

**Job Service North Dakota
House Bill No. 1017**

	FTE Positions	General Fund	Other Funds	Total
2003-05 executive budget (bills as introduced)	367.17	\$2,002,861	\$56,598,332	\$58,601,193
2003-05 legislative appropriations	<u>367.17</u>	<u>1,250,000</u>	<u>56,204,717</u>	<u>57,454,717</u>
Legislative increase (decrease) to executive budget	0.00	(\$752,861)	(\$393,615)	(\$1,146,476)
Legislative increase (decrease) to 2001-03 appropriations	(22.61)	(\$850,356)	(\$2,776,092)	(\$3,626,448)

SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET AND MAJOR FUNDING ITEMS

Salaries and Wages

The legislative action affecting the recommended appropriation for Job Service North Dakota is in accordance with legislative salary and fringe benefits guidelines as contained in Senate Bill No. 2423, which allows agencies to provide salary increases of up to 1 percent on January 1, 2004, and up to 2 percent on January 1, 2005, to be funded in part from pooled savings accumulated from agency FTE position reductions.

	Major Items FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Removed funding recommended in the executive budget for state employee salary increases			(\$354,292)	(\$354,292)
Reduced funding recommended in the executive budget for state employee health insurance premiums from \$493 to \$488.70 per month per policy			(39,323)	(39,323)
Reduced funding for the Work Force 2000 program		(\$752,861)		(752,861)
Total	<u>0.00</u>	<u>(\$752,861)</u>	<u>(\$393,615)</u>	<u>(\$1,146,476)</u>

FTE Changes

The 2003-05 biennium appropriation includes funding for 367.17 FTE positions, a decrease of 22.61 FTE positions from the 2001-03 biennium authorized level of 389.78 FTE positions. The legislative action did not change the executive recommendation to add 1 FTE programmer analyst III position and 1 FTE senior programmer analyst position and to delete 24.61 FTE positions not requested by the agency.

Work Force 2000

The Legislative Assembly decreased funding from the general fund for the Work Force 2000 program by \$752,861 from \$2,002,861, as recommended in the executive budget to \$1,250,000. The funding of \$1,250,000 represents a decrease in funding from the general fund of \$850,356 compared to the 2001-03 general fund appropriation for the Work Force 2000 program of \$2,100,356. Section 4 of House Bill No. 1017 requires that 50 percent of the Work Force 2000 funding for the 2003-05 biennium is to be used for new or expanding businesses in North Dakota.

Other Sections in Bill

Exemption - Section 3 allows Job Service North Dakota to use up to \$225,000 of unexpended funds from the 2001-03 legislative appropriation for the Work Force 2000 program in the 2003-05 biennium to subcontract with the North Dakota manufacturing extension partnership to provide training within industries and lean manufacturing training to North Dakota residents employed at Motor Coach Industries.

Legislative Council study - Section 5 provides for a Legislative Council study of the impact of pending federal legislation that would change the respective federal-state responsibilities and funding for workforce development, workforce training, public labor exchange, and unemployment insurance programs. The study should consider appropriate organizational placement within state government for delivery of workforce development, workforce training, public labor exchange, and unemployment insurance programs, appropriate methods of funding the program, including replacement of the Federal Unemployment Tax Act funds currently used for costs of administering the unemployment insurance and public labor exchange program, and other relevant issues as may be identified.

Related Legislation

Transfer of state agency information technology FTE positions - Section 10 of House Bill No. 1505 authorizes the reduction and transfer of 3 FTE positions relating to information technology services, including electronic mail, file and print server administration, data base administration, storage, application server, and hosting services, from Job Service North Dakota to the Information Technology Department. Job Service North Dakota is to establish an information technology services accounting code consisting of funding related to the salaries and wages for the identified employee positions and related funding for equipment, training, office rent, travel, contracted services, or other related costs. Job Service North Dakota is to use the funding contained in the information technology services account to purchase information technology services from the Information Technology Department. Job Service North Dakota is entitled to receive from the Information Technology Department the equivalent in services that would have been performed by employees in the transferred positions at a cost not to exceed the amounts transferred to the agency's information technology services account.