

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1016 - Funding Summary

	Base Budget	Final Legislative Action	Comparison to Base Budget
Job Service North Dakota			
Salaries and wages	\$28,994,942	\$33,893,232	\$4,898,290
Operating expenses	17,164,373	67,290,155	50,125,782
Capital assets	20,000	20,000	
Grants	8,281,051	8,054,512	(226,539)
Reed Act - Computer modernization	10,945,126	10,915,000	(30,126)
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Total all funds	\$65,405,492	\$120,172,899	\$54,767,407
Less estimated income	<u>64,995,263</u>	<u>113,594,052</u>	<u>48,598,789</u>
General fund	\$410,229	\$6,578,847	\$6,168,618
FTE	156.61	158.61	2.00
Bill total			
Total all funds	\$65,405,492	\$120,172,899	\$54,767,407
Less estimated income	<u>64,995,263</u>	<u>113,594,052</u>	<u>48,598,789</u>
General fund	\$410,229	\$6,578,847	\$6,168,618
FTE	156.61	158.61	2.00

House Bill No. 1016 - Job Service North Dakota - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$28,994,942	\$6,496,929	\$35,491,871
Operating expenses	17,164,373	50,125,782	67,290,155
Capital assets	20,000		20,000
Grants	8,281,051	(226,539)	8,054,512
Reed Act - Computer modernization	10,945,126	(30,126)	10,915,000
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Total all funds	\$65,405,492	\$56,366,046	\$121,771,538
Less estimated income	<u>64,995,263</u>	<u>49,742,586</u>	<u>114,737,849</u>
General fund	\$410,229	\$6,623,460	\$7,033,689
FTE	156.61	2.00	158.61

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

	Adds Funding for the Cost to Continue Salaries¹	Adds Funding for Salary and Benefit Increases²	Adjusts Funding for Salaries and Wages³	Adds FTE Positions for the H2A Foreign Agriculture Workers Program⁴	Adds Funding for Temporary Salaries and Vacant FTE Positions⁵	Adds Funding for a Job Placement Pilot Program⁶
Salaries and wages	\$204,809	\$2,156,981		\$439,818	\$3,355,321	\$340,000
Operating expenses				23,460		
Capital assets						
Grants						300,000
Reed Act - Computer modernization						
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Total all funds	\$204,809	\$2,156,981	\$0	\$463,278	\$3,355,321	\$640,000
Less estimated income	<u>204,416</u>	<u>2,137,407</u>	<u>(2,500,000)</u>	<u>0</u>	<u>3,355,321</u>	<u>0</u>
General fund	\$393	\$19,574	\$2,500,000	\$463,278	\$0	\$640,000
FTE	0.00	0.00	0.00	2.00	0.00	0.00

	Adjusts Base Level Funding ⁷	Adjusts Funding for Unemployment Insurance System Costs ⁸	Adds One-Time Funding for the Unemployment Insurance Modernization Project ⁹	Total House Changes
Salaries and wages				\$6,496,929
Operating expenses	(\$106,974)	\$5,209,296	\$45,000,000	50,125,782
Capital assets				
Grants	(526,539)			(226,539)
Reed Act - Computer modernization		(30,126)		(30,126)
Total all funds	(\$633,513)	\$5,179,170	\$45,000,000	\$56,366,046
Less estimated income	(633,728)	2,179,170	45,000,000	49,742,586
General fund	\$215	\$3,000,000	\$0	\$6,623,460
FTE	0.00	0.00	0.00	2.00

¹ Funding is added for the cost to continue salary increases.

² The following funding is added for 2023-25 biennium salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024, and increases in health insurance premiums from \$1,429 to \$1,648 per month:

	General Fund	Other Funds	Total
Salary increase	\$18,258	\$1,370,455	\$1,388,713
Health insurance increase	1,316	766,952	768,268
Total	\$19,574	\$2,137,407	\$2,156,981

³ Funding of \$2.5 million for salaries and wages is reduced from federal funds and added from the general fund.

⁴ Funding is added for salaries and wages (\$439,818) and operating expenses (\$23,460) for 2 FTE positions for the H2A foreign agriculture workers program.

