

**Job Service North Dakota
Budget 380
Senate Bill Nos. 2017, 2023**

	FTE Positions	General Fund	Other Funds	Total
2001-03 legislative appropriation	389.78	\$2,100,356	\$58,980,809	\$61,081,165
1999-2001 legislative appropriation	390.40	1,250,000	52,863,408	54,113,408
2001-03 appropriation increase (decrease) to 1999-2001 appropriation	(0.62)	\$850,356	\$6,117,401	\$6,967,757

NOTE: The 2001-03 legislative appropriation amounts include \$369,005 of other funds for the agency's share of the \$5,000,000 funding pool appropriated to the Office of Management and Budget for special market equity adjustments for classified employees.

Item Description

Work Force 2000 - The 2001 Legislative Assembly provided funding of \$2,100,356 from the general fund for the Work Force 2000 program.

Section 3 of Senate Bill No. 2017 provides that a minimum of \$150,000 of the Work Force 2000 \$2,100,356 appropriation must be available for projects in areas of the state that are not within five miles of any city with a population of more than 8,000, and any Work Force 2000 funds remaining after June 30, 2002, may be used for projects in any area of the state.

Capital improvements - The 2001 Legislative Assembly provided \$2,302,000 of bonding proceeds for the construction of a new Bismarck service delivery office.

Job task analysis services - Section 6 of Senate Bill No. 2017 allows Job Service North Dakota to provide job task analysis services to employers for a reasonable fee and requires all fees collected to be deposited in a separate account at the Bank of North Dakota for the purpose of providing job task analysis services.

Unemployment compensation incentive fund - Section 7 of Senate Bill No. 2017 provides a continuing appropriation to Job Service North Dakota for money credited to the unemployment compensation incentive fund pursuant to Section 903 of the Social Security Act for the purpose of administration of the unemployment compensation program.

Status/Result

As of March 25, 2002, Job Service North Dakota has expended or obligated \$523,738 of the \$2,100,356 Work Force 2000 appropriation, leaving an uncommitted balance of \$1,576,618.

As of February 19, 2002, Job Service North Dakota has expended or obligated \$99,719 for contracts for rural areas.

In February 2002, Job Service North Dakota opened bids for construction of a new Bismarck service delivery office in the Wisdom Office Park on the south side of Century Avenue in Bismarck. The facility will encompass 17,500 square feet, and Job Service North Dakota estimates the total cost for construction of the new facility to be \$2.3 million. The project is expected to begin in March 2002 and be completed by March 2003.

In January 2002, Job Service North Dakota began marketing job task analysis services to employers to better assist employers with a qualitative and quantitative method of identifying critical skills required to satisfactorily perform a job. As of February 2002, Job Service North Dakota has signed a contract with one employer for job task analysis service and is in contract negotiations with several other employers.

As of February 19, 2002, Job Service North Dakota has a balance of \$599,476 in the unemployment compensation incentive fund. Job Service North Dakota anticipates using the funds for implementation of an unemployment insurance claims center and for unemployment insurance program operations.

Job insurance trust fund balance - House Bill No. 1084 (2001) amended North Dakota Century Code (NDCC) Section 52-02-17 by removing the job insurance trust fund minimum balance requirement of \$40 million and adding the requirement that Job Service North Dakota report to the Legislative Council before March 1 of each year on the actual trust fund balance and on the projected trust fund balance for the next three years.

Shared work unemployment compensation program - Senate Bill No. 2337 authorized Job Service North Dakota to establish a shared work unemployment compensation program under which the agency would enter into agreements with employers of 50 or more employees to pay partial unemployment insurance benefits to employees in defined work units whose hours are reduced to avoid full layoffs.

As of December 31, 2001, the job insurance trust fund balance was \$30,800,000, a decrease of \$900,000 from the balance as of December 31, 2000, of \$31,700,000.

The projected job insurance trust fund balance for the next three years is:

December 31, 2002	\$31.7 million
December 31, 2003	\$36 million
December 31, 2004	\$41.4 million

Job Service North Dakota has decided to not advertise or encourage employers to use the shared work unemployment compensation program due to the high cost of implementing the necessary program-related information technology changes.

Job Service North Dakota plans on proposing statutory changes to NDCC Chapter 52-06.1 to amend the program or proposing the repeal of the shared work unemployment compensation program.