

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION
SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

2034

2007 SENATE INDUSTRY, BUSINESS AND LABOR

SB 2034

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. **SB 2034**

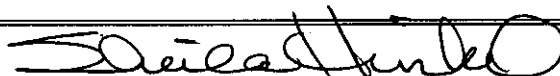
Senate Industry, Business and Labor Committee

Check here for Conference Committee

Hearing Date: **January 10, 2007**

Recorder Job Number: **876**

Committee Clerk Signature



Minutes:

John Jorgenson- Neutral

TESTIMONY #1 Testimony read. Half account, payment

S Klein: We found that 2034 is this against the rules? We are eliminating that from the Hog

House amendment. [Look at issue. Explanation.]

John Jorgenson: Explains the proposal.

S Klein: This now meets the law requirements. Is that at a rate \$100 per employee?

S Hacker: Did you profile 2034 when you found out they didn't approve?

J Jorgenson: Yes Found out in amendment preparation

S Heitkamp: Is there a new fiscal note?

J Jorgenson: There will be a new fiscal note.

S Potter: the 50% that is going to be an unemployment contribution, is that a credit against the tax that they would normally offer?

J Jorgenson: They will get into that, they will get into the specifics.

S Andrist: I would like an explanation.

S Klein: Job Service will explain the amendment.

Larry Anderson – director of Workforce & Unemployment Insurance Programs w/JSNN

– Neutral

Covers the testimony. Reviews the bill – “Hog House Amendment

S Hacker: 50% that they pay, would be accredited toward negative balance?

L Anderson: 50% toward negative balance Federal Advantage

S Hacker: What account is that?

L Anderson: Special account [explains]

S Hacker: Who does it benefit?

L Anderson: funds are split 50% [15:10m]

S Hacker: Is this account flush, do you need money?

L Anderson: No, not an effort to build the account.

Maren [Attorney] It's a very tight account that the Feds require that we have a source of state money. This account is for real estate improvements.

S Hacker: These dollars are coming from job attached employers. The employers pay a fee, part of that fee will be paid and benefit non-job attached employee somewhere else. My question is from Job Services prospective and for lower premiums of all employers across the board, would be more effective to put 75% into the negative employers, [explains process suggestion 17:40]

Maren: It's a balance, it benefits all in the trust fund.

S Hacker: 50% is arbitrary?

S Klein: Did the committee in interim look at this and determine that this was the best way... it was the work of the committee. This is how it could be addressed to the best?

Maren: The committee expressed the need. Recognized the need for this need. Because of the lack of funds, reduced 47 staff last year because of Federal cuts and have additional costs.

S Wanzek: Has any consideration been given to have an employer bring two potential employers together and coordinate his employment situation where he could be designated attached and for temp time work with a second employer and receive a paycheck and maybe cut his benefits in ½ for a win-win solution for both employers or is that just not legal?

L Anderson: There has been much discussion with employees who would do that. Worked the first year and the 2nd year it didn't work.

S Andrist: Philosophically, employees and employer worked out arrangements on employee claim?

L Anderson: Yes, no matter their efforts, they are not in a position to control weather conditions.

S Andrist: Is it to his economic advantage to lay this person off and pay the benefits.

L Anderson: It's less expensive

S Heitkamp: Is there a new fiscal note?

L Anderson: You have the note we've prepared.

S Heitkamp: So the dollars are right in the fiscal note. This was endorsed by the Senate Industry, Business & Labor committee am I to assume, it's a Hog House and it came to us late, that no longer helps, holds that endorsement.

L Anderson: It was endorsed by interim committee.

S Heitkamp: Those committee members didn't get a change to vote on the Hog House. Why did we get here? Didn't we know we didn't comply, is it that confusing?

Maren: As a lawyer, there are 2 major issues: 1. Administrative efficiency, set up get approval from the employers to designate the job attached employers in advance. 2. Not Federal conformity issue

S Hacker: How long can an employee stay job attached?

L Anderson: Can stay job attached through their entire duration. On average, a job attached employee will receive no more benefits than 10 weeks. For non-job attached 11.3 weeks. Nearly equal.

S Potter: the unemployment fund has been running a positive balance, 12-20% more in premiums coming in than claims paid, this this correct?

