

**Department 380 - Job Service North Dakota  
Senate Bill No. 2016**

**Executive Budget Comparison to Prior Biennium Appropriations**

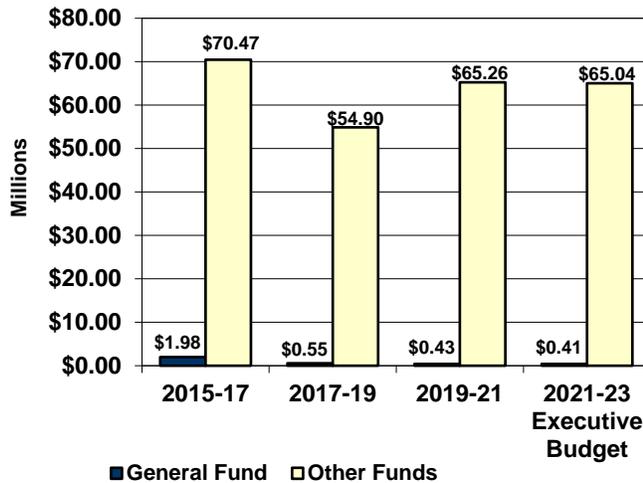
	FTE Positions	General Fund	Other Funds	Total
2021-23 Executive Budget	156.61	\$410,561	\$65,040,160	\$65,450,721
2019-21 Legislative Appropriations	172.61	430,624	65,255,570	65,686,194
Increase (Decrease)	(16.00)	(\$20,063)	(\$215,410)	(\$235,473)

<sup>1</sup>The 2019-21 biennium agency appropriation amounts have not been adjusted for additional federal Coronavirus (COVID-19) funds authority of \$372,381,213, resulting from Emergency Commission action during the 2019-21 biennium.

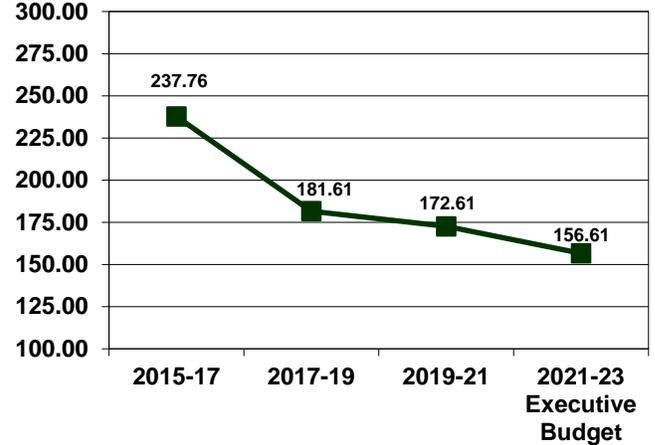
**Ongoing and One-Time General Fund Appropriations**

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2021-23 Executive Budget	\$410,561	\$0	\$410,561
2019-21 Legislative Appropriations	430,624	0	430,624
Increase (Decrease)	(\$20,063)	\$0	(\$20,063)

**Agency Funding**



**FTE Positions**



**Executive Budget Comparison to Base Level**

	General Fund	Other Funds	Total
2021-23 Executive Budget	\$410,561	\$65,040,160	\$65,450,721
2021-23 Base Level	430,624	64,643,718	65,074,342
Increase (Decrease)	(\$20,063)	\$396,442	\$376,379

**First House Action**

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

**Executive Budget Highlights  
(With First House Changes in Bold)**

- Provides funding for state employee salary and benefit increases, of which \$758,705 is for salary increases, \$7,396 is for health insurance increases, and \$124,919 is for retirement contribution increases. **The Senate added funding for 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. The Senate did not add funding for retirement contribution increases.**

General Fund	Other Funds	Total
\$1,468	\$889,552	\$891,020

2. Transfers 16 FTE information technology positions to the Information Technology Department (ITD) for an information technology unification initiative. Of these FTE positions, 6 were unfunded in previous bienniums, resulting in federal funding of \$2,368,775 being removed in the salaries and wages line item relating to the 10 funded FTE positions. Federal funding of \$3,491,397 is added in the operating expenses line item to pay ITD for the use of all 16 FTE positions if federal funding becomes available.	\$0	\$1,122,622	\$1,122,622
3. Adds funding from federal funds (\$21,888) and the Job Service North Dakota operating fund (\$1,355) for Microsoft Office 365 license expenses	\$0	\$23,243	\$23,243
4. Reduces funding for unemployment insurance operating expenses, primarily related to information technology data processing, information technology contractual services and repairs, and information technology equipment	(\$21,679)	(\$4,248,062)	(\$4,269,741)
5. Adds federal funding 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	\$0	\$2,114,939	\$2,114,939
6. Adds federal funding 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	\$0	\$470,012	\$470,012

### Other Sections in Senate Bill No. 2016

**Federal funds appropriation** - 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 4 identifies \$10,945,126 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.

