

Introduced by

1 A BILL for an Act to create and enact two new sections to chapter 54-52.1 of the North Dakota
2 Century Code, relating to a healthy lifestyle program and an incentive for not participating in the
3 state health insurance program; to amend and reenact sections 54-44.1-04, 54-52.1-06, and
4 54-52.1-07 of the North Dakota Century Code, relating to agency budget requests and state
5 and employee health insurance contributions; to provide for application; and to declare an
6 emergency.

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

8 **SECTION 1. AMENDMENT.** Section 54-44.1-04 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **54-44.1-04. (Effective through June 30, 2007) Budget estimates of budget units**
11 **filed with the office of the budget - Deadline.** The head of each budget unit, not later than
12 July fifteenth of each year next preceding the session of the legislative assembly, shall submit
13 to the office of the budget, estimates of financial requirements of the person's budget unit for
14 the next two fiscal years, on the forms and in the manner prescribed by the office of the budget,
15 with such explanatory data as is required by the office of the budget and such additional data as
16 the head of the budget unit wishes to submit. The budget estimates for the North Dakota
17 university system must include block grants for the university system for a base funding
18 component and for an initiative funding component for specific strategies or initiatives and a
19 budget estimate for an asset funding component for renewal and replacement of physical plant
20 assets at the institutions of higher education. The estimates so submitted must bear the
21 approval of the board or commission of each budget unit for which a board or commission is
22 constituted. The director of the budget in the director's discretion may extend the filing date for
23 any budget unit if the director finds there is some circumstance that makes it advantageous to
24 authorize the extension. If a budget unit has not submitted its estimate of financial

1 requirements by the required date or within a period of extension set by the director of the
2 budget, the director of the budget shall prepare the budget unit's estimate of financial
3 requirements except the estimate may not exceed ninety percent of the budget unit's previous
4 biennial appropriation. The director of the budget or a subordinate officer as the director
5 designates shall examine the estimates and shall afford to the heads of budget units
6 reasonable opportunity for explanation in regard thereto and, when requested, shall grant to the
7 heads of budget units a hearing thereon which must be open to the public.

8 **(Effective after June 30, 2007) Budget estimates of budget units filed with the**
9 **office of the budget - Deadline.** The head of each budget unit, not later than July fifteenth of
10 each year next preceding the session of the legislative assembly, shall submit to the office of
11 the budget, estimates of financial requirements of the person's budget unit for the next two
12 fiscal years, on the forms and in the manner prescribed by the office of the budget, with such
13 explanatory data as is required by the office of the budget and such additional data as the head
14 of the budget unit wishes to submit. The head of a budget unit may not include in its budget
15 estimates funding for health insurance premiums for employees who are not enrolled in the
16 uniform group insurance program. The estimates so submitted must bear the approval of the
17 board or commission of each budget unit for which a board or commission is constituted. The
18 director of the budget may extend the filing date for any budget unit if the director finds there is
19 some circumstance that makes it advantageous to authorize the extension. If a budget unit has
20 not submitted its estimate of financial requirements by the required date or within a period of
21 extension set by the director of the budget, the director of the budget shall prepare the budget
22 unit's estimate of financial requirements except the estimate may not exceed ninety percent of
23 the budget unit's previous biennial appropriation. The director of the budget or a subordinate
24 officer as the director shall designate shall examine the estimates and shall afford to the heads
25 of budget units reasonable opportunity for explanation in regard thereto and, when requested,
26 shall grant to the heads of budget units a hearing thereon which must be open to the public.

27 **SECTION 2.** Two new sections to chapter 54-52.1 of the North Dakota Century Code
28 are created and enacted as follows:

29 **Healthy lifestyle program.** The board shall develop, by July 1, 2007, a healthy lifestyle
30 program for eligible employees. The program must allow an eligible employee to earn up to

1 seventy-five dollars per month of additional compensation as a reward for living a healthy
2 lifestyle.