L Anderson: We have achieved our solvency target balance Nov. 2005. Set by '99.

S Klein: Where did it start? Give us a background. Why did we take this route to get there?

S Potter: Question for Maren.

Maren: the bill was designed to hit the nail on the head.

S Heitkamp: I thought negative employers held a bigger percentage than that.

L Anderson: 70% of claimants are attached, 30% are not.

Tom Balzer – Mgr. Director of the ND Motor Carriers Association - In Favor

TESTIMONY #3 Covered testimony

Ammendment will bring it into uniformity.

Q?

Marv Scar – EW Wylie – In Favor

TESTIMONY # 4 Covered testimony

Have 150 employees, truck drivers, brokerage businesses, can't go after people that are job attached. WHY? We have a driver shortage. Problem is we don't have access to those "job attached" employees. We give them the right to sit at home and not seek work. Last Sunday in the Fargo Forum there were 900 jobs open, 1,200 people – 1,700 are job attached, we can't have access to them. That's what's wrong with job attached policy. All these jobs and we can't go after the people that are unemployed, even for a temporary reason. Not against the policy, I'm against how you are funding it. The people that cause the problem aren't paying their bill.

They're passing it on to have full time jobs. Crazy for people to not seek work. Preferential application of the law. I don't think it's policy to give some employers an economic advantage.

[36.15m explains the problem]

Wants the best rate. Tax rate isn't high enough for negative balance employers. "Work first" program – don't participate, make employer pay his share.

Testimony – shows his "Insurance Fund" – not an insurance, it's a tax. Call it what it is.

[37:26m examples]

How it works – support anything that makes people pay their share of the taxes. [see page 2 of testimony] [ends 46.15m]

Q

S Heitkamp: Question – issue was in front of the interim committee, it was deemed not to have met with the Federal requirement, now we have a new issue. Basically - \$100. I hear they're not doing enough, but yet you're for the bill. Are you in favor of this bill or not?

M Skarr: I'm in favor of a bill of charging an employer for the reason of job attachment. I am not in favor of a minimum amount of \$100. I do not think what they're doing in this bill will change job attached policy one iota.

S Heitkamp: That's why I asked you. That's what this bill does. That's what the amendment does, right?

Q?

Marin: Neutral Position

I've listened to his issues, used to be that the claimant themselves would designate themselves as job attached. They would call in, call their claim and say, "I'm job attached."

We need to say, "You decide employer, who's critical and who do you want job attached?"

Making the employer making the decision, not the employee in making the decision, and the dollar amount is right, but it's an attention getter, as we've used the rate setting bill and maybe another in the hopper to better reward the best experience employers with lower rates.

S Wanzek: Reference to Scarr's comments, would it conform to law if instead of making rate reductions if you put it back into positive balance?

Maren: Not sure how far you could go with that.

S Hacker: Can you self-insure your own un-insured? Can I not participate in Job Service...

Maren: No. You can not self-insure and you must participate.

S Behm: Why don't you call it a tax?

S Andrist: I find Mr. Scarr's testimony pretty provocative, at a time when people are begging of workers, and workers are being held, how did they deal with this question? Especially when they're looking for workers like the oil fields.

Maren: Neutrality. Public policy issue. 1999 debated when it was set up to retain workers.

S Potter: Job attached workers are not taken off market, they can still take employment with somebody else?

Maren: With the \$350 unemployment, you're not going to get rich sitting around getting unemployment. In ND you can earn up to 1/2 of your benefit amounts and not reduce your benefits.

S Potter: As I understand, formerly job attached workers were 70%, now less than 60%, do you feel you've had any impact on that?

Maren: Job attached still runs about 70% of claims. What has changed is the industries that make job attached. Used to be construction, now manufacturers are using it more, other businesses and industries that are increasing.

OPPOSITION to 2034

Russ Hansen - Opposed

During interim period, we were opposed to the bill. We are the largest payer of a negative balance, we did look at the concerns of a positive balance employer. And supported the previous bill to give them the consideration. Industry does take job attached seriously. Job attached industry depends on the weather.

S Klein: ½ would go to set off their insurance. They'd be out \$50.00 if we stay at \$100.

