

Professional Fire Fighters of North Dakota

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Senate Government and Veterans Affairs Committee

Mr. Chairman and members of the Government and Veterans Affairs Committee,

My name is Darren Schimke, President of the Professional Fire Fighters of North Dakota (PFFND) representing 415 professional firefighters across our great state. We appreciate the opportunity to provide testimony in opposition of HB 1209 and Engrossed House Bill 1209.

The defined benefit pension plan through the NDPERS retirement system has been, and continues to be, an excellent aid to participating municipalities for recruitment and retention of firefighters across our State. This statement is reinforced by the many plan participants statements given to me during zoom meetings the past 4 months.

My employer, the City of Grand Forks, joined the NDPERS retirement system defined benefit plan approximately 12 years ago. We came from a defined contribution plan. As our Local President at that time, my involvement with City Government was quite high and we were witnessing a mass exiting of employees for a number of years. The Police Department was having the most trouble with this and the Fire Department started to see the same thing as well. The number one reason given for ceasing their employment with the City during exit interviews was more attractive defined benefit plans. Once the City made the change to NDPERS defined benefit, the recruitment and retention improved greatly!

The PFFND and its plan participating member's support making the incremental contribution increases to the plan that are suggested within the actuarial reports, such as the failed HB 1342 contained. Originally, the PFFND was opposed to HB 1209 due to the contributions becoming too volatile when determined by actuarial valuation to meet both the normal cost plus the actuarially determined amount required to amortize the unfunded accrued liability over a period of twenty years.

The PFFND members are opposed to HB 1209 and Engrossed House Bill 1209 for the reasons stated in paragraph 2 and 3 above. The closing of the defined benefit plan will send us down a path of extreme hardship and affect morale negatively within the workplace. The closing of the plan will be financially extreme. We respectfully request your consideration of a Do Not Pass vote.

Darren Schimke