3 **Incentive for nonparticipation in the uniform group insurance program.** A
4 permanent employee as defined in section 54-52-01 who fills a full-time equivalent position,
5 who is not covered by the uniform group insurance program under the employee's spouse's
6 enrollment in the program, and who does not participate in the program created by this chapter
7 after June 30, 2007, is eligible to receive additional monthly compensation of up to one hundred
8 dollars from the employing department, board, or agency at the discretion of the employing
9 department, board, or agency.

10 **SECTION 3. AMENDMENT.** Section 54-52.1-06 of the North Dakota Century Code is
11 amended and reenacted as follows:

12 **54-52.1-06. State contribution - State employee contribution.** Each department,
13 board, or agency shall pay to the board each month from its funds appropriated for payroll and
14 salary amounts a state contribution in the amount as determined by the primary carrier of the
15 group contract less employee contributions as required by this section for the full single rate
16 monthly premium for each of its eligible employees filling a full-time equivalent position and
17 enrolled in the uniform group insurance program and. For eligible employees filling less than a
18 full-time equivalent position, the state contribution must be reduced proportionately to equal the
19 employee's full-time equivalent percentage and the employee must be assessed any additional
20 contributions required for the full single rate monthly premium. For each of its eligible
21 employees filling a full-time equivalent position and enrolled in the program on June 30, 2007,
22 each department, board, or agency shall pay to the board each month from its funds
23 appropriated for payroll and salary amounts a state contribution rate for the full rate monthly
24 premium, in an amount equal to that contributed under the alternate family contract less
25 employee contributions as required by this section, including major medical coverage, for
26 hospital and medical benefits coverage for eligible employees and their spouses and
27 dependent children of its eligible employees enrolled in the uniform group insurance program
28 pursuant to section 54-52.1-07. For eligible employees filling less than a full-time equivalent
29 position and enrolled in the program on June 30, 2007, the state contribution must be reduced
30 proportionately to equal the employee's full-time equivalent percentage and the employee must
31 be assessed any additional contributions required for the alternate family contract. An eligible

1 employee employed by a state department, board, or agency who is participating in the uniform
2 group insurance program and for whom that eligible employee is paying a premium must be
3 assessed and required to pay seventy-five dollars monthly for uniform group insurance program
4 coverage under this section. This assessment must be deducted and retained out of the
5 eligible employee's salary. The board shall then pay the necessary and proper premium
6 amount for the uniform group insurance program to the proper carrier or carriers on a monthly
7 basis. Any refund, rebate, dividend, experience rating allowance, discount, or other reduction
8 of premium amount must be credited at least annually to a separate fund of the uniform group
9 insurance program to be used by the board to reimburse the administrative expense and benefit
10 fund of the public employees retirement program for the costs of administration of the uniform
11 group insurance program. In the event an enrolled eligible employee is not entitled to receive
12 salary, wages, or other compensation for a particular calendar month, that employee may make
13 direct payment of the required premium to the board to continue the employee's coverage, and
14 the employing department, board, or agency shall provide for the giving of a timely notice to the
15 employee of that person's right to make such payment at the time the right arises.

16 **SECTION 4. AMENDMENT.** Section 54-52.1-07 of the North Dakota Century Code is
17 amended and reenacted as follows:

18 **54-52.1-07. Optional coverage for employee's family.** Each eligible employee
19 enrolled in the uniform group insurance program on June 30, 2007, may elect to include that
20 person's spouse and all qualified dependents, as provided for in the plan, within the hospital
21 benefits coverage and medical benefits coverage, and the state ~~to~~ shall pay the cost of such
22 coverage as provided in section 54-52.1-06. For each eligible employee enrolling in the
23 uniform group insurance program after June 30, 2007, the employee shall pay the cost of such
24 coverage.

25 **SECTION 5. APPLICATION OF ACT.** Section 3 of this Act applies to health insurance
26 premiums paid for health insurance coverage after June 30, 2007.

27 **SECTION 6. EMERGENCY.** This Act is declared to be an emergency measure.