

Department 380 - Job Service North Dakota
House Bill No. 1016

First Chamber Comparison to Base Level

	General Fund	Other Funds	Total
2023-25 First Chamber Version	\$7,033,689	\$114,737,849	\$121,771,538
2023-25 Base Level	410,229	64,995,263	65,405,492
Increase (Decrease)	\$6,623,460	\$49,742,586	\$56,366,046

First Chamber Changes

A summary of the first chamber's changes to the agency's base level appropriations and the executive budget is attached as an appendix.

Selected Bill Sections Included in the First Chamber Version

Federal funds appropriation - Section 3 appropriates all federal funds received by Job Service North Dakota in excess of those funds appropriated in Section 1.

Federal Reed Act funds - Section 4 identifies \$10,915,000 of funding appropriated in Section 1 is from federal Reed Act funds made available to the state by the federal Reed Act distributions made in federal fiscal years 1957, 1958, 1999, and 2002, pursuant to Section 903 of the federal Social Security Act for the purpose of developing a modernized unemployment insurance computer system.

Unemployment insurance modernization project - Federal State Fiscal Recovery Fund - Section 5 identifies \$45 million appropriated in Section 1 is one-time funding from the federal State Fiscal Recovery Fund for the unemployment insurance system modernization project.

Continuing Appropriations

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

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

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

Deficiency Appropriations

There are no deficiency appropriations for this agency.

Significant Audit Findings

The financial statement audit for Job Service North Dakota conducted by Brady, Martz and Associates, PC for the period ending June 30, 2021, identified no significant audit findings.

Major Related Legislation

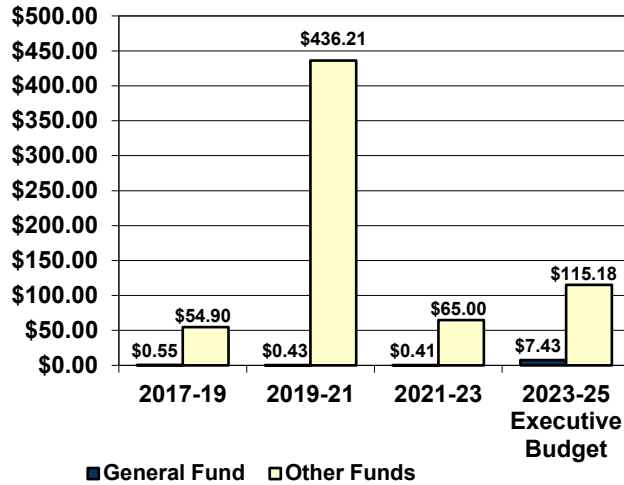
House Bill No. 1092 - This bill authorizes Job Service North Dakota to sell the Minot regional office.

House Bill No. 1093 - This bill authorizes Job Service North Dakota to sell a vacant lot near the Grand Forks regional office.

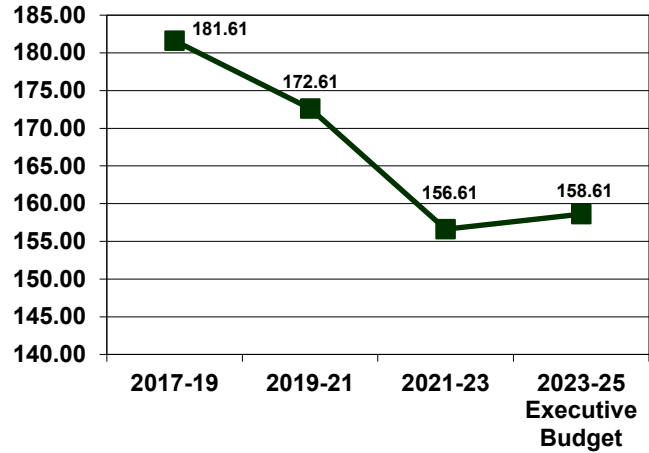
Historical Appropriations Information

Agency Appropriations and FTE Positions

Agency Funding (Millions)



FTE Positions



Ongoing General Fund Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25 Executive Budget
Ongoing general fund appropriations	\$1,888,080	\$445,793	\$430,624	\$410,229	\$7,429,784
Increase (decrease) from previous biennium	N/A	(\$1,442,287)	(\$15,169)	(\$20,395)	\$7,019,555
Percentage increase (decrease) from previous biennium	N/A	(76.4%)	(3.4%)	(4.7%)	1,711.1%
Cumulative percentage increase (decrease) from 2015-17 biennium	N/A	(76.4%)	(77.2%)	(78.3%)	293.5%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2017-19 Biennium

Removed funding for the Workforce 20/20 program (\$1,432,316)

2019-21 Biennium

Removed 9 FTE unfunded positions and related operating expenses of \$22,290 (\$22,290)

2021-23 Biennium

Reduced funding for unemployment insurance operating expenses, primarily related to information technology (IT) data processing, IT contractual services and repairs, and IT equipment, including \$4,248,062 from federal funds and \$21,679 from the general fund (\$21,679)

