

Sixty-fifth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2016

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of job service North
2 Dakota; to provide a statement of legislative intent; to provide for a legislative management
3 study; to provide for a study by the office of management and budget; to provide an
4 appropriation to the office of management and budget; and to declare an emergency.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
7 as may be necessary, are appropriated out of any moneys in the general fund in the state
8 treasury, not otherwise appropriated, and from special funds derived from federal funds and
9 other income, to job service North Dakota for the purpose of defraying the expenses of job
10 service North Dakota, for the biennium beginning July 1, 2017, and ending June 30, 2019, as
11 follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
14 Salaries and wages	\$39,604,238	(\$12,416,615)	\$27,187,623
15 Operating expenses	13,479,157	(2,727,902)	10,751,255
16 Capital assets	20,000	0	20,000
17 Grants	5,404,326	54,245	5,458,571
18 Workforce 20/20	1,441,225	(938,818)	502,407
19 Reed Act unemployment insurance	12,407,000	(1,196,714)	11,210,286
20 —computer modernization			
21 Total all funds	\$72,355,946	(\$17,225,804)	\$55,130,142
22 Less estimated income	70,467,866	(16,285,971)	54,181,895
23 Total general fund	\$1,888,080	(\$939,833)	\$948,247
24 <u>Salaries and wages</u>	<u>\$39,604,238</u>	<u>(\$12,448,672)</u>	<u>\$27,155,566</u>

Sixty-fifth
Legislative Assembly

1	Operating expenses	13,479,157	(1,977,902)	11,501,255
2	Capital assets	20,000	100,000	120,000
3	Grants	5,404,326	54,245	5,458,571
4	Workforce 20/20	1,441,225	(1,441,225)	0
5	Reed Act - unemployment insurance	12,407,000	(1,197,443)	11,209,557
6	computer modernization			
7	Total all funds	\$72,355,946	(\$16,910,997)	\$55,444,949
8	Less estimated income	70,467,866	(15,568,710)	54,899,156
9	Total general fund	\$1,888,080	(\$1,342,287)	\$545,793
10	Full-time equivalent positions	237.76	(56.15)	181.61

SECTION 2. HEALTH INSURANCE INCREASES. The salaries and wages line item in section 1 of this Act includes the sum of \$421,951, of which \$2,827 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,241 per month.

SECTION 3. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-SIXTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-fourth legislative assembly as adjusted for the 2015-17 biennium and the 2017-19 biennium one-time funding items included in the appropriation in section 1 of this Act:

19	One-Time Funding Description	2015-17	2017-19
20	Oil and gas employment study	\$80,000	\$0
21	Virtual OneStop application	9,500	0
22	Total all funds	\$89,500	\$0
23	Total special funds	0	0
24	Total general fund	\$89,500	\$0
25	Oil and gas employment study	\$80,000	\$0
26	Virtual OneStop application	9,500	0
27	Renovation of Bismarck regional office	0	100,000
28	Total all funds	\$89,500	\$100,000
29	Total special funds	0	0
30	Total general fund	\$89,500	\$100,000

The 2017-19 biennium one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. Job service North Dakota shall report to the appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 4. APPROPRIATION - REED ACT FUNDS - UNEMPLOYMENT INSURANCE COMPUTER MODERNIZATION. The estimated income line item in section 1 of this Act includes ~~\$11,210,286~~\$11,209,557 from federal Reed Act funds made available to the state by the federal Reed Act distributions made in federal fiscal years 1957, 1958, 1999, and 2002, pursuant to section 903 of the federal Social Security Act. This sum, or so much of the sum as may be necessary, is for the purpose of developing a modernized unemployment insurance computer system, for the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 5. APPROPRIATION. All federal funds received by job service North Dakota in excess of those funds appropriated in section 1 of this Act are appropriated for the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 6. ESTIMATED INCOME - RENT REVENUE. The estimated income line item in section 1 of this Act includes \$750,000 of estimated rent revenue as a result of job service North Dakota leasing the Minot regional office and a portion of the Bismarck central office to other state agencies. Any revenue collected must be deposited in the job service North Dakota operating fund for the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 7. ONE-TIME FUNDING - BISMARCK REGIONAL OFFICE RENOVATION - RELOCATION COSTS. Section 1 of this Act includes \$100,000 of one-time funding from the general fund, for defraying the expenses of job service North Dakota relocating from the Bismarck central office to the Bismarck regional office and for costs associated with renovations of the Bismarck regional office necessary for normal business operations for the biennium beginning July 1, 2017, and ending June 30, 2019.

