

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2016 - Funding Summary

	Base Budget	Final Legislative Action	Comparison to Base Budget
Job Service North Dakota			
Salaries and wages	\$30,572,221	\$28,994,942	(\$1,577,279)
Operating expenses	17,840,895	17,164,373	(676,522)
Capital assets	20,000	20,000	
Grants	6,166,112	8,281,051	2,114,939
Reed Act - Computer modernization	10,475,114	10,945,126	470,012
	<hr/>	<hr/>	<hr/>
Total all funds	\$65,074,342	\$65,405,492	\$331,150
Less estimated income	64,643,718	64,995,263	351,545
General fund	<hr/> \$430,624	<hr/> \$410,229	<hr/> (\$20,395)
FTE	172.61	156.61	(16.00)
Bill total			
Total all funds	\$65,074,342	\$65,405,492	\$331,150
Less estimated income	64,643,718	64,995,263	351,545
General fund	<hr/> \$430,624	<hr/> \$410,229	<hr/> (\$20,395)
FTE	172.61	156.61	(16.00)

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

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$30,572,221	(\$1,611,069)	\$28,961,152
Operating expenses	17,840,895	(665,598)	17,175,297
Capital assets	20,000		20,000
Grants	6,166,112	2,114,939	8,281,051
Reed Act - Computer modernization	10,475,114	470,012	10,945,126
	<hr/>	<hr/>	<hr/>
Total all funds	\$65,074,342	\$308,284	\$65,382,626
Less estimated income	64,643,718	328,603	64,972,321
General fund	<hr/> \$430,624	<hr/> (\$20,319)	<hr/> \$410,305
FTE	172.61	(16.00)	156.61

Department 380 - Job Service North Dakota - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes¹	Adds Funding for Salary and Benefit Increases²	Transfers Positions to ITD for IT Unification³	Adjusts Funding for Operating Expenses⁴	Adds Funding for Grants⁵	Adds Funding for Unemployment Insurance Project⁶
Salaries and wages	\$24,284	\$733,422	(\$2,368,775)			
Operating expenses			3,580,900	(\$4,246,498)		
Capital assets						
Grants					\$2,114,939	
Reed Act - Computer modernization						\$470,012
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total all funds	\$24,284	\$733,422	\$1,212,125	(\$4,246,498)	\$2,114,939	\$470,012
Less estimated income	24,136	732,210	1,212,125	(4,224,819)	2,114,939	470,012
General fund	<hr/> \$148	<hr/> \$1,212	<hr/> \$0	<hr/> (\$21,679)	<hr/> \$0	<hr/> \$0
FTE	0.00	0.00	(16.00)	0.00	0.00	0.00

	Total Senate Changes
Salaries and wages	(\$1,611,069)
Operating expenses	(665,598)
Capital assets	
Grants	2,114,939
Reed Act - Computer modernization	470,012
Total all funds	\$308,284
Less estimated income	328,603
General fund	(\$20,319)
FTE	(16.00)

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2021-23 biennium salary adjustments of 2 percent on July 1, 2021, with a minimum monthly increase of \$80 and a maximum monthly increase of \$300 and 2 percent on July 1, 2022, and increases in health insurance premiums from \$1,427 to \$1,429 per month:

	General Fund	Other Funds	Total
Salary increase	\$1,200	\$724,826	\$726,026
Health insurance increase	<u>12</u>	<u>7,384</u>	<u>7,396</u>
Total	\$1,212	\$732,210	\$733,422

³ Funding is adjusted for the IT unification initiative. Adjustments include the reduction of 16 FTE information technology positions which will be transferred to the Information Technology Department (ITD), a reduction of \$2,368,775 of federal funds in the salaries and wages line item for 11 funded FTE positions, and an increase of \$3,580,900 of federal funds in the operating expenses line item to pay ITD for the services of up to 16 FTE positions to the extent federal funds are available. Of the 16 FTE positions in Job Service North Dakota, 5 were unfunded.

⁴ Funding is adjusted for operating expenses, including an addition of \$23,243 for Microsoft Office 365 license expenses and a reduction of \$4,269,741 of unemployment insurance operating expenses, primarily related to IT data processing, IT contractual services and repairs, and IT equipment.

⁵ Federal funding is added for trade assistance grants (\$1,080,063) and Workforce Investment Act grants (\$1,034,876) to provide total grant funding of \$2,177,118 and \$6,103,933, respectively.

⁶ Federal funding is added for the unemployment insurance system modernization project to provide a total of \$10,945,126 in the Reed Act - Unemployment insurance computer modernization line item.