### 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.

### 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, 2019, identified no significant audit findings.

### Major Related Legislation

**House Bill No. 1278** - This bill provides military spouses that terminate employment to move due to a military transfer are eligible for unemployment insurance benefits.

**House Bill No. 1395** - This bill provides a 2019-21 biennium appropriation of \$372,381,213 of federal funding to Job Service North Dakota, as approved by the Emergency Commission and Budget Section during the 2019-20 interim, from the state's allocation from the federal Coronavirus Relief Fund for costs related to unemployment insurance benefits payments for various programs in response to the COVID-19 pandemic.

**Job Service North Dakota - Budget No. 380**  
**Senate Bill No. 2016**  
**Base Level Funding Changes**

	Executive Budget Recommendation				Senate Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
<b>2021-23 Biennium Base Level</b>	172.61	\$430,624	\$64,643,718	\$65,074,342	172.61	\$430,624	\$64,643,718	\$65,074,342
<b>2021-23 Ongoing Funding Changes</b>								
Base payroll changes		\$148	\$24,136	\$24,284		\$148	\$24,136	\$24,284
Salary increase		1,250	757,455	758,705		1,200	724,826	726,026
Health insurance increase		12	7,384	7,396		12	7,384	7,396
Retirement contribution increase		206	124,713	124,919				0
Transfers FTE information technology positions to ITD	(16.00)		1,122,622	1,122,622	(16.00)		1,212,125	1,212,125
Adds funding for Microsoft Office 365 license expenses			23,243	23,243			23,243	23,243
Reduces funding for operating expenses		(21,679)	(4,248,062)	(4,269,741)		(21,679)	(4,248,062)	(4,269,741)
Adds funding for trade assistance and Workforce Investment Act grants			2,114,939	2,114,939			2,114,939	2,114,939
Adds federal funding for the unemployment insurance system project			470,012	470,012			470,012	470,012
Total ongoing funding changes	(16.00)	(\$20,063)	\$396,442	\$376,379	(16.00)	(\$20,319)	\$328,603	\$308,284
<b>One-time funding items</b>								
No one-time funding items				\$0				\$0
Total one-time funding changes	0.00	\$0	\$0	\$0	0.00	\$0	\$0	\$0
<b>Total Changes to Base Level Funding</b>	(16.00)	(\$20,063)	\$396,442	\$376,379	(16.00)	(\$20,319)	\$328,603	\$308,284
<b>2021-23 Total Funding</b>	156.61	\$410,561	\$65,040,160	\$65,450,721	156.61	\$410,305	\$64,972,321	\$65,382,626
<i>Total ongoing changes as a percentage of base level</i>	(9.3%)	(4.7%)	0.6%	0.6%	(9.3%)	(4.7%)	0.5%	0.5%
<i>Total changes as a percentage of base level</i>	(9.3%)	(4.7%)	0.6%	0.6%	(9.3%)	(4.7%)	0.5%	0.5%

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

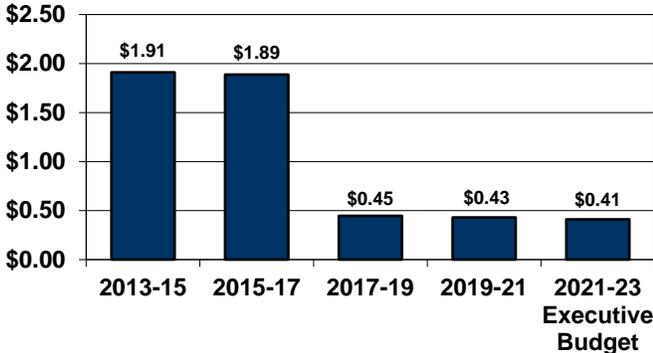
	Executive Budget Recommendation	Senate Version
Federal funds appropriation	Section 4 would appropriate all federal funds received by Job Service North Dakota in excess of those funds appropriated in Section 1.	Section 3 appropriates all federal funds received by Job Service North Dakota in excess of those funds appropriated in Section 1.
Reed Act funds	Section 3 would provide \$10,945,126 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 \$10,945,126 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.

