

**Job Service North Dakota
Budget 380
House Bill No. 1016**

	FTE Positions	General Fund	Other Funds	Total
2011-13 legislative appropriation	261.76	\$1,879,892	\$70,116,806	\$71,996,698
2009-11 legislative appropriation	<u>284.05</u>	<u>1,565,442</u>	<u>70,204,844</u>	<u>71,770,286</u>
2011-13 appropriation increase (decrease) to 2009-11 appropriation	(22.29)	\$314,450	(\$88,038)	\$226,412

Item Description

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.

Status/Result

As of December 31, 2011, the job insurance trust fund reserve was \$107.2 million, an increase of \$24.1 million from the reserve as of December 31, 2010.

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

December 31, 2012	\$125.7 million
December 31, 2013	\$138.3 million
December 31, 2014	\$144.5 million

Federal fiscal stimulus funding - The Legislative Assembly provided for the continuation of \$1.5 million of federal fiscal stimulus funding not expended in the 2009-11 biennium. The funding relates to state unemployment insurance and employment services and administration relating to unemployment compensation benefit increases. The funding is not to be considered part of the agency's base budget for the 2013-15 biennium, and Job Service North Dakota is to report to the Appropriations Committees during the 2013 legislative session on the use of this funding.

Job Service North Dakota anticipates receiving and expending \$866,543 of federal fiscal stimulus funding in the 2011-13 biennium.

Workforce 20/20 - The Legislative Assembly provided funding of \$1,531,160 from the general fund for the Workforce 20/20 program. Of the \$1,531,160, \$180,819 is for salaries and wages and operating expenses and \$1,350,341 is for grants.

As of January 31, 2012, Job Service North Dakota has expended \$38,917 of the funding provided for salaries and wages and operating expenses and \$148,363 of the funding provided for Workforce 20/20 grants. The agency anticipates expending all remaining funds by the end of the 2011-13 biennium.

Unemployment insurance computer modernization project - The Legislative Assembly provided a \$12.4 million 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.

Job Service North Dakota is participating in a four-state consortium with Colorado, Wyoming, and Arizona to develop a modernized unemployment insurance system. The agency's staff has been working with staff from the other states to develop the requirements and business rules necessary to release a request for proposal for the project in 2012. A significant portion of the development costs of the project will be paid with funds from a grant from the United States Department of Labor. The agency's special funds appropriation of \$12.4 million will be used to supplement North Dakota's portion of the project, including conversion and interface costs.

Workforce Data Quality Initiative - The Legislative Assembly appropriated \$1,036,000 of federal funds for completing a Workforce Data Quality Initiative, which is the agency's component of the statewide longitudinal data system.

Job Service North Dakota has selected Otis Educational Systems as the project vendor for the Workforce Data Quality Initiative. The project is currently in the planning phase.

Emergency Commission request.

Job Service North Dakota has received Emergency Commission approval of the following request:

- Approval to borrow \$21,350,784 from the Bank of North Dakota pursuant to North Dakota Century Code Section 54-16-13 for disaster unemployment assistance which is a temporary assistance program activated by the Federal Emergency Management Agency (FEMA) Disaster Declaration 1981-DR.

Job Service North Dakota borrowed \$2,333,970 from the Bank of North Dakota for disaster unemployment assistance through March 13, 2012. The loan has been repaid with federal funds received from FEMA. The agency will request a general fund deficiency appropriation for the 2011-13 biennium of \$5,847 to pay the interest on the loan.