

JOB SERVICE NORTH DAKOTA AND WORKFORCE SAFETY AND INSURANCE - ELECTRONIC REPORTING

This memorandum provides information regarding electronic reporting of payroll information to Job Service North Dakota and Workforce Safety and Insurance.

RELATED LEGISLATION

Section 4 of 1995 House Bill No. 1019 required Job Service North Dakota and Workforce Safety and Insurance, formerly known as the Workers Compensation Bureau, to develop an employer wage-reporting system that would allow for the electronic submission of employer wage information. The system was to have a common reporting form and allow for magnetic or electronic transmission of the wage information on either 5.25-inch or 3.5-inch disk operating system (DOS) formatted diskettes, through asynchronous communications, or any other method of transmission deemed appropriate. The new reporting system was to be available to employers by January 1, 1997.

Section 2 of 1999 Senate Bill No. 2024 required Workforce Safety and Insurance to develop an Internet web application with electronic commerce capability, including the ability for employers to file payroll reports for workers' compensation coverage electronically through the Internet. It was the intent of the 1999 Legislative Assembly that in developing this Internet web application, Workforce Safety and Insurance would communicate with Job Service North Dakota and investigate ways in which the application could accommodate combined or streamlined reporting of common payroll and employment data to Workforce Safety and Insurance and to Job Service North Dakota.

CURRENT STATUS

Job Service North Dakota accepts electronic reporting of payroll information for the unemployment insurance program through secure file transfer protocol, CD-ROM, diskette, and magnetic tape. At the present time, the agency receives approximately 25 to 30 percent of its payroll information through one of the electronic methods. Job Service North Dakota has received a \$795,000 grant from the United States Department of Labor to develop an Internet payroll reporting application, and the agency anticipates having the application implemented by December 2004.

Workforce Safety and Insurance accepts electronic reporting of payroll information through an on-line payroll reporting application and through secure file transfer protocol, CD-ROM, diskette, and magnetic tape. For the time period May 2002 through April 2003, Workforce Safety and Insurance received 15 percent of its payroll information through the on-line payroll reporting application and 9 percent of its payroll information through one of the other electronic methods.

In regard to consolidated reporting, Job Service North Dakota, Workforce Safety and Insurance, and the State Tax Department developed a consolidated reporting plan in 1998. Due to differences in definitions of reportable wages, employment, liable employer, and other items, it was determined not possible to have complete consolidated reporting, but the plan detailed the means by which employers could report to all three agencies using the same electronic application. The plan was presented to the 1999 Legislative Assembly; however, the Legislative Assembly chose not to fund the initiative.