOOD FLEXIBLE PACKAGING	2 X	TECHNOLOGY	21 \$	51,580.00	\$	15,880.00	NO	\$	35,700.00	NO	\$	5,150.00
WF-70-01	HEBRON BRICK COMPANY	2	TECHNOLOGY	4 \$	30,348.00	\$	20,600.00	YES	\$	9,748.00	YES	\$	1,888.83
WF-71-01	PERFECTUNIVERSITY.COM	1	START-UP	3 \$	6,033.10	\$	5,905.80	YES	\$	427.30	YES	\$	1,100.00
WF-72-01	GOLDEN PLAINS FROZEN FOODS	1 X	TECHNOLOGY/MACHINE OP	30 \$	201,234.00	\$	33,000.30	YES	\$	168,234.00	YES	\$	804.40
				0 \$	-	\$	-	-	\$	-	-	\$	804.40
				0 \$	-	\$	-	-	\$	-	-	\$	804.40
				0 \$	-	\$	-	-	\$	-	-	\$	254.02
				4898 \$	8,668,705.59	\$	51,183,367.30	NO	\$	7,475,308.29	NO	\$	
TOTAL													

TOTAL

COOKES

1-NEW JOB CREATION START UPS
2-NEW JOB CREATION EXPANSION

RURAL: \$333,782 OR 28%



Making Employee Training Affordable



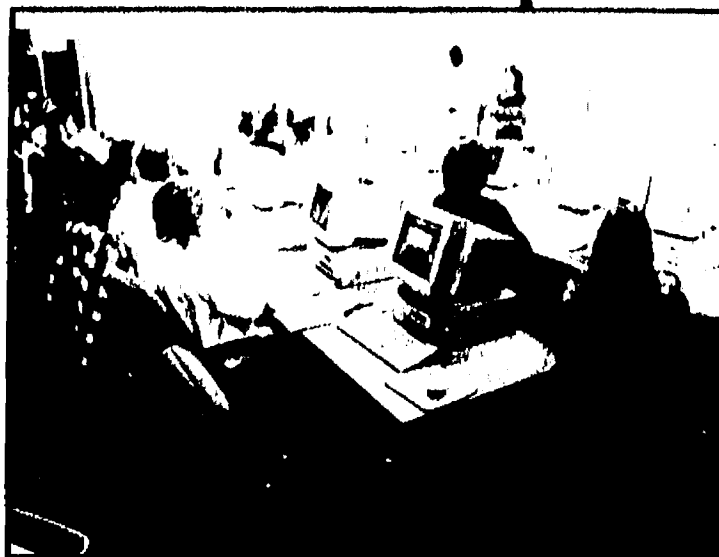
Administered by Job Service North Dakota

A VALUABLE RESOURCE

for North Dakota Businesses

As employers in North Dakota implement new technology and work methods, the need for highly skilled workers is increasing. Workforce 2000 is a state-funded program that assists in meeting these demands.

Since its enactment by the 1991 North Dakota Legislature, the Workforce 2000 Training Fund has helped employers provide retraining and upgrade training to support the introduction of new technologies and work methods into the workplace. Often this results in high-wage and high-skill jobs that enhance the economy and benefit workers through increased earning potential and employment opportunities.



OBJECTIVES

of the Training Program

Workforce 2000 provides 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. These objectives will help communities attract and retain companies and make North Dakota a better place to work, live, and do business.

Training funded under Workforce 2000 is limited to North Dakota residents who are or will be employed in the state. Workforce 2000 is a funding source to assist in reducing the cost of training. Customized training suited to the specific needs of the company is available through North Dakota's customized training network, state universities and colleges, and the state's local vocational centers.

Funds are available regardless of the company's size. Equitable access to funds is provided to both urban and rural areas. Workforce 2000 requires a minimum of paperwork and provides a good return on the public investment. Projects must emphasize job skill and basic skill training.

