

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1089

Page 1, line 1, after "reenact" insert "section 52-02-18 and"

Page 1, line 2, after the first "to" insert "an audit of job service North Dakota and the" and replace "and" with "to provide for an audit of job service North Dakota;"

Page 1, line 3, replace "a continuing" with "an" and after "appropriation" insert "; and to provide an expiration date"

Page 1, after line 4, insert:

**"SECTION 1. AMENDMENT.** Section 52-02-18 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**52-02-18. Independent audit.** The state auditor shall cause a performance audit of job service North Dakota to be conducted. The state auditor ~~shall~~ may appoint on a biennial basis an independent audit firm, with extensive expertise in job service practices and standards, to complete a performance audit ~~of the divisions of job service North Dakota~~ or the state auditor may conduct the performance audit. If the state auditor completes the audit, the state auditor may contract with a consulting firm to aid in the state audit or to complete the audit and shall charge job service North Dakota for the audit, including the services of the consulting firm. The audit must evaluate divisions of job service North Dakota, as determined necessary by the state auditor, to determine whether the divisions are providing quality service in an efficient and cost-effective manner. The audit report must contain recommendations for divisional improvement or an explanation of why no recommendations are being made. The executive director of job service North Dakota and the auditor shall present the audit report and any action taken as a result of the audit to the legislative council's legislative audit and fiscal review committee and to the house and senate industry, business and labor standing committees during the next regular session of the legislative assembly following the audit. The executive director shall also provide a copy of the audit report to the state auditor."

Page 1, line 12, replace the first underscored comma with "and" and remove ", and 2002,"

Page 1, line 15, replace "Moneys are hereby appropriated for the" with:

**"SECTION 3. INDEPENDENT AUDIT DURING 1999-2001 BIENNIUM.** The 1999-2001 biennium independent audit of job service North Dakota required under section 52-02-18 must include:

1. An audit of the unemployment insurance trust fund;
2. A review of the strategic business plan for job service North Dakota;
3. A review of the information technology plan of job service North Dakota which includes:
  - a. Evaluating the telephone registration system, including claimant profiling and claimant consultation;
  - b. Evaluating financial reporting; and

- c. Evaluating the effect technology may have on future staffing needs;
4. An audit of the average duration of benefits which includes:
  - a. Considering the effect of job service North Dakota policies, procedures, and services on duration of benefits; and
  - b. Evaluating claimant profiling, repeat claimants, job attachment status, and the job bank;
5. An audit of the work force 2000 program; and
6. An audit of the staffing needs of job service North Dakota.

**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 and 2001. The amount of \$300,000 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 week less than the average duration of benefits for the preceding year, for the biennium beginning July 1, 1999, and ending June 30, 2001.

**SECTION 5. EXPIRATION DATE.** Section 3 of this Act is effective through April 30, 2001, and after that date is ineffective."

Page 1, remove lines 16 and 17

Renumber accordingly