

**Job Service North Dakota
Budget 380
Senate Bill No. 2016**

	FTE Positions	General Fund	Other Funds	Total
2009-11 legislative appropriation	284.05	\$1,565,442	\$70,204,844	\$71,770,286
2007-09 legislative appropriation	<u>308.00</u>	<u>1,746,960</u>	<u>62,243,126</u>	<u>63,990,086</u>
2009-11 appropriation increase (decrease) to 2007-09 appropriation	(23.95)	(\$181,518)	\$7,961,718	\$7,780,200

NOTE: The 2009-11 legislative appropriation amounts include \$400,000 of other funds for the agency's share of the \$16 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for executive branch employees.

Item Description

Federal fiscal stimulus funding - The Legislative Assembly appropriated \$9,092,939 of federal fiscal stimulus funds from the American Recovery and Reinvestment Act of 2009 to Job Service North Dakota for Workforce Investment Act programs (\$5,068,883), state unemployment insurance and employment services (\$2,984,613), and administrative expenses relating to the unemployment compensation benefit increase (\$1,039,443). Any program expenditures made with these funds will not be replaced with state funds after the American Recovery and Reinvestment Act of 2009 funds are no longer available.

Workforce 20/20 - The Legislative Assembly provided funding of \$1,512,491 from the general fund for the Workforce 20/20 program. Of the \$1,512,491, \$162,150 is for salaries and wages and operating expenses and \$1,350,341 is for grants.

Section 5 of Senate Bill No. 2016 requires that 50 percent of the Workforce 20/20 program funding is to be used for projects for new or expanding businesses in North Dakota.

Unemployment insurance computer modernization project - The Legislative Assembly provided a \$5,515,586 special funds appropriation from Reed Act distributions received in federal fiscal years 1957, 1958, 1999, and 2002 for continuing the department's efforts in developing a modernized unemployment insurance computer system.

Status/Result

In addition to the \$9,092,939 of federal fiscal stimulus funds appropriated by the 2009 Legislative Assembly, Job Service North Dakota has received Emergency Commission approval to increase special funds spending authority by \$87,087 to accept federal funds from the American Recovery and Reinvestment Act of 2009 for administration of the emergency unemployment compensation program which provides additional weeks of compensation to the unemployed. Job Service North Dakota anticipates all federal fiscal stimulus funding will be fully expended by the end of the 2009-11 biennium.

As of March 31, 2010, Job Service North Dakota has spent or obligated \$760,027 of the \$1,350,341 provided for Workforce 20/20 grants, leaving an uncommitted balance of \$590,314.

As of March 31, 2010, Job Service North Dakota has spent or obligated \$301,789, or 40 percent, for new or expanding businesses in North Dakota.

Job Service North Dakota has decided to utilize a new development tool from Unisys to stay on the mainframe computer environment. The new tool will allow the agency to continue operations without losing current functionality.

In addition, the federal government has provided funding for a consortium to develop and administer a study to determine the feasibility of designing, developing, and implementing a core unemployment insurance tax and a core unemployment insurance benefit system that could be used by multiple state agencies. Job Service North Dakota is participating in the AWIN Consortium comprised of Arizona, Wyoming, Idaho, and North Dakota.

Job insurance trust fund balance - North Dakota Century Code Section 52-02-17 requires Job Service North Dakota to 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.

Sale of land and buildings - House Bill No. 1117 (2009) authorized the sale of the land and building housing the Job Service North Dakota office in Jamestown.

House Bill No. 1118 (2009) authorized the sale of land and buildings housing the Job Service North Dakota offices in Fargo and Grafton.

As of December 31, 2009, the job insurance trust fund reserve was \$85.5 million, a decrease of \$40.7 million from the reserve as of December 31, 2008.

The projected job insurance trust fund balances for the next three years are:

December 31, 2010	\$75.6 million
December 31, 2011	\$77.8 million
December 31, 2012	\$79.8 million

Job Service North Dakota has listed its land and building in Jamestown with a local real estate agent. As of March 2010 there have been no offers.

At this time, Job Service North Dakota has decided not to sell its land and buildings in Fargo and Grafton.