7. Workforce 2000 funds cannot be used to reimburse employee salaries, fund in house trainers, purchase equipment, software or non-expendable supplies.
8. All Workforce 2000 grants will be based on a cost reimbursement of those actual costs expended and identified in the contract.
9. For each project approved for funding, the company will be required to submit a report identifying individuals participating in the training program. Follow-up reports on those individuals who participated in Workforce 2000 funded training will be submitted by the employer 90 days, 180 days, and 365 days after training.

APPLICATION *Process*

Requests for information or Workforce 2000 funding applications should be submitted to:

Manager
Customer Service Area V
Job Service North Dakota
P.O. Box 5507
Bismarck, North Dakota 58506-5507
Phone: 701-328-2843
Fax number: 701-328-2414



APPLICATION REVIEW *Process*

Job Service North Dakota will score applications according to specified criteria. Scored applications will be ranked and reviewed by the Workforce 2000 Advisory Committee. The members represent Job Service North Dakota, Economic Development and Finance, State Board for Vocational and Technical Education, Greater North Dakota Association, Small Business Development Center, private business, organized labor and local development associations. The committee will investigate the applicability of other training program options and make funding recommendations to the executive director of Job Service North Dakota, who makes final decision.



CSAV
[SND 4008 (R 6.99)]

Job Service is an equal opportunity
employer/program provider.
Auxiliary aids and services are available.

IT'S EASIER THAN YOU THINK

To Get Funding

Businesses and industries that bring new revenue to the state by selling a majority of products and services outside of North Dakota will be given priority for funding. Businesses that sell products or services in the local area are eligible, but need to demonstrate compelling economic benefit to the community or state.

Small companies or those located in rural areas are especially encouraged to participate. All businesses making requests for Workforce 2000 funding assistance are asked to participate in the cost of training. In-kind contributions can be considered matching funds. These can include: training space, equipment, or supplies; employee wages and fringe benefits while in training.

REQUIREMENTS

for Training Projects

- 1.** Projects must emphasize job skill training or basic skill training. Only training for permanent jobs or occupations which have significant career opportunities and require substantive instructions will be considered for funding.
- 2.** For projects that train new employees for business expansion and startups, trainees who successfully complete training must be given priority in hiring by the participating business.
- 3.** If the occupation for which training is being conducted is covered by a collective bargaining agreement, union concurrence is required.
- 4.** If new job openings are created through upgrade training, the sponsoring company should give priority consideration to individuals eligible for other state and federal job training programs.
- 5.** Costs for training needs assessments and the preparation of an application are the responsibility of the company.
- 6.** Only direct training costs can be reimbursed under Workforce 2000 and can include the following:
 - a. Instructor wages, per diem and travel
 - b. Tuition and registration fees
 - c. Curriculum development and training materials
 - d. Lease of training equipment and training space
 - e. Miscellaneous direct training costs



Requirements continued on next page.



**SENATE BILL 2017
HOUSE APPROPRIATIONS COMMITTEE
EDUCATION AND ENVIRONMENT DIVISION
REPRESENTATIVE JANET WENTZ, CHAIRMAN
MARCH 26, 2001**

Madam Chair and members of the committee, my name is Lee Peterson, Executive Director, North Dakota Department of Economic Development and Finance. I am here today on behalf of Governor Hoeven.

The North Dakota Workforce Development Council, has advisory responsibility to the Governor for recommendation of policy, goals and oversight for the federal human resource programs identified in the Workforce Investment Act. The Council should have a role in the coordination of the State funded Workforce Training initiatives.