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

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$30,572,221	\$28,961,152	\$2,481,928	\$31,443,080
Operating expenses	17,840,895	17,175,297	(3,580,900)	13,594,397
Capital assets	20,000	20,000		20,000
Grants	6,166,112	8,281,051		8,281,051
Reed Act - Computer modernization	10,475,114	10,945,126		10,945,126
Total all funds	\$65,074,342	\$65,382,626	(\$1,098,972)	\$64,283,654
Less estimated income	<u>64,643,718</u>	<u>64,972,321</u>	<u>(1,098,896)</u>	<u>63,873,425</u>
General fund	\$430,624	\$410,305	(\$76)	\$410,229
FTE	172.61	156.61	16.00	172.61

Department 380 - Job Service North Dakota - Detail of House Changes

	Adjusts Funding for Salary and Benefit Increases ¹	Restores IT FTE Positions ²	Total House Changes
Salaries and wages	\$113,153	\$2,368,775	\$2,481,928
Operating expenses		(3,580,900)	(3,580,900)
Capital assets			
Grants			
Reed Act - Computer modernization			
Total all funds	\$113,153	(\$1,212,125)	(\$1,098,972)
Less estimated income	113,229	(1,212,125)	(1,098,896)
General fund	(\$76)	\$0	(\$76)
FTE	0.00	16.00	16.00

¹ Salaries and wages funding is adjusted for 2021-23 biennium salary increases of 1.5 percent on July 1, 2021 with a minimum monthly increase of \$100 and 2 percent on July 1, 2022. The Senate provided salary adjustments of 2 percent with a minimum monthly increase of \$80 and a maximum monthly increase of \$300 on July 1, 2021, and 2 percent on July 1, 2022.

² Federal funding for the IT unification initiative is adjusted to remove the transfer of 16 FTE information technology positions from Job Service North Dakota to ITD, of which 5 FTE positions are unfunded. The Senate approved the transfer of 16 FTE IT positions to ITD for the IT unification initiative. The House amendments provide the 16 FTE positions will not be transferred to ITD.

This amendment also adds a section to amend North Dakota Century Code Section 52-06-01(4) to allow the executive director of Job Service North Dakota to suspend the unemployment benefit waiting period when federal reimbursement for benefit charges incurred are made available to Job Service North Dakota. This section is declared an emergency measure.

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

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$30,572,221	\$28,961,152	\$33,790	\$28,994,942	\$31,443,080	(\$2,448,138)
Operating expenses	17,840,895	17,175,297	(10,924)	17,164,373	13,594,397	3,569,976
Capital assets	20,000	20,000		20,000	20,000	
Grants	6,166,112	8,281,051		8,281,051	8,281,051	
Reed Act - Computer modernization	10,475,114	10,945,126		10,945,126	10,945,126	
Total all funds	\$65,074,342	\$65,382,626	\$22,866	\$65,405,492	\$64,283,654	\$1,121,838
Less estimated income	64,643,718	64,972,321	22,942	64,995,263	63,873,425	1,121,838
General fund	\$430,624	\$410,305	(\$76)	\$410,229	\$410,229	\$0
FTE	172.61	156.61	0.00	156.61	172.61	(16.00)

Department 380 - Job Service North Dakota - Detail of Conference Committee Changes

	Adjusts Funding for Salary and Benefit Increases ¹	Adjusts Funding for IT Unification ²	Total Conference Committee Changes
Salaries and wages	\$33,790		\$33,790
Operating expenses		(\$10,924)	(10,924)
Capital assets			
Grants			
Reed Act - Computer modernization			
Total all funds	\$33,790	(\$10,924)	\$22,866
Less estimated income	33,866	(10,924)	22,942
General fund	(\$76)	\$0	(\$76)
FTE	0.00	0.00	0.00

¹ Salaries and wages funding is adjusted for 2021-23 biennium salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100 and 2 percent on July 1, 2022, the same as provided by the House; however, the amount for salary increases is reduced compared to the House version due to the Conference Committee approving Job Service North Dakota to participate in the IT unification initiative. The Senate provided salary adjustments of 2 percent with a minimum monthly increase of \$80 and a maximum monthly increase of \$300 on July 1, 2021, and 2 percent on July 1, 2022.

² Funding of \$10,924 is removed to reflect the change in salary increases for FTE positions approved to be transferred to ITD as part of the IT unification initiative. The Conference Committee approved the transfer of 16 FTE positions to ITD for the IT unification initiative, the same as the Senate. The House did not approve IT unification. Of the 16 FTE positions, 5 FTE positions are unfunded.

This amendment also:

- Adds a section to amend North Dakota Century Code Section 52-06-01(4) to allow the executive director of Job Service North Dakota to suspend the unemployment benefit waiting period when federal reimbursement for benefit charges incurred are made available to Job Service North Dakota. This section is declared an emergency measure. The House also included this section.
- Adds a section to provide ITD may not charge state agencies selected to participate in the 2021-23 biennium IT unification initiative an amount in excess of the salaries and wages and related operating expenses of any FTE positions transferred to ITD during the 2021-23 biennium. Legislative intent is provided that any FTE position transferred to ITD for the 2021-23 biennium IT unification initiative be transferred to the agency employing the positions during the 2019-21 biennium, unless the 68th Legislative Assembly is presented with sufficient evidence of efficiencies gained and cost-savings realized by the state as a result of the 2021-23 biennium IT unification initiative. During the 2021-22 interim, ITD is required to report annually to the Legislative Management regarding any efficiencies gained and cost-savings realized as a result of the 2021-23 biennium IT unification initiative. This section was not included in the Senate or House versions.