R Hansen: yes

S Potter: What's the average wage in your industry? Any idea?

R Hansen: No, but we need to promote construction as a job opportunity because the wages are very competitive. Good pensions, benefits.

S Heitkamp: Question: some of the people, why do they have to hang on to these job attached people. If this \$100 was going to get tacked on, are they still going to be able to hang on to these workers?

R Hansen: Can't say yes or no. There isn't a problem we see. 10 weeks for job attached, 10 weeks for non job attached.

S Wanzek: The average for job-attached is 10 weeks? Is nearly the same as non job attached?

R Hansen: The duration is nearly identical.

S Hacker: Would ND contractor companies be at a disadvantaged out of state contractors because of the internal costs as the out of state don't have to pay employment benefits?

R Hansen: Possible, I don't mean to pass the buck, but maybe someone who runs a very specialized piece of equipment they may take a different position.

OPPOSITION:

Marvin Miller – VP of Twin City Roofing, Inc. - Opposition

TESTIMONY # 5 Covered testimony

Cold weather sensitive. If weather permits, they put workers together.

S Wanzek: Are employers who have job attached people, is there a limit for employers?

Susan Shearer, President. and Co-owner of Harvey Sand & Gravel, Inc. – Opposition

TESTIMONY #6 Covered testimony

HS&G is a negative balance employer. My employees take out more than I pay in. Not that we choose that, it just happens.

Lloyd Bush – President of Industrial Contractors, Inc. - Opposition

ITI located in Bismarck., one of largest employers. Consider it an additional penalty or tax and we already pay staggering amounts of unemployment compensation premiums, and/or taxes compared to other folks here today. We don't believe this is a fair and equitable adjustment to policy. Come from Michigan originally. New to the system. The average construction worker works for 6-8 different employers per year and those employers pays the maximum amount of premiums on that individual each time.

S Heitkamp: When you get to your employees and what you pay in, do they take out more than you pay in?

L Bush: If you look on an individual basis, yes. In the industry, no.

S Heitkamp: When you looked at it in Michigan, in the type of industry that you're in now, was that the same?

L Bush: Basically, yes.

S Klein: There was no advantage on the job service side to come here?

L Bush: No

S Hacker: You call the \$100 a tax, does that make a difference to you in bidding on jobs?

Could another company get the bid, would this make this make the bid less competitive than theirs?

L Bush: Haven't had opportunity to analyze that. It would have a negative impact on the ability for us to compete, yes, with out-of-state contractors.

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2034 B

Senate Industry, Business and Labor Committee

Check here for Conference Committee

Hearing Date: **January 10, 2007**

Recorder Job Number: **897**

Committee Clerk Signature



Minutes: 2:50

S Klein: Lot of discussion, strong feeling on both sides – 2034 – middle ground?

S. Heitkamp: SB2035, one we just passed – if that hadn't passed and we didn't have the time to see what that does to the fund, I'd be willing to work this bill all day of what Mr. Scarr said, I think he's got a legitimate concern. The other bill addresses some of that. #1

#2 In his own words, this bill didn't do what he wanted to do. That's concern #1, #2 it is a Hog House Bill of an interim committee. If somebody wants to bring this bill in, bring it in the way Mr. Scarr wants, I think we're going down the wrong road; I understand the amendment, it makes it a better bill, it didn't work the other way and that's why I supported that, but not convinced the bill through an interim committee should be what comes out of this committee.

S Klein: I would agree that the interim committee is the ones that can take a little more time and their bill has already been nixed.

S Potter: One of my concerns with this is in the funding of the things Job Service wants to do. By diverging ½ of the fee to the federal advance interest repayment fund which is something they can use for a number of different projects, as opposed to direct rate relief for the payers.

S Hacker: Agree with S Potter. Said all will be equitable. Look at the numbers that job-attached employees, where attached, ½ were negative, ½ positive. How can it be equitable

when you're charging the positive balance people the \$100 fee. Frankly, I don't think it is equitable.

Penalizing the positive balance people.

S Behm: Let's call it a tax like it should be called. It's not insurance, it's a tax.