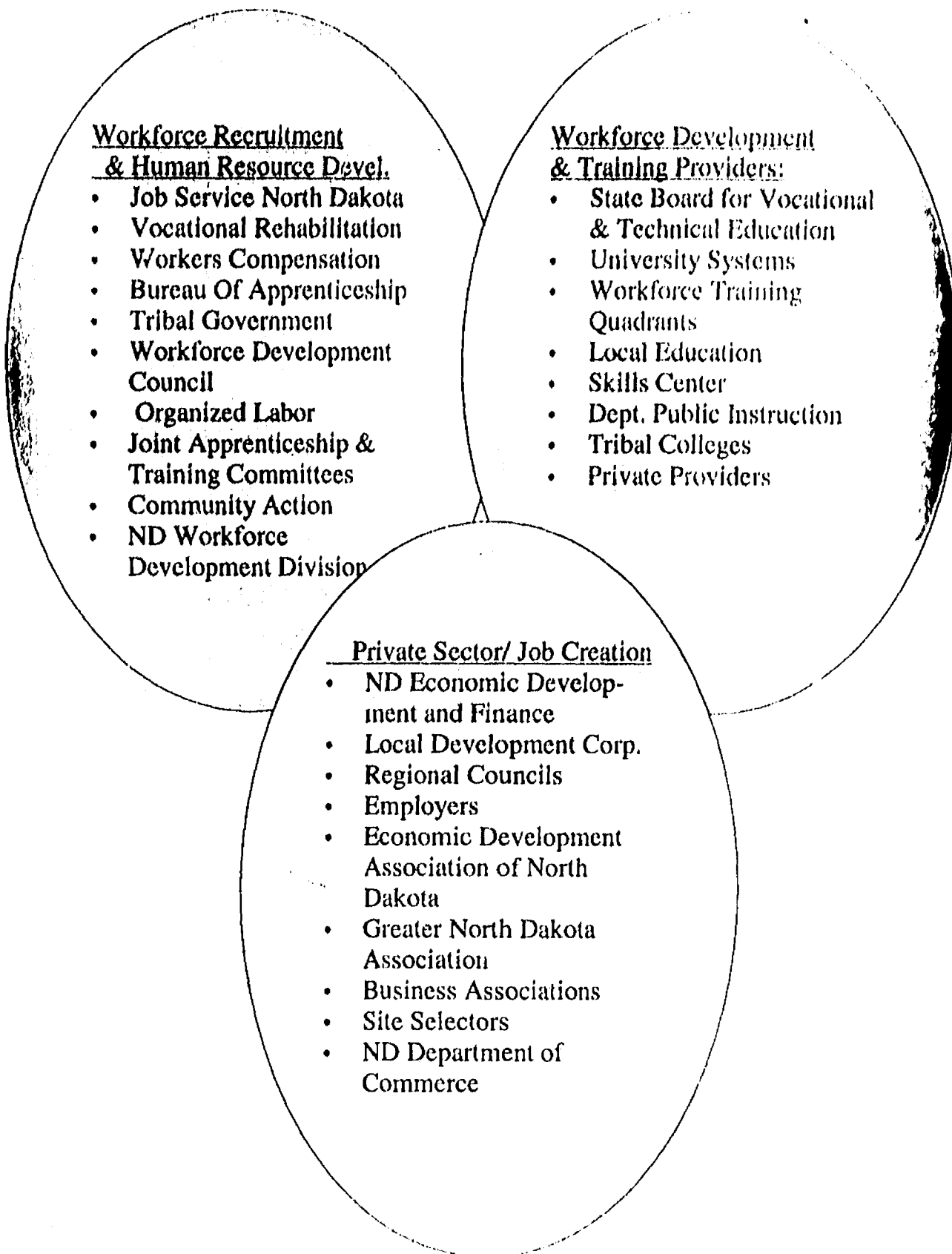
A goal of the Council is to foster greater cooperation, coordination, accountability and overall support the Workforce Development System. This would include federal and state funding for the System.

A successful response to North Dakota's workforce issues will require coordination and collaboration between all the players in the Workforce Development System.

This includes:

- those agencies charged with the delivery of human resource programs and services that are designed to recruit workers and develop disadvantaged and underutilized segments of the population;
- the local, state and private workforce development and workforce training providers who educate and train the State's workforce; and
- the private sector employers; and development corporations who develop and create new high skill, high wage jobs which results in employment for the workforce and new wealth creation for the State.

