

Sixty-fifth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2016

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of job service North
2 Dakota; to amend and reenact section 52-08-10 of the North Dakota Century Code, relating to
3 the preparation of a business plan for workforce training; to repeal chapter 52-02.1 of the North
4 Dakota Century Code, relating to new jobs training; to provide a statement of legislative intent;
5 to provide for a legislative management study; and to provide for application.

6 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

7 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
8 as may be necessary, are appropriated out of any moneys in the general fund in the state
9 treasury, not otherwise appropriated, and from special funds derived from federal funds and
10 other income, to job service North Dakota for the purpose of defraying the expenses of job
11 service North Dakota, for the biennium beginning July 1, 2017, and ending June 30, 2019, as
12 follows:

	Base Level	Adjustments or Enhancements	Appropriation
15 Salaries and wages	\$39,604,238	(\$12,416,615)	\$27,187,623
16 Operating expenses	13,479,157	(2,727,902)	10,751,255
17 Capital assets	20,000	0	20,000
18 Grants	5,404,326	54,245	5,458,571
19 Workforce 20/20	1,441,225	(938,818)	502,407
20 Reed Act—unemployment insurance	<u>12,407,000</u>	<u>(1,196,714)</u>	<u>11,210,286</u>
21 —computer modernization			
22 Total all funds	\$72,355,946	(\$17,225,804)	\$55,130,142
23 Less estimated income	<u>70,467,866</u>	<u>(16,285,971)</u>	<u>54,181,895</u>
24 Total general fund	\$1,888,080	(\$939,833)	\$948,247

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1	Salaries and wages	\$39,604,238	(\$12,448,672)	\$27,155,566
2	Operating expenses	13,479,157	(1,977,902)	11,501,255
3	Capital assets	20,000	100,000	120,000
4	Grants	5,404,326	54,245	5,458,571
5	Workforce 20/20	1,441,225	(1,441,225)	0
6	Reed Act - unemployment insurance	12,407,000	(1,197,443)	11,209,557
7	<u>computer modernization</u>			
8	Total all funds	\$72,355,946	(\$16,910,997)	\$55,444,949
9	Less estimated income	70,467,866	(15,568,710)	54,899,156
10	Total general fund	\$1,888,080	(\$1,342,287)	\$545,793
11	Full-time equivalent positions	237.76	(56.15)	181.61

SECTION 2. HEALTH INSURANCE INCREASES. The salaries and wages line item in section 1 of this Act includes the sum of \$421,951, of which \$2,827 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,241 per month.

SECTION 3. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-SIXTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-fourth legislative assembly as adjusted for the 2015-17 biennium and the 2017-19 biennium one-time funding items included in the appropriation in section 1 of this Act:

20	<u>One-Time Funding Description</u>	<u>2015-17</u>	<u>2017-19</u>
21	Oil and gas employment study	\$80,000	\$0
22	Virtual OneStop application	9,500	0
23	Total all funds	\$89,500	\$0
24	Total special funds	0	0
25	Total general fund	\$89,500	\$0
26	<u>Oil and gas employment study</u>	<u>\$80,000</u>	<u>\$0</u>
27	<u>Virtual OneStop application</u>	<u>9,500</u>	<u>0</u>
28	<u>Renovation of Bismarck regional office</u>	<u>0</u>	<u>100,000</u>
29	<u>Total all funds</u>	<u>\$89,500</u>	<u>\$100,000</u>
30	<u>Total special funds</u>	<u>0</u>	<u>0</u>
31	<u>Total general fund</u>	<u>\$89,500</u>	<u>\$100,000</u>

The 2017-19 biennium one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. Job service North Dakota shall report to the appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 4. APPROPRIATION - REED ACT FUNDS - UNEMPLOYMENT INSURANCE

COMPUTER MODERNIZATION. The estimated income line item in section 1 of this Act includes ~~\$11,210,286~~\$11,209,557 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. 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, 2017, and ending June 30, 2019.

SECTION 5. 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, 2017, and ending June 30, 2019.

SECTION 6. AMENDMENT. Section 52-08-10 of the North Dakota Century Code is amended and reenacted as follows:

52-08-10. Preparation of business plan - Revolving loans.

Subject to state board of higher education policies, the president of an institution of higher education that is assigned primary responsibility for workforce training shall prepare an annual business plan that must include provisions for use of the training capacity of the tribal colleges within the designated region, in consultation with the workforce training board. ~~The business plan may include participation as a community under the new jobs training program under chapter 52-02.1.~~The workforce training board shall approve the business plan and make recommendations for funding of the business plan to the state board of higher education. Any state funds received under this program by the institutions of higher education assigned primary responsibility for workforce training must be used for business and customized training activities. The state board of higher education may establish for each institution of higher education assigned primary responsibility for workforce training a revolving loan fund for workforce training program startups using the borrowing authority provided in section 15-10-16.1.

SECTION 7. REPEAL. Chapter 52-02.1 of the North Dakota Century Code is repealed.

1 **SECTION 8. APPLICATION.** Job service North Dakota shall honor contractual obligations
2 under the new jobs training program in chapter 52-02.1 which were in effect before the effective
3 date of this Act, until the terms of the contracts have been fulfilled.

4 **SECTION 9. ESTIMATED INCOME - RENT REVENUE.** The estimated income line item in
5 section 1 of this Act includes \$750,000 of estimated rent revenue as a result of job service North
6 Dakota leasing the Minot regional office and a portion of the Bismarck central office to other
7 state agencies. Any revenue collected must be deposited in the job service North Dakota
8 operating fund for the biennium beginning July 1, 2017, and ending June 30, 2019.

9 **SECTION 10. ONE-TIME FUNDING - BISMARCK REGIONAL OFFICE RENOVATION -**
10 **RELOCATION COSTS.** Section 1 of this Act includes \$100,000 of one-time funding from the
11 general fund, for defraying the expenses of job service North Dakota relocating from the
12 Bismarck central office to the Bismarck regional office and for costs associated with renovations
13 of the Bismarck regional office necessary for normal business operations for the biennium
14 beginning July 1, 2017, and ending June 30, 2019.

15 **SECTION 11. LEGISLATIVE INTENT - JOB SERVICE NORTH DAKOTA PROPERTIES.** It
16 is the intent of the sixty-fifth legislative assembly that, as a result of the study provided for in
17 section 12 of this Act, job service North Dakota enter a long-term lease or sell the property
18 determined most valuable and continue to occupy the property with the lowest cost for office
19 space.

20 **SECTION 12. LEGISLATIVE MANAGEMENT STUDY - JOB SERVICE NORTH DAKOTA**
21 **PROPERTIES.** During the 2017-18 interim, the legislative management shall consider studying
22 office space cost and value of properties owned by job service North Dakota in Fargo, Rolla,
23 Minot, and Bismarck with input from the office of management and budget. If job service North
24 Dakota sells or leases any property identified in this section before July 1, 2017, the property
25 may not be included in the study. The legislative management shall report its findings and
26 recommendations, together with any legislation necessary to implement the recommendations,
27 to the sixty-sixth legislative assembly.