S. Klein: Not part of the amendment, but I agree.

S Wanzek: Makes it difficult when there are people passionate on both sides of the issue that I have respect for. Understand Mr. Scarr's comments and realize that construction is a little more unique.

S Andrus: I question whether the \$100 is high enough. I find Mr. Scarr compelling. There are lots of people who need those workers. Workers are needed in the industry.

S Klein: Agree with S Heitkamp, have a bill that could be introduced in a different form and a regular form which help take a better look at it and give it a little time.

S Wanzek: Can we sleep on it?

S Klein: We don't need to take action right now

S. Heitkamp: If you're going to run the bill up, the two should be on the calendar together. 2 bills address each other together.

S Klein: Need more time to think about it

S Hacker: Plenty of time to work with Mr. Scarr .

CLOSE

2007 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. **2034 C**

Senate Industry, Business and Labor Committee

Check here for Conference Committee

Hearing Date: **January 10, 2007**

Recorder Job Number: **#901 :00**

Committee Clerk Signature

Sheila Arndt

Minutes:

S Klein: We have adopted the Hog House amendment

2034 We want to take action on this because we have taken action on 2035.

S Heitkamp: I know the majority of the committee may not agree with me, but 2035 is a bill that is going to have a little more time and we're going to have to see some of the things equalized out. There is more time to put another bill into address Mr. Scarr's issues, he even pointed out that he didn't feel this bill did what he wanted it to do, not only that it's going to go to the floor as a "Hog House" bill and an Interim bill and I'm not all that comfortable with that.

Senator Heitkamp made a motion for a **Do Not Pass**.

Second for purposes of discussion by **Senator Potter**

Motion and a second for a "Do Not Pass"

S Heitkamp _____

S. Andrist: I'm going to oppose the motion Mr. Chairman, because the law has always been skewed against the employer a positive employer, I'm just not comfortable where he needs to pay the freight because certain negative employers have a problem.

S Hacker: I agree with S. Andrist. Until it equitably address the problem. \$100 that they pay, some of it goes towards the premiums, so you have positive balance employers, so we are

actually re-penalizing them, they already have their regular premiums, now they pay an additional fee. As I understand, they are negative balance employers, but this bill affects negative and positive balance employers and so I don't think it's the correct vehicle for that reason in trying to fix negative balance employers as it penalizes positive balance employers as well. For that reason, I support...

S Heitkamp: I vote to support MY motion would be a "yes" vote even though that's mean you're voting AGAINST the bill.

S Klein: Correct. And it would be a RED VOTE on the floor

S Heitkamp: It would be a Red Vote on floor but it's a motion to_____

S Potter: There was no testimony that \$100 was the appropriate fee for this. \$50 of the \$100 is not affecting premiums for anybody, that's it's going to Job Service which they could seek through Appropriations.

S Wanzek: It's tough, I can see compelling arguments on both sides. I think Mr. Scarr was very convincing and made some good points. Being a farmer, I understand businesses based on weather. I'm thinking in my mind is a more appropriate way to do it is to do it in SB 2035 and trying to be more reflective with the rates and I think in that bill we made a move towards \$3 million shift or whatever. If we had more time if we were going to address this bill, or an additional bill. Maybe we have to put a little pressure to narrow it down and be more precise about identifying the key franchise players and control. I'm, going to support the motion with Interest in trying to look at other ways to address.

S Klein: I venture to bet we will see it at this table again. There's still going to be some discussion.

More discussion? Hearing none.

Hear roll for a DO NOT PASS on SB 2034 as Amended

Roll call for **DO NOT PASS 7-0-0**

Motion carried.

Carrier: S. Heitkamp

FISCAL NOTE
 Requested by Legislative Council
 01/18/2007

Amendment to: SB 2034

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$1,118,530	\$0	\$906,010
Expenditures	\$0	\$0	\$0	\$379,525	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Requires Job Service to impose a fee on negative rate employers for each employee they choose to place in a return-to-employer status.

B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Based upon current usage of return to employer status, it is estimated that fees collected during the first year would be approximately \$588,700.00. Of this amount, 50% is being considered fee revenue and will be deposited in the Federal Advance Interest Repayment Fund. The remaining 50% is considered a contribution by the employer and will be deposited in the Unemployment Insurance Trust Fund. It is anticipated that during each successive year, return to employer status will decline by 10%, resulting in a decline in the amount of revenue generated by this fee. Estimated revenues for the 2007-2009 biennium are \$1,118,530. Estimated revenues for the 2009-2011 biennium are \$906,010.