WORKFORCE DEVELOPMENT SYSTEM PARTNERS



Federal and state funding for workforce training is being administered by several State agencies. These agencies each operate independently within the framework of the authorizing legislation. The programs and service each have a separate and distinct purpose. The State funded programs are intended to fill gaps left in federal funded programs.

Funding for the partners in the Workforce Development System is important. Each partner plays an important role in keeping North Dakota's workforce competitive.

We need the infrastructure to develop and deliver the employer focused education and training. (This is the role of the Workforce Training Quadrants). We also need the programs that provide incentives and funding assistance to both employers and North Dakota workers to offset some of the costs associated with getting this training. (That is the role of the federal funded programs, Workforce 2000 and North Dakota New Jobs Training Program). We need the high skill, high paying jobs in the State to retain North Dakota's youth and workforce.

The North Dakota Workforce Development Council would drive the fulfillment of the North Dakota Workforce Development System's role in supporting workforce recruitment, workforce preparation and new job creation in North Dakota.

The North Dakota Workforce Development Council could provide coordination and a single point for reporting performance and activity for State funded programs in much the same manner as for the federal funded program.

Some of the advantages would include:

- Coordination of the state funded workforce training programs with the federal programs to maximize the use of available funding.
- The Council could explore the development of a common reporting format to track the number of North Dakota employers being served and the number of North Dakota Workers being served. Where projects jointly serve employers and workers, a consolidated report of unduplicated employers served and workers served could be developed.

- Provide a single point of contact for the Governor and the legislature to performance data and use of available funding by the Workforce System.

The North Dakota Workforce Development Council could during the Interim Session explore a Return on Investment model that would be acceptable to the North Dakota Legislature and the State agencies delivering State funded workforce training which could be used to evaluate all State funded workforce training programs and initiatives.

Coordination is taking place. The North Dakota Workforce Development Council could provide the catalyst for more coordination.

Madam Chair. That concludes my testimony. I would be happy to answer any questions.

**NORTH DAKOTA
WORKFORCE TRAINING PERFORMANCE INDICATORS**

Workforce Training System	Workforce 2000	ND New Jobs Training
Emphasis Primary Sector	Emphasis Primary Sector	Primary Sector
Unduplicated Number of Businesses Receiving Training	Unduplicated Number of Businesses Receiving Training	Unduplicated Number of Businesses Receiving Training
Percent of Businesses in the Region receiving Training		
Number of Businesses requesting repeat businesses	Number of Businesses requesting repeat businesses	
Percent of Businesses requesting repeat or additional training		
Level of satisfaction with training based on results provided by both employers and employees receiving training	Level of satisfaction with training based on results provided by both employers and employees receiving training	
Number of referrals for training and results of those referrals: (a) referrals to other sources. (b) referrals received		
Revenues generated from training fees.		
	Retention after training	
	Increase in wage after training	
	Number of New Job Positions created.	Number of New Job Positions created.
	Unduplicated number of individuals receiving training	

Based on the summary above, it appears that most of the information required to address concerns expressed by the legislature is being collected for the Workforce Training System and the Workforce 2000 program. The North Dakota New Jobs Training program does not collect individual participant social security number, although this may be available from the State Tax Department.

The main concerns relate to serving the same employers repeated times and training the same individuals repeated times. The Workforce Training System could add the number of unduplicated individuals served to resolve this question. Another question may relate to tracking projects with primary sector business. This should be relatively simple to resolve since all programs serve or have a priority to serve primary sector.

