



**North Dakota
Public Employees Retirement System**

400 E. Broadway, Suite 505 • PO Box 1657
Bismarck, North Dakota 58502 - 1657

Scott A Miller
Executive Director
(701) 328-3900
1-800-803-7377

FAX: (701) 328-3920 • EMAIL: NDPERS-info@nd.gov • WEB: ndpers.nd.gov

September 26, 2019

Ms. Vonette Richter
Assistant Code Reviser
North Dakota Legislative Council
State Capitol
600 East Boulevard Ave, 2nd Floor
Bismarck, ND 58505-0360

The Notice of Intent to Adopt Administrative Rules and a copy of the proposed rules are enclosed as required by N.D.C.C. § 28-32-10(1).

Sincerely,

Jan Lund
Administrative Services Division
ND Public Employees Retirement System

Enclosures

NOTICE OF INTENT TO ADOPT AND AMEND ADMINISTRATIVE RULES

TAKE NOTICE that the North Dakota Public Employees Retirement System will hold a public hearing to address proposed new rules and amendments to Title 71 of the North Dakota Administrative Code. The proposed rulemaking implements Senate Bill 2045 enacted during the most recent legislative session concerning administration of the benefit plans administered by the North Dakota Public Employees Retirement System (NDPERS) and rules relating to board administration and elections, service purchase, coordination of multiple plan membership, reduced benefit option, return to service, calculation of retiree health insurance credit and membership of individuals covered under the judge's plan, highway patrol plan, teacher's fund for retirement or alternate retirement plan of the state board of higher education. The hearing will be held at 11:00 a.m. on Monday, November 4, 2019, in the NDPERS Conference Room at 400 East Broadway, Suite 505, Bismarck, North Dakota. The hearing will continue until 12:00 p.m. or until no further testimony is offered, whichever occurs last. The proposed rules may be viewed online at <http://www.nd.gov/ndpers/news/abbreviated-notice.html> or at the NDPERS office at the following location:

North Dakota Public Employees Retirement System
400 E Broadway, Suite 505
P.O. Box 1657
Bismarck, ND 58502

Written or oral comments on the proposed rules submitted to the above address or below referenced telephone number and received by November 18, 2019, will be fully considered. The proposed rule changes are not expected to have an impact on the regulated community in excess of \$50,000. A copy of the proposed rules may also be obtained by accessing them on the NDPERS website at <http://www.ndpers.nd.gov/about/notice-of-hearing>, or by writing to the above address, or by calling the North Dakota Public Employees Retirement System at 701-328-3900. If you plan to attend the public hearing and will need special accommodations or assistance relating to a disability, please contact the Public Employees Retirement System at the above address or telephone number at least three business days prior to the public hearing. Specific sections affected and explanations for proposed revisions are summarized below.

Section	Description	Reason
71-01-02-02. Eligible Voters	Add wording to clarify eligible to vote in a retiree election is a member receiving a retirement allowance.	Administrative clarification to be consistent with terminology in 71-01-02-03.02
71-01-02-04. Election Notification	Add flexibility to communication process for elections.	Administrative clarification to offer flexibility to move from printed newsletters to electronic communication.

Section	Description	Reason
71-01-02-06. Procedure for completing and filing petitions	Clarify the timeline for election process.	Administrative clarification to eliminate confusion regarding important election deadlines.
71-01-02-08. Election	Change language to clarify mailing address, lost ballots, eligible voter criteria and ballot deadlines..	Removing 'home' address allows for USPS mail forwarding orders. Provides clarification regarding lost ballots, voter eligibility, and ballot deadlines.
71-01-02-09. Canvassing Rules	Remove reference to specific date and time for canvassing ballots.	Offer flexibility in scheduling the canvassing of ballots.
71-01-02-10. Notification of Election Results	Clarify the method in which the membership will be notified of election results.	Offer flexibility in moving away from printing and mailing newsletters to use electronic communication.
71-02-01-01. Definitions.	Provides clarification to the definition of overtime based upon NDPERS Board approved policy in April 2017	Clarify the definition for all agencies reporting wages to NDPERS so this is consistent between all employers
71-02-03-02.4 Crediting purchased or repurchased service.	Clarify procedures for processing purchase of service based upon board approved policy	Ensures procedures are consistent and actuarially equivalent for all members electing to purchase service even if a pending contract is already in place as this service is accounted for when preparing a new cost statement.
71-02-03-05. Coordination of multiple plan membership.	Remove reference to rule of eighty five and replace with "normal retirement date" for vesting purposes as this also encompassed rule of ninety for new tier.	Administrative clarification of outdated language.
71-02-04-13. Reduced benefit option	Remove reference to rule of eighty five and replace with "normal retirement date"	Administrative clarification of outdated language.
71-02-07-03. Return to service - Disabled member	Add current language for return to work to disability retirees so this is consistent with other retirees NDAC provisions.	Administrative clarification to maintain consistency.
71-04-01-01. Definitions	Remove participant deferral based upon new legislation allowing employer deferrals in the 457 deferred compensation plan. Update number of board NDPERS members to nine based upon previous legislative session.	Administrative clarification of outdated language. Statutory: SB 2045 (2019) Statutory: SB 2022 (2015)
71-05-01-01. Definitions	Require that the same benefit option selected at initial	Administrative clarification

Section	Description	Reason
	retirement will apply to all subsequent retirement calculations for a retiree that returns to work and clarify how the subsequent retirement benefit will be calculated.	
71-05-07-01. Return to service - Retired member.	Add current language for return to work highway patrol retirees so this is consistent with other retirees under NDAC provisions	Administrative clarification to maintain consistency.
71-05-07-02. Return to service - Disabled member	Add current language for return to work highway patrol disability retirees so this is consistent with other retirees under NDAC provisions.	Administrative clarification to maintain consistency.
71-06-01-02. Retiree Health Insurance Credit	Correct references to RHIC eligibility for surviving spouses in the Defined Benefit Plan under 54-52-17. a. Subsection 6 remove reference to subdivision c as this no longer exists b. Subsection 9 only references b and d (joint & survivor and partial lump sum) but subdivision c and e (10 and 20 year term certain and graduated benefit option) should be added.	Administrative clarification of outdated language.
71-08-02-01. Membership of individuals who become employees covered under the judges' retirement plan, the highway patrol retirement plan, the law enforcement plan, the teachers' fund for retirement plan, or the alternate retirement plan of the state board of higher education.	Remove reference to "the law enforcement plan" as this is not included.	Revise language to be consistent with NDCC 54-52.6 language.

Dated this 23rd day of September 2019

Scott Miller, NDPERS Executive Director