Implementing this bill will result in a significant fiscal impact due to programming of the agency mainframe Unemployment Insurance (UI) computerized system. Most areas of the Tax system and portions of the Benefits system will need modification to accommodate this new fee. Some of the individual changes required will be:

- Database modifications
- Creation of new databases
- MIS system interface modifications and additions
- Creation and modification of mainframe batch processes Automated correspondence and billing
- Creation of required reports related to employer contributions
- Modification of MIS system for appropriate application of moneys owed
- Modification of the data validation system
- Changes to the Tax Internet based customer application, UI EASY

Due to limited Job Service North Dakota programming staff availability, it is expected that a contractor will be needed to complete the required programming. Contractor programming costs are estimated as follows:

- \$372,360 - 1,284 Programmer/Analyst hours
- \$ 5,000 - Developer software costs
- \$ 1,018 - Ongoing cost of developer software
- \$ 175 - Network hookup
- \$ 232 - Ongoing network cost
- \$ 450 - Emulation software

\$ 290 - Office Suite software
\$379,525 - Total Cost

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The Federal Advance Interest Repayment Fund revenues will increase by \$559,265 in the 2007-2009 biennium and \$453,005 in the 2009-2011 biennium.

The Unemployment Insurance Trust Fund revenues will increase by \$559,265 in the 2007-2009 biennium and \$453,005 in the 2009-2011 biennium. Unemployment Insurance Trust funds may only be used to pay unemployment benefits.

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The expenditure would be to enter into a contract with external programmers. The projected expenditure would affect the operating expense line item and would be charged to the agency's federal funds and/or would be charged to the Federal Advance Interest Repayment Fund.

If the programming is done by Job Service North Dakota IT staff, the number of FTEs would not be changed.

The expenditures, if any, would be offset against another planned expenditure in order to stay within the available resources.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Because the agency would not be receiving any additional federal resources to fund this expenditure, an offsetting decrease in another budgeted operating expense item would need to be accomplished. Therefore, there would not be any impact on the agency's appropriation. Any Federal Advance Interest Repayment Fund revenues and expenditures are under continuing appropriation status.

Name:	Larry Anderson	Agency:	Job Service
Phone Number:	701-328-2843	Date Prepared:	01/19/2007

FISCAL NOTE
Requested by Legislative Council
12/26/2006

Bill/Resolution No.: SB 2034

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2005-2007 Biennium		2007-2009 Biennium		2009-2011 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$1,118,530	\$0	\$906,010
Expenditures	\$0	\$0	\$0	\$379,525	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

2005-2007 Biennium			2007-2009 Biennium			2009-2011 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2A. Bill and fiscal impact summary: *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Requires Job Service to impose a fee on negative rate employers for each employee they choose to place in a return-to-employer status.

B. Fiscal impact sections: *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Based upon current usage of return to employer status, it is estimated that fees collected during the first year would be approximately \$588,700.00. Of this amount, 50% is being considered fee revenue and will be deposited in the Federal Advance Interest Repayment Fund. The remaining 50% is considered a contribution by the employer and will be deposited in the Unemployment Insurance Trust Fund. It is anticipated that during each successive year, return to employer status will decline by 10%, resulting in a decline in the amount of revenue generated by this fee. Estimated revenues for the 2007-2009 biennium are \$1,118,530. Estimated revenues for the 2009-2011 biennium are \$906,010.