THE NORTH DAKOTA WORKFORCE DEVELOPMENT COUNCIL

July 1, 2000 - June 30, 2001

NAME	CATEGORY	APPOINTMENT
Ms. Susan "Sue" Boyd 505 South 15 th Street Bismarck ND 58504 701-333-1230	Organized Labor and Professional Groups - Communication Workers of America	July 1, 1999 - June 30, 2001
Mr. Daniel "Dan" Calkins 3906 155 R Avenue SE Durbin ND 58059 701-347-5057	Organized Labor and Professional Groups - Sheet Metal Workers Local Union #10	July 1, 1999 - June 30, 2002
Ms. Cathi Christopherson PO Box 5650 (918 E Divide) Bismarck ND 58506 701-222-7959 ChristoC@MDUResources.com	Business - MDU Resources Group	July 1, 1999 - June 30, 2002
Mr. Ron Cizek 2100 15 th Street North Wahpeton ND 58075 701-642-8711, Ext 1122 recizek@imation.com	Business - Imation	July 1, 1998 - June 30, 2001
Mr. Lee Peterson 1833 East Bismarck Expressway Bismarck ND 58504-6708 701-328-5300 kcramer@state.nd.us	State Agency - Executive Director, Dept of Economic Development & Finance	Open-ended (Executive Committee)
Mr. James "Jim" Dahlen PO Box 879 Devils Lake ND 58301-0879 701-662-4933 FORWARDdl@stellarnet	Community Group - (Economic Development) Forward Devils Lake Corporation	July 1, 1998 - June 30, 2001
Mr. Terry Hoff PO Box 5020 Minot ND 58702-5020 701-857-5114 terry.hoff@minot.org	Business - Trinity Medical Center	July 1, 1998 - June 30, 2001
Mr. Larry Isaak 600 East Boulevard Ave Bismarck ND 58505-0230 701-328-2962 larry_isaak@ndus.nodak.edu	State Agency- Chancellor, North Dakota University System	Open-ended

NDWDC MEMBERS**5 October 2000****Page 2**

NAME	CATEGORY	APPOINTMENT
Ms. Ethel Keeley Keeley Consulting 97 Country Club Drive Bismarck ND 58501 701-223-7119 ethelskeelely@earthlink.net	Community Group - (Secondary Education)	July 1, 1998 - June 30, 2001
Mr. David Kemnitz 1323 East Front Avenue Bismarck ND 58504 701-223-0784 dkemnitz@ndaflcio.org	Organized Labor and Professional Groups - President ND AFL-CIO	July 1, 2000 - June 30, 2003
Mr. Maren Daley 1000 East Divide Avenue Bismarck ND 58502-5507 701-328-3033 wkindem@state.nd.us	State Agency - Executive Director, Job Service North Dakota	Open-ended
Wayne L. Kutzer 600 E Boulevard, 15 th Floor Bismarck ND 585005-0610 wkutzer@pioneer.state.nd.us	State Agency - State Director, State Board for Vocational & Technical Education	Open-ended
Mr. Max Laird PO Box 5005 Bismarck ND 58502-5005 701-223-0450 mlaird@NEA.org	Organized Labor and Professional Groups - President ND Education Association	July 1, 1999 - June 30, 2002 (Executive Committee)
Mr. Owen Larson 605 - 27 th Street SE Minot ND 58702-1030 701-852-1014 olarson@mvaw.org	Community Group - (Human Services Provider) Minot Vocational Adjustment Workshop	July 1, 1998 - June 30, 2001
Mr. Al Lukes P.O. Box 5540 Bismarck ND 58506 701-221-4401 alukes@bepe.com	Business - Dakota Gasification Company	July 1, 1999 - June 30, 2002 (Executive Committee)
Vacant	Business -	July 1, 2000 - June 30, 2003