SECTION 8. NEW JOBS TRAINING. During the biennium beginning July 1, 2017, and ending June 30, 2019, job service North Dakota may not award more than \$2,500,000 for new agreements related to the new jobs training program under chapter 52-02.1.

SECTION 9. LEGISLATIVE MANAGEMENT STUDY - JOB SERVICE NORTH DAKOTA PROPERTIES. During the 2017-18 interim, the legislative management shall consider studying office space cost and value of properties owned by job service North Dakota in Fargo, Rolla,

1 Minot, and Bismarck with input from the office of management and budget. If job service North
2 Dakota sells or leases any property identified in this section before July 1, 2017, the property
3 may not be included in the study. The legislative management shall report its findings and
4 recommendations, together with any legislation necessary to implement the recommendations,
5 to the sixty-sixth legislative assembly.

6 **SECTION 10. APPROPRIATION - STUDY AND LEASE OF JOB SERVICE NORTH**
7 **DAKOTA BISMARCK PROPERTY - JOB SERVICE NORTH DAKOTA RELOCATION -**

8 **BUDGET SECTION REPORT.** There is appropriated out of any moneys in the general fund in
9 the state treasury, not otherwise appropriated, the sum of \$25,000, or so much of the sum as
10 may be necessary, to the office of management and budget for the purpose of contracting with a
11 qualified consultant by June 30, 2017, to conduct a study of the most cost-effective use for the
12 job service North Dakota property Parcel# 0485-010-045; Lot# N.50; of L 3, ALL 4-6, ALL L
13 17-19; Block# 10; Addition - TIBESAR's first in the city of Bismarck, Burleigh County, North
14 Dakota. The funding appropriated in this section is considered one-time funding. The office of
15 management and budget, in consultation with the attorney general and job service North
16 Dakota, shall determine the most cost-effective use of the property described in this section.
17 The term "cost-effective" means savings to the general fund, including any costs associated
18 with relocation, rental costs related to the job service North Dakota Bismarck regional office,
19 and remodeling of office space for job service North Dakota and the attorney general's office.
20 The office of management and budget shall complete its study by September 30, 2017. If the
21 office of management and budget determines it is more cost-effective for the attorney general's
22 office to lease a portion of the property described in this section, job service North Dakota shall
23 lease the number of square feet that is determined the most cost-effective, up to seventy-five
24 percent of the building, to the attorney general, no later than March 31, 2018. Job service North
25 Dakota shall continue to occupy at least twenty-five percent of the building. As a result of the
26 study provided for in this section and upon the lease of a portion of the property described in
27 this section, job service North Dakota may relocate a portion of its central office operations to
28 another suitable location. The office of management and budget shall report the findings and
29 results of its study to the budget section prior to the lease of the job service North Dakota
30 central office building and subsequent relocation of job service North Dakota to the Bismarck
31 regional office or other office space.

1 **SECTION 11. LEGISLATIVE INTENT.** If the attorney general's office relocates a portion of
2 its operations to the job service North Dakota central office, it is the intent of the sixty-fifth
3 legislative assembly any funds appropriated to lease office space it is vacating are no longer
4 appropriated for said purpose.

5 **SECTION 12. EMERGENCY.** Section 10 of this Act is declared to be an emergency
6 measure.