Implementing this bill will result in a significant fiscal impact due to programming of the agency mainframe Unemployment Insurance (UI) computerized system. Most areas of the Tax system and portions of the Benefits system will need modification to accommodate this new fee. Some of the individual changes required will be:

- Database modifications
- Creation of new databases
- MIS system interface modifications and additions
- Creation and modification of mainframe batch processes Automated correspondence and billing
- Creation of required reports related to employer contributions
- Modification of MIS system for appropriate application of moneys owed
- Modification of the data validation system
- Changes to the Tax Internet based customer application, UI EASY

Due to limited Job Service North Dakota programming staff availability, it is expected that a contractor will be needed to complete the required programming. Contractor programming costs are estimated as follows:

- \$372,360 - 1,284 Programmer/Analyst hours
- \$ 5,000 - Developer software costs
- \$ 1,018 - Ongoing cost of developer software
- \$ 175 - Network hookup

\$ 232 - Ongoing network cost
\$ 450 - Emulation software
\$ 290 - Office Suite software
\$379,525 - Total Cost

If the project can be worked into the IT Plan, Job Service North Dakota IT staff would complete the programming at a cost of \$74,472 (1,284 Programmer/Analyst hours).

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The Federal Advance Interest Repayment Fund revenues will increase by \$559,265 in the 2007-2009 biennium and \$453,005 in the 2009-2011 biennium.

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B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

The expenditure would be to enter into a contract with external programmers. The projected expenditure would affect the operating expense line item and would be charged to the agency's federal funds and/or would be charged to the Federal Advance Interest Repayment Fund.

If the programming is done by Job Service North Dakota IT staff, the number of FTEs would not be changed.

The expenditures, if any, would be offset against another planned expenditure in order to stay within the available resources.

C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

Because the agency would not be receiving any additional federal resources to fund this expenditure, an offsetting decrease in another budgeted operating expense item would need to be accomplished. Therefore, there would not be any impact on the agency's appropriation. Any Federal Advance Interest Repayment Fund revenues and expenditures are under continuing appropriation status.

Name:	Larry Anderson	Agency:	Job Service
Phone Number:	701-328-2843	Date Prepared:	01/05/2007

**Senate Amendments to SB 2034 (70164.0201) - Industry, Business and Labor
Committee 01/11/2007**

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 52-04 of the North Dakota Century Code, relating to imposition of a fee by job service North Dakota on certain employers for employees in the return-to-employer status.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 52-04 of the North Dakota Century Code is created and enacted as follows:

Return-to-employer fee. The bureau shall impose a fee upon each employer for which cumulative contributions are less than the employer's cumulative benefits and which has the return-to-employer status for any individual who has worked for the employer within the base period of the claimant's unemployment insurance claim to the date of claim and for which the employer is also the claimant's last employer. The amount of the fee imposed under this section is one hundred dollars per base period employee on the return-to-employer status. Fifty percent of any fee paid under this section must be considered as an unemployment contribution under this chapter. The remaining fifty percent of any fee paid must be deposited in the federal advance interest repayment fund provided for under section 52-04-22. A fee paid under this section is nonrefundable.

**Senate Amendments to SB 2034 (70164.0201) - Industry, Business and Labor
Committee 01/11/2007** Renumber accordingly

Date: 1-10-07

Roll Call Vote: 1

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 2034

Senate INDUSTRY BUSINESS & LABOR Committee

Check here for Conference Committee

Legislative Council Amendment Number Amendment

Action Taken DO PASS

Motion Made By ANDRIST Seconded By HEITKAMP

Senators	Yes	No	Senators	Yes	No
Chairman Klein, Jerry	✓		Senator Behm, Arthur	✓	
Senator Hacker, Nick VC	✓		Senator Heitkamp, Joel	✓	
Senator Andrist, John	✓		Senator Potter, Tracy	✓	
Senator Wanzek, Terry	✓				

Total Yes 7 No 0

Absent _____

Floor Assignment Heitkamp

If the vote is on an amendment, briefly indicate intent:

Amendment
"Fog House"
Replaces
original Bill

Date: 1-10-07

Roll Call Vote: 2

2007 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 2034

Senate INDUSTRY BUSINESS & LABOR Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken DNP.

Motion Made By Heitkamp Seconded By Potter

Senators	Yes	No	Senators	Yes	No
Chairman Klein, Jerry	✓		Senator Behm, Arthur	✓	
Senator Hacker, Nick VC	✓		Senator Heitkamp, Joel	✓	
Senator Andrist, John	✓		Senator Potter, Tracy	✓	
Senator Wanzek, Terry	✓				

Total Yes 7 No 0

Absent _____

Floor Assignment Heitkamp

If the vote is on an amendment, briefly indicate intent:
(list 2nd)