NDWDC MEMBERS**5 October 2000****Page 3**

NAME	CATEGORY	APPOINTMENT
Dr. Joanne Quick 2400 - 47 th Avenue South Grand Forks ND 58201 701-746-2205, Ext 117 Joanne_Quick@fe.grand-forks.k12.nd.us	Community Group - (Vocational Education) Grand Forks Public Schools	July 1, 1998 - June 30, 2001
Mr. Alan Reyelts Amazon.Com 1550 South 48 th St Grand Forks ND 58201 701-787-3577 areyelts@amazon.com	Business - Amazon.Com	September 20, 2000 - June 30, 2003
Dr. Wayne Sanstead 600 East Boulevard Avenue Bismarck ND 58505-0440 701-328-4572 wsanstea@mail.dpi.state.nd.us	State Agency - State Superintendent, Department of Public Instruction	Open-ended
Ms. Carol Olson 600 East Boulevard Avenue Bismarck ND 58505-0250 701-328-2310 socols@state.nd.u	State Agency - Executive Director, Department of Human Services	Open-ended
Dr. Donna Thigpen Box 5587 Bismarck ND 58506-5587 701-224-5430 thigpen@gvmail.nodak.edu	Community Group - (Higher Education) President, Bismarck State College	July 1, 1998 - June 30, 2001
Mr. David "White Thunder" Trottier PO Box 266 Dunseith ND 58329-0266 701-244-5242, Ext 124 david.trottier@turtlemtn.com	Business - Chiptronics, Inc.	July 1, 2000 - June 30, 2003
Mr. Bruce Walker 219 South Main Minot ND 58701 701-852-0136 ch@minot.com	Business - Coldwell Banker, 1 st Minot Realty	July 1, 1999 - June 30, 2002

NDWDC MEMBERS**5 October 2000****Page 4**

NAME	CATEGORY	APPOINTMENT
Mr. Michael "Mike" Zimmerman 1848 40 th Ave NW Garrison ND 58540 701-442-5751 mike.zimmerman@falkirk.com	Community Group - (Local School Boards)	September 20, 2000 - June 30, 2003
VACANT	Business	July 2000 - June 30, 2003
Mr. James J. Hirsch 1833 E Bismarck Expressway Bismarck ND 58504-6708 701-328-5345 fzeitler@state.nd.us	Ex Officio Member/No Vote Council Director and Secretary	Open-ended (Executive Committee)

**WORKFORCE TRAINING SYSTEM
ADVISORY BOARD MEMBERS**

**Bismarck State College
Southwest Region Workforce Training Board**

- Terry Brosseau, Medcenter One, Bismarck, Chairman
- Robert Colton, Carpenters Local 1091, Bismarck
- Cal Kolling, TMI Systems Design, Dickinson
- Mike LaLonde, Basin Electric Power Co-op, Bismarck
- Dave MacIver, Bismarck-Mandan Chamber of Commerce, Bismarck
- Ron McNeil, Sitting Bull College, Fort Yates
- Guy Moos, Baker Boy Supply, Dickinson
- Judy Peppler, US West, Bismarck
- Joe Rothschilder, Steffes Corp., Dickinson
- Bill Shalhoob, Doublewood Inn, Bismarck
- Russ Staiger, Bismarck-Mandan Development Assoc., Bismarck
- Becky Thiem, Zuger, Kirmis & Smith, Bismarck
- John Weeda, Great River Energy, Underwood

**Lake Region State College
Northeast Region Workforce Training Board**

- Paul Brewenski, GFG Food Services, Grand Forks, Chairman
- Kathy Adkins, Marvin Windows, Grafton
- Jim Dahlen, FORWARD Devils Lake Development Corp., Devils Lake
- Dave Dickson, Cirrus Design Corporation, Grand Forks
- Dave Dirks, North Dakota Telephone Company, Devils Lake
- Carol Goodman, Cavalier County Job Development Authority, Langdon
- Dennis Hansel, United Telephone, Langdon
- Sandra Larocque, Turtle Mountain Community College, , Belcourt
- Mark Krauseneck, Grand Forks Region Economic Development Corp., Grand Forks
- Lee Lindquist, Altru Health Systems, Grand Forks
- Ken Towers, Towers Foods, Grand Forks
- Bill Tuttle, Northern Valley Labor Council, Drayton

**North Dakota State College of Science
Southeast Region Workforce Training Board**

- Mike Gustafson, Cass County Electric Co-op, Kindred, Chairman
- Pete Boesen, Russ Honda Nissan, Fargo
- Erik Olson, Case Corporation, Fargo
- Bob Pitz, US Bank Corp Services Center, Fargo
- Jim Roers, Roers Construction, Inc., Fargo
- Thomas Shorma, Team Marketing, Wahpeton
- J. Wade Hannon, Fargo-Moorhead T & LA, Fargo