⁵ Federal funding is added for temporary salaries of 13 individuals (\$2,188,431) and 9 vacant FTE positions (\$1,166,890).

⁶ Funding of \$640,000 from the general fund, of which \$340,000 is for salaries and wages for two temporary positions and \$300,000 is for grants, is added for a job placement pilot program for recently released formerly incarcerated individuals. Grant funding will be used for basic support needs, including housing, transportation, and work supplies and clothing.

⁷ Base level funding is adjusted as follows:

	General Fund	Other Funds	Total
Adds funding for information technology rate increases	\$215	\$135,577	\$135,792
Adjusts federal funding for operating expenses, including data processing, travel, equipment and repairs, supplies, and printing	0	(242,766)	(242,766)
Reduces funding for the federal trade adjustment assistance for workers program to provide a total of \$1,866,010 from federal funds	0	(526,539)	(526,539)
Total	\$215	(\$633,728)	(\$633,513)

⁸ Funding for unemployment insurance system costs is adjusted as follows:

	General Fund	Other Funds	Total
Adds federal funding for information technology contractual services for the unemployment insurance program	\$0	\$2,209,296	\$2,209,296
Adds funding for unemployment insurance administration and information technology inflation costs	3,000,000	0	3,000,000
Reduces Reed Act funds to provide a total of \$10,915,000 from federal funds	<u>0</u>	<u>(30,126)</u>	<u>(30,126)</u>
Total	\$3,000,000	\$2,179,170	\$5,179,170

⁹ One-time funding of \$45 million from the federal State Fiscal Recovery Fund is added for the unemployment insurance modernization project.

This amendment also:

- Adds Section 2 to identify one-time funding appropriated in Section 1 for the 2023-25 biennium.
- Updates the amount of funding identified in Section 4 that is appropriated in Section 1 from federal Reed Act funds.
- Adds a section to identify one-time funding of \$45 million appropriated for the unemployment insurance modernization project from the federal State Fiscal Recovery Fund.

House Bill No. 1016 - Job Service North Dakota - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$28,994,942	\$35,491,871	(\$1,598,639)	\$33,893,232
Operating expenses	17,164,373	67,290,155		67,290,155
Capital assets	20,000	20,000		20,000
Grants	8,281,051	8,054,512		8,054,512
Reed Act - Computer modernization	10,945,126	10,915,000		10,915,000
Total all funds	\$65,405,492	\$121,771,538	(\$1,598,639)	\$120,172,899
Less estimated income	<u>64,995,263</u>	<u>114,737,849</u>	<u>(1,143,797)</u>	<u>113,594,052</u>
General fund	\$410,229	\$7,033,689	(\$454,842)	\$6,578,847
FTE	156.61	158.61	0.00	158.61

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

	Adjusts Funding for Salary and Benefit Increases¹	Removes Salary Funding for Funding Pool²	Total Senate Changes
Salaries and wages	\$450,014	(\$2,048,653)	(\$1,598,639)
Operating expenses			
Capital assets			
Grants			
Reed Act - Computer modernization			
Total all funds	\$450,014	(\$2,048,653)	(\$1,598,639)
Less estimated income	<u>443,919</u>	<u>(1,587,716)</u>	<u>(1,143,797)</u>
General fund	\$6,095	(\$460,937)	(\$454,842)
FTE	0.00	0.00	0.00

¹ Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	General Fund	Other Funds	Total
Salary increase	\$6,125	\$461,165	\$467,290
Health insurance increase	<u>(30)</u>	<u>(17,246)</u>	<u>(17,276)</u>
Total	\$6,095	\$443,919	\$450,014

The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

² Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
New FTE positions	(\$439,818)	(\$0)	(\$439,818)
Vacant FTE positions	<u>(21,119)</u>	<u>(1,587,716)</u>	<u>(1,608,835)</u>
Total	(\$460,937)	(\$1,587,716)	(\$2,048,653)

House Bill No. 1016 - Job Service North Dakota - House Action

The House concurred with the Senate.