

**SENATE BILL NO. 2116**

Introduced by

Senator Krebsbach

1 A BILL for an Act to amend and reenact subsection 8 of section 54-52-01, subsection 3 of  
2 section 54-52.1-01, and sections 54-52.1-03.1 and 54-52.2-01 of the North Dakota Century  
3 Code, relating to participation by an association of counties in the public employees retirement  
4 system, uniform group insurance program, and the deferred compensation program.

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

6 **SECTION 1. AMENDMENT.** Subsection 8 of section 54-52-01 of the North Dakota  
7 Century Code is amended and reenacted as follows:

8 8. "Governmental unit" means the state of North Dakota, except the highway patrol  
9 for members of the retirement plan created under chapter 39-03.1, or a  
10 participating political subdivision thereof. For purposes of this chapter, political  
11 subdivision includes an association of counties organized pursuant to section  
12 11-10-24 which is an instrumentality of government.

13 **SECTION 2. AMENDMENT.** Subsection 3 of section 54-52.1-01 of the North Dakota  
14 Century Code is amended and reenacted as follows:

15 3. "Department, board, or agency" means the departments, boards, agencies, or  
16 associations of this state, and includes the state's charitable, penal, and higher  
17 educational institutions; the Bank of North Dakota; the state mill and elevator  
18 association; and counties, cities, district health units, ~~and~~ school districts, and an  
19 association of counties organized pursuant to section 11-10-24 which is an  
20 instrumentality of government.

21 **SECTION 3. AMENDMENT.** Section 54-52.1-03.1 of the North Dakota Century Code  
22 is amended and reenacted as follows:

23 **54-52.1-03.1. Certain political subdivisions authorized to join uniform group**  
24 **insurance program - Employer contribution.** A political subdivision and an association of

1 counties organized pursuant to section 11-10-24 which is an instrumentality of government may  
2 extend the benefits of the uniform group insurance program under this chapter to its permanent  
3 employees, subject to minimum requirements established by the board and a minimum period  
4 of participation of sixty months. If the political subdivision withdraws from participation in the  
5 uniform group insurance program, before completing sixty months of participation, the political  
6 subdivision shall make payment to the board in an amount equal to any expenses incurred in  
7 the uniform group insurance program that exceed income received on behalf of the political  
8 subdivision's employees as determined under rules adopted by the board. A retiree who has  
9 accepted a retirement allowance from a participating political subdivision's retirement plan may  
10 elect to participate in the uniform group under this chapter without meeting minimum  
11 requirements at age sixty-five, when the employee's spouse reaches age sixty-five, upon the  
12 receipt of a benefit, when the political subdivision joins the uniform group insurance plan if the  
13 retiree was a member of the former plan, or when the spouse terminates employment. If a  
14 retiree or surviving spouse does not elect to participate at the times specified in this section, the  
15 retiree or surviving spouse must meet the minimum requirements established by the board.  
16 Each retiree or surviving spouse shall pay directly to the board the premiums in effect for the  
17 coverage then being provided. The board may require documentation that the retiree has  
18 accepted a retirement allowance from an eligible retirement plan other than the public  
19 employees retirement system.

20 **SECTION 4. AMENDMENT.** Section 54-52.2-01 of the North Dakota Century Code is  
21 amended and reenacted as follows:

22 **54-52.2-01. Deferred compensation program for public employees - Contract.** The  
23 state or any county, city, ~~or~~ other political subdivision, or an association of counties organized  
24 pursuant to section 11-10-24 which is an instrumentality of government may, by contract, agree  
25 with any employee to defer, in whole or in part, any portion of that employee's compensation  
26 and may subsequently, with the consent of the employee, fund a deferred compensation  
27 program for the employee. The deferred compensation program may consist of a contract,  
28 purchase, or investment in a fixed or variable life insurance or annuity contract from any life  
29 underwriter duly licensed by this state who represents an insurance company licensed to  
30 contract business in this state, a savings account at a federally insured financial institution or  
31 the Bank of North Dakota, an account with or managed by a dealer registered under chapter

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1 10-04, or any combination of contracts or accounts authorized by this section, as specified by  
2 the employee. The public employees retirement board shall specify methods of payment of  
3 deferred compensation funds to be selected by individual employees. That board shall  
4 determine the number of employees participating in a deferred compensation program  
5 necessary to qualify for automatic payroll deduction.