- **Lee Kaldor, ComMark, Inc., Mayville**
- **Vani Nagala, Southeast Medical Center, Oakes**
- **Joseph Hoak, Dakota Nation Gaming Enterprises, Hankinson**
- **Richard Fordham, Business person, Wahpeton**
- **Keith Hovland, AgAir Mfg. Valley City**

**Williston State College
Northwest Region Workforce Training Board**

- **M.E. "Buzz" Syria, Preferred Travel, Minot, Chairman**
- **Andy Anderson, Halliburton, Williston**
- **Wayne Biberdorf, Amerada Hess, Williston**
- **Ken Lund, Northwest Communications Co-op, Ray**
- **Leonard McGuire, Bottineau Economic Development Corp., Bottineau**
- **Tom Mitchell, mercy Medical Center, Williston**
- **Rick Monger, Triangle Electric, Williston**
- **Christine Morsfield, Souris River Telephone, Minot**
- **Abe Sakak, FMI, Inc. (Applebees), Minot**
- **Jerylyn Schepp, Schepp's Dakota Deli, Lansford**
- **Steve Stenehjem, 1st International Bank & Trust, Watford City**
- **Gerald Syring, Cenex-Land O'Lakes, Williston**
- **Rita Wilhelmi, State Board for Vocational & Technical Education, Stanley**
- **Elizabeth Yellow-Bird-Demaray, Fort Berthold Community College, New Town**

Proposed Amendment

The North Dakota Workforce Development Council shall annually prepare a consolidated report of workforce training and development activities offered through the following state entities: North Dakota University System, Job Service North Dakota, Department of Human Services, State Board for Vocational and Technical Education, Department of Commerce, and other workforce partners deemed appropriate the North Dakota Workforce Development Council.

New Bismarck Service Delivery Office

Introduction

Job Service North Dakota delivers workforce services including unemployment insurance, reemployment, employment and job training services throughout North Dakota. The strategy for delivering services is continually evolving. Customers of workforce services are expecting services to be readily available and offered in alternative ways. Job Service is changing its service delivery strategy to become part of the coordinated workforce development system in North Dakota. Service delivery changes include increased use of technology to expand the ways customers can receive services such as use of telephone, Internet, or in-person at self-service client service areas in our one-stop service centers. Providing in-person services at customer delivery locations will continue to be important but the mix of self-service and in-person delivery is changing. Thus, our customer service offices are being renovated to add or expand client self service areas. Our network of facilities for the most part is modern, up-to-date facilities requiring only minor structural/remodeling changes. The exception is our Bismarck area customer service delivery office. The Bismarck office facility is totally inadequate for the continued delivery of quality customer service in the new one stop service strategy.

This capital project request is for replacement of the current Bismarck area service delivery office with an appropriate facility by purchasing land and construction of an office building. Specifically, this request is to acquire land and construct a 17,000 square foot office building located on one level with parking sufficient to accommodate 100 cars. The facility layout and functionality will be consistent with our Grand Forks office facility. The project cost of \$2,302,000 includes land purchase, architectural and engineering services, construction costs and provision for contingencies.

IDENTIFICATION OF NEED

APPROPRIATE DELIVERY OFFICE FACILITY REQUIREMENTS

Job Service customer service delivery in a one-stop environment offers three options to customers for accessing services: self-service, facilitated service, and assisted service.

Self-service allows clients to review job search assistance information, schedule into job search workshops, explore training opportunities, place resumes on America's Talent Bank, register for work, use resume building software, interviewing skills software, view job seeking assistance video's, etc. This requires space for clients to use PC's, view videos, and read material.

Facilitated service is provided by customer service advisors who assist the client in locating appropriate service. This level of service is intended for clients having difficulty in using self-help options and generally results in the client being referred to one-on-one assistance or group service. Facility requirements include staff workstations allowing semi-private meetings with clients.

