Prepared by the Legislative Council staff for
Representative Stemen
October 23, 2023

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1548

Page 1, line 3, replace "and" with "54-52.6-05,"

Page 1, line 3, after "54-52.6-09" insert ", and 54-52.6-15"

Page 20, after line 11, insert:

"**SECTION 12. AMENDMENT.** Section 54-52.6-05 of the North Dakota Century Code is amended and reenacted as follows:

**54-52.6-05. Direction of investments. (Effective through December 31, ~~2024~~2023)**

Each participating member shall direct the investment of the individual's accumulated employer and employee contributions and earnings to one or more investment choices within available categories of investment provided by the board.

**Direction of investments. (Effective after December 31, ~~2024~~2023)**

1. Each participating member shall direct the investment of the individual's accumulated employer and employee contributions and earnings to one or more investment choices within available categories of investment provided by the board.

2. The board shall provide an investment menu of investment options. In establishing the investment options, the board shall:

   a. Include predetermined investment portfolio options constructed to reflect different risk profiles that automatically reallocate and rebalance contributions as a participating member ages.

   b. Allow a participating member to construct an investment portfolio using some or all of the investment options.

3. The board shall provide a diversified menu of mutual funds and in-plan lifetime annuity options, either fixed, variable, or a combination of both. In selecting an annuity provider the board shall comply with section 54-52.6-05.1.

4. This section applies to all defined contribution retirement plans regardless of the effective date of the plan."

Page 24, after line 2, insert:

"**SECTION 14. AMENDMENT.** Section 54-52.6-15 of the North Dakota Century Code is amended and reenacted as follows:

**54-52.6-15. Board to provide information. (Effective through December 31, ~~2024~~2023)**

The board shall provide information to employees who are eligible to elect to become participating members under this chapter. The information must include at a minimum the employee's current account balance, the assumption of investment risk under a defined contribution retirement plan, administrative and investment costs, coordination of benefits information, and a comparison of projected retirement benefits under the public employees retirement system under chapter 54-52 and the retirement plan established under this chapter. Notwithstanding any other provision of law, the board is not liable for any election or investment decision made by an employee based upon information provided to an employee under this chapter.

**Board to provide information. (Effective after December 31, ~~2024~~2023)**

1. The board shall provide information to employees who are eligible under section 54-52.6-02 or 54-52.6-02.2 to elect to become participating members under this chapter. The information must include at a minimum the employee's current account balance, the assumption of investment risk under a defined contribution retirement plan, administrative and investment costs, coordination of benefits information, and a comparison of projected retirement benefits under the public employees retirement system under chapter 54-52 and the retirement plan established under this chapter.

2. The board, or the board's vendor, shall provide to all participating members of the defined contribution retirement plan, including individuals who elected to become participating members under section 54-52.6-02 or 54-52.6-02.2:

   a. Enrollment information that includes benefits of the defined contribution retirement plan, investment options available, the assumption of risk, and administrative and investment costs.

   b. Ongoing investment and retirement income planning, including education on how to set, measure, and adjust income and saving goals based on desired retirement income and financial objectives, actual behavior, and changing circumstances.

   c. Retirement income education, including distribution options available and in-plan annuitization options.

   d. Advice and guidance information, tools, and services primarily focused on long-term planning and investing and life events that potentially influence and impact retirement savings.

3. Notwithstanding any other provision of law, the board is not liable for any election or investment decision made by an ~~employee~~individual based upon information provided to an ~~employee~~individual under this chapter."

Page 24, line 5, replace "12" with "14"

Page 24, line 10, replace "13" with "15"

Page 24, line 10, replace "14" with "16"

Renumber accordingly