2023-25 Biennium (Executive Budget Recommendation)

- Adds funding for temporary positions for workforce facilitation at the Bakken Skills Center, of which \$340,000 is for salaries and \$50,000 is for operating expenses \$390,000
- Adds funding for a job placement pilot program for recently incarcerated individuals, of which \$340,000 is for temporary salaries and \$300,000 is for grants \$640,000
- Adjusts funding for unemployment insurance administration and IT inflation costs \$5,500,000

Job Service North Dakota - Budget No. 380
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Base Level Funding Changes

	Executive Budget Recommendation				House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2023-25 Biennium Base Level	156.61	\$410,229	\$64,995,263	\$65,405,492	156.61	\$410,229	\$64,995,263	\$65,405,492
2023-25 Ongoing Funding Changes								
Adds funding for the cost to continue salary increases		\$393	\$204,416	\$204,809		\$393	\$204,416	\$204,809
Salary increase		24,383	1,831,620	1,856,003		18,258	1,370,455	1,388,713
Health insurance increase		1,286	749,706	750,992		1,316	766,952	768,268
Adjusts funding for salaries and wages from federal funds to the general fund		2,500,000	(2,500,000)	0		2,500,000	(2,500,000)	0
Adds funding for FTE positions for the H2A foreign agriculture workers program	2.00	463,278		463,278	2.00	463,278		463,278
Adds federal funding for vacant FTE unfunded positions			1,166,890	1,166,890			1,166,890	1,166,890
Adds federal funding for temporary salaries			2,188,431	2,188,431			2,188,431	2,188,431
Adds funding for temporary positions for workforce facilitation at the Bakken Skills Center		390,000		390,000				0
Adds funding for a job placement pilot program for recently released formerly incarcerated individuals		640,000		640,000		640,000		640,000
Adds funding for IT rate increases		215	135,577	135,792		215	135,577	135,792
Adds federal funding for IT contractual services for the unemployment insurance program			2,209,296	2,209,296			2,209,296	2,209,296
Adds funding for unemployment insurance administration and IT inflation costs		3,000,000		3,000,000		3,000,000		3,000,000
Adjusts operating expenses			(242,766)	(242,766)			(242,766)	(242,766)
Reduces funding for the trade adjustment assistance for workers program			(526,539)	(526,539)			(526,539)	(526,539)
Reduces Reed Act funds			(30,126)	(30,126)			(30,126)	(30,126)
Total ongoing funding changes	2.00	\$7,019,555	\$5,186,505	\$12,206,060	2.00	\$6,623,460	\$4,742,586	\$11,366,046
One-Time Funding Items								
Adds funding for the unemployment insurance modernization project			\$45,000,000	\$45,000,000			\$45,000,000	\$45,000,000
Total one-time funding changes	0.00	\$0	\$45,000,000	\$45,000,000	0.00	\$0	\$45,000,000	\$45,000,000
Total Changes to Base Level Funding	2.00	\$7,019,555	\$5,186,505	\$57,206,060	2.00	\$6,623,460	\$4,742,586	\$56,366,046
2023-25 Total Funding	158.61	\$7,429,784	\$115,181,768	\$122,611,552	158.61	\$7,033,689	\$114,737,849	\$121,771,538
<i>Federal funds included in other funds</i>			\$69,570,308				\$114,127,056	
<i>Total ongoing changes as a percentage of base level</i>	1.3%	1711.1%	8.0%	18.7%	1.3%	1,614.6%	7.3%	17.4%
<i>Total changes as a percentage of base level</i>	1.3%	1711.1%	77.2%	87.5%	1.3%	1,614.6%	76.5%	86.2%

Other Sections in Job Service North Dakota - Budget No. 380

	Executive Budget Recommendation	House Version
Federal funds appropriation	Section 4 would appropriate all federal funds received by Job Service North Dakota in excess of those funds appropriated in Section 1.	Section 3 appropriates all federal funds received by Job Service North Dakota in excess of those funds appropriated in Section 1.
Reed Act funds	Section 3 would identify \$10,915,000 of funding appropriated in Section 1 is from federal Reed Act funds made available to the state by the federal Reed Act distributions made in federal fiscal years 1957, 1958, 1999, and 2002, pursuant to Section 903 of the federal Social Security Act for the purpose of developing a modernized unemployment insurance computer system.	Section 4 identifies \$10,915,000 of funding appropriated in Section 1 is from federal Reed Act funds made available to the state by the federal Reed Act distributions made in federal fiscal years 1957, 1958, 1999, and 2002, pursuant to Section 903 of the federal Social Security Act for the purpose of developing a modernized unemployment insurance computer system.
Unemployment insurance modernization project - Federal State Fiscal Recovery Fund	Section 5 would identify \$45 million appropriated in Section 1 is one-time funding from the strategic investment and improvements fund for the unemployment insurance system modernization project.	Section 5 identifies \$45 million appropriated in Section 1 is one-time funding from the federal State Fiscal Recovery Fund for the unemployment insurance system modernization project.