Assisted service is for clients requiring extended assistance provided by a customer service advisor in the form of employment counseling, testing, and scheduling into a workshop or referral to other agencies for service. Facility requirements include private offices, and testing or workshop rooms.

The desired facility also needs to accommodate employers by providing interview rooms and meeting rooms of sufficient size and flexibility to handle job fairs, workshops, and testing. Staff meetings also require conference room space. A model customer delivery facility has been established in Grand Forks. This facility, which services a clientele base similar to Bismarck, consists of a single story facility of 17,000 square feet with parking for 100 cars to accommodate staff and clients.

CURRENT BISMARCK OFFICE FACILITY SITUATION

The facility currently used for delivering client services in Bismarck is a 6,670 square foot structure with basement, constructed in 1960. It has 24 parking spaces adjacent to the building. This facility is totally inadequate for the delivery of client services. Client in-person traffic is significant and continues to increase.

<u>Year</u>	<u>Annual In-Person Traffic</u>
1999	58,518
1998	53,262
1997	47,770
1996	43,990
1995	41,898
1994	36,000

The specific deficiencies are numerous including:

Parking Availability:

Current parking	24
Need	100

100 parking spaces is adequate based on experience at our Grand Forks, Fargo, and Minot customer delivery offices. These offices have a staff and client base similar to Bismarck.

Parking on surrounding streets is limited to 1 and 2 hour restrictions.

Total Space Availability:

Currently space is 6,670 on the main floor. The basement is of limited usefulness for service delivery since there is no elevator and therefore not accessible to many of our clients. Installing an elevator is not cost feasible based on bids obtained in the past. Our Grand Forks, Fargo, and Minot offices all have 17,000 square feet to accommodate the same level of staff and client traffic.

Lobby and Client Self-Service Area:

Space availability in the current lobby and client resource area is extremely limited. As we move to offering services in a one-stop environment the need for adequate space is critical. Increased self-help access to Internet services, testing, resume software and labor market information will bring additional clients into our office.

Employer interviewing, workshop, staff meeting areas:

There is very limited space for employers to interview applicants. Currently there is only one room available for these purposes but experience indicates a need that is much greater. The number and size of current meeting/conference rooms is also inadequate. We have a high demand for meeting room space to conduct applicant and employer workshops, provide for testing, hold informational meetings with staff and meet with other service providers.

Environmental Issues:

The current air handling system has 5 heating and 5 air cooling systems. Even with this number it is very hard to maintain an even temperature in the building. Some areas of the office are very much affected by the outside temperature.

Temporary Accommodations for the Current Deficiencies:

Temporary accommodations addressing the most significant deficiencies of the current facility were implemented in November 1999 by leasing 4,664 square feet of office space. The additional space is on the second floor of the US Bank building located across the street from the current owned office. This additional space allowed renovation and expansion of the client resource area in the owned building. Employer services were moved to the leased space allowing more appropriate space for providing employers with services. While this action addressed two critical needs it is viewed as a short-term or temporary accommodation for the following reasons.

- Two separate facilities are not economical. Additional parking has to be leased, janitorial services must be provided at both sites, duplicative equipment has to be maintained (fax, copier) and nonproductive staff time is incurred traveling between two sites.
- One-stop delivery strategy and the Workforce Investment Act program require partnering functions that are diminished by having two physically separate service delivery sites.
- Clients are inconvenienced by going to the wrong location and having to travel to the second location to receive services.
- Certain customers have to go to both locations to receive services.
- Some staff must continuously move between the two locations, which is inefficient.

SUMMARY OF NEED

The current Bismarck office facility is inadequate in terms of parking, total floor space and configuration of space for one-stop service delivery. It cannot be expanded or renovated to address the identified deficiencies (this option has been researched with independent architectural consultant assistance). Leasing additional space and operating from multiple locations is not a feasible or appropriate long-term solution. An appropriately sized, configured and located facility for delivery of quality customer service in the Bismarck service delivery area is needed.