Department 380 - Job Service North Dakota

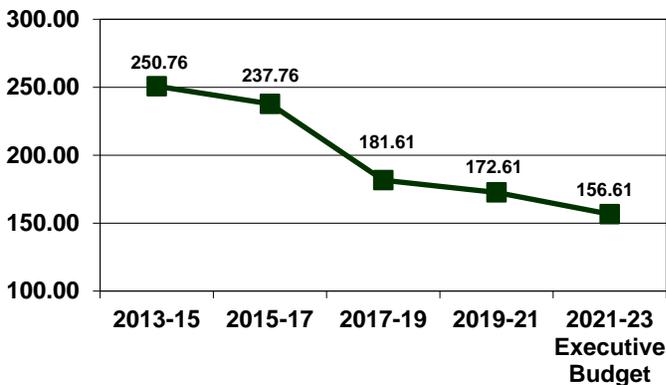
# Historical Appropriations Information

## Ongoing General Fund Appropriations Since 2013-15

Ongoing General Fund Appropriations (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2013-15	2015-17	2017-19	2019-21	2021-23 Executive Budget
Ongoing general fund appropriations	\$1,910,235	\$1,888,080	\$445,793	\$430,624	\$410,561
Increase (decrease) from previous biennium	N/A	(\$22,155)	(\$1,442,287)	(\$15,169)	(\$20,063)
Percentage increase (decrease) from previous biennium	N/A	(1.2%)	(76.4%)	(3.4%)	(4.7%)
Cumulative percentage increase (decrease) from 2013-15 biennium	N/A	(1.2%)	(76.7%)	(77.5%)	(78.5%)

### Major Increases (Decreases) in Ongoing General Fund Appropriations

**2015-17 Biennium**

- 1. Added funding for Virtual OneStop application to allow access to Job Service North Dakota job listings \$100,000

**2017-19 Biennium**

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

**2019-21 Biennium**

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

**2021-23 Biennium (Executive Budget Recommendation)**

- 1. Reduces funding for operating expenses related to information technology contractual services and repairs (\$21,679)

**GOVERNOR'S RECOMMENDATION FOR  
JOB SERVICE NORTH DAKOTA AS SUBMITTED BY  
THE OFFICE OF MANAGEMENT AND BUDGET**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to job service North Dakota for the purpose of defraying the expenses of job service North Dakota, for the biennium beginning July 1, 2021 and ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and Wages	\$30,572,221	(\$1,453,475)	\$29,118,750
Operating Expenses	17,840,895	(755,101)	17,085,794
Capital Assets	20,000	0	20,000
Grants	6,166,112	2,114,939	8,281,051
Reed Act–UI Computer Modernization	<u>10,475,114</u>	<u>470,012</u>	<u>10,945,126</u>
Total All Funds	\$65,074,342	\$ 376,379	\$65,450,721
Less Estimated Income	<u>64,643,718</u>	<u>396,442</u>	<u>65,040,160</u>
Total General Fund	\$ 430,624	(\$ 20,063)	\$ 410,561
Full-time Equivalent Positions	172,61	(16.00)	156.61

**SECTION 2. ONE-TIME FUNDING.** The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Unemployment Insurance Modernization Project	<u>\$611,852</u>	\$0
Total All Funds	\$611,852	\$0
Total Special Funds	<u>611,852</u>	<u>0</u>
Total General Fund	\$ 0	\$0

**SECTION 3. APPROPRIATION - REED ACT FUNDS - UNEMPLOYMENT INSURANCE COMPUTER MODERNIZATION.** The special fund appropriation of \$10,945,126 in section 1 of this Act 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 Social Security Act. This sum, or so much of the sum as may be necessary, is for the purpose of developing a modernized unemployment insurance computer system, for the biennium beginning July 1, 2021 and ending June 30, 2023.

**SECTION 4. APPROPRIATION.** All federal funds received by job service North Dakota in excess of those funds appropriated in section 1 of this Act are appropriated for the biennium beginning July 1, 2021 and ending June 30, 2023.