

Introduced by

1 A BILL for an Act to create and enact four new sections to chapter 54-06 of the North Dakota  
2 Century Code, relating to state employee service awards, employer-paid tuition, and  
3 employer-paid professional organization membership and service club dues.

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

5 **SECTION 1.** A new section to chapter 54-06 of the North Dakota Century Code is  
6 created and enacted as follows:

7 **State employee service awards.**

- 8 1. Each state agency, department, or institution shall recognize certain service  
9 anniversaries of employees by implementing and administering a service award  
10 program. Service awards may be postponed or withheld if there are documented  
11 problems with an employee's performance.
- 12 2. An employee must have completed three, five, ten, fifteen, twenty, twenty-five,  
13 thirty, thirty-five, forty, forty-five, fifty, fifty-five, sixty, sixty-five, or seventy years of  
14 employment with the state to receive a service award. An employee who leaves  
15 employment with the state and subsequently returns to employment with the state  
16 again begins to accumulate time that must be added to the employee's previous  
17 service and applied to any future service award.
- 18 3. The types of service awards that an employee is entitled to receive are:
- 19 a. Following the completion of three years of service, a certificate or plaque, and  
20 an item not to exceed a value of twenty-five dollars.
- 21 b. Following the completion of five years of service and every five-year  
22 increment thereafter, a certificate or plaque, and an item not to exceed a  
23 value of ten dollars per year of service.

- 1           4. A retirement award must be provided to an employee who has a minimum of fifteen  
2           years of state service and who previously has not been recognized for a retirement  
3           by the state as follows:
- 4           a. A retirement certificate signed by the governor, chief justice, or chairman of  
5           the legislative council and a plaque.
- 6           b. An item with a value not to exceed two hundred dollars.
- 7           c. A farewell party may be provided upon agreement of the employee and the  
8           agency, department, or institution.
- 9           d. A retirement award may be withheld if there are documented problems with  
10          the employee's performance.
- 11          5. A state agency, department, or institution may not provide cash to an employee as  
12          part of a service or retirement award program. However, a state agency,  
13          department, or institution may provide a gift certificate.
- 14          6. An expenditure made under this section is deemed to be compensation for  
15          services provided to the state and is made for a public purpose and may not be  
16          construed as a gift for purposes of section 18 of article X of the Constitution of  
17          North Dakota.

18           **SECTION 2.** A new section to chapter 54-06 of the North Dakota Century Code is  
19 created and enacted as follows:

20           **Employer-paid tuition.** Each state agency, department, or institution may adopt rules  
21 or policies to provide training and educational opportunities to its employees to learn new  
22 required skills or to enhance their current skills, to increase the opportunity for advancement  
23 within the agency or state service, to increase proficiency and productivity, or to improve work  
24 performance. The cost of training or education courses, including tuition and fees, may be paid,  
25 within budgetary constraints, by the state agency, department, or institution or reimbursed to  
26 the employee in accordance with rule or policy. Within sixty days after the close of each  
27 biennial period, each state agency, department, or institution providing employer-paid training  
28 or tuition under this section shall file with the office of management and budget a report  
29 indicating the individual receiving the employer-paid training or tuition, the amount paid, and a  
30 statement of the public purpose or public benefit of the employer-paid training or tuition. Within  
31 ninety days after the close of each biennial period, the office of management and budget shall

1 submit to the legislative council a report that contains a summary of expenditures made  
2 pursuant to this section during the biennium and describes the statements of the public purpose  
3 or public benefit of the expenditures. An employee who receives employer-paid tuition under  
4 this section who leaves employment with that employer within two years of receiving the tuition  
5 must repay all tuition received under this section. An expenditure for employer-paid training or  
6 educational courses, including tuition and fees, under this section is deemed to be made for a  
7 public purpose and may not be construed as a gift for purposes of section 18 of article X of the  
8 Constitution of North Dakota.

9         **SECTION 3.** A new section to chapter 54-06 of the North Dakota Century Code is  
10 created and enacted as follows:

11         **Employer-paid membership dues for professional organizations or service clubs.**

12 Each state agency, department, or institution may adopt rules or policies to provide for the  
13 payment of membership dues for professional organizations or service clubs with a direct job  
14 relation to the employee's work duties. The cost of membership dues may be paid, within  
15 budgetary constraints, by the state agency, department, or institution or reimbursed to the  
16 employee in accordance with rule or policy. Within sixty days after the close of each biennial  
17 period, each state agency, department, or institution making an expenditure under this section  
18 shall file with the office of management and budget a report detailing the expenditure, the  
19 amount paid, and a statement of the public purpose or public benefit of the expenditure. Within  
20 ninety days after the close of each biennial period, the office of management and budget shall  
21 submit to the legislative council a report that contains a summary of expenditures made  
22 pursuant to this section during the biennium and describes the statements of the public purpose  
23 or public benefit of the expenditures. An expenditure made under this section is deemed to be  
24 compensation for services provided to the state and is made for a public purpose and may not  
25 be construed as a gift under section 18 of article X of the Constitution of North Dakota.

26         **SECTION 4.** A new section to chapter 54-06 of the North Dakota Century Code is  
27 created and enacted as follows:

28         **Expenditure made pursuant to rule or policy.** An expenditure made pursuant to a  
29 rule or policy adopted pursuant to sections 1 through 3 of this Act is not a criminal offense.