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Valista Rickford
Operator's Signature

10/2/03
Date

2003 HOUSE INDUSTRY, BUSINESS AND LABOR

HB 1063

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Salvatore Rickford

Date

10/2/03

2003 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1063

House Industry, Business and Labor Committee

☐ Conference Committee

Hearing Date 1/20/03

Tape Number	Side A	Side B	Meter #
1	x		17.2-19.0
Committee Clerk Signature <i>Judith Hammer</i>			

Minutes: **CHAIR KEISER** called the hearing to order.

JOHN GRAHAM (Job Service North Dakota): (See attached testimony in support of HB 1063) He stated that PERS and the interim Government Employees Benefits Programs Committee are favorable in their estimation of this bill. I have no objections to the proposed amendment put forth by Sparb Collins.

SPARB COLLINS (PERS): Presented amendment to charge cost of its administration of chapter 52-09 to the old age and survivor's fund subject to appropriation limitations.

REP. RUBY: What do you project for administrative costs?

SPARB COLLINS (PERS): No additional funds.

As there was no one present to testify in opposition to HB 1063,

CHAIRMAN KEISER closed the hearing and asked for the wishes of the committee.

REP. KLEIN: Moved the amendment.

REP. EKSTROM: Seconded the motion.

Page 2
House Industry, Business and Labor Committee
Bill/Resolution Number HB 1063
Hearing Date 1/20/03

Voice vote accepted the amendment.

REP. KLEIN: Moved a do pass as amended.

REP. JOHNSON: Seconded the motion

Motion passed unanimously, the vote was 14-0-0.

Hearing closed.

FISCAL NOTE
Requested by Legislative Council
01/03/2003

Bill/Resolution No.: HB 1063

1A. State fiscal effect: Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.

	2001-2003 Biennium		2003-2005 Biennium		2005-2007 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

1B. County, city, and school district fiscal effect: Identify the fiscal effect on the appropriate political subdivision.

2001-2003 Biennium			2003-2005 Biennium			2005-2007 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2. Narrative: Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.

There should be no net fiscal change as a result of transferring the administrative responsibility for the Old Age Survivors Insurance System from Job Service North Dakota to the Public Employees Retirement System Board.

3. State fiscal effect detail: For information shown under state fiscal effect in 1A, please:

A. Revenues: Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.

B. Expenditures: Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.

C. Appropriations: Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.

Name:	Wayne Kindem	Agency:	Job Service
Phone Number:	328-3033	Date Prepared:	01/07/2003

Yolanda Rickford
Operator's Signature

10/2/03
Date

30061.0201
Title.0300

Adopted by the Industry, Business and Labor
Committee
January 23, 2003

VK
1/27/03

HOUSE AMENDMENTS TO HOUSE BILL NO. 1063 IBL 1-28-03

Page 1, line 8, remove "and"

Page 1, line 10, after "bureau" insert "; and to provide for implementation"

HOUSE AMENDMENTS TO HB 1063 1-28-03 IBL 1-28-03

Page 3, after line 29, insert:

"SECTION 7. IMPLEMENTATION. The old age and survivors' insurance trust fund is an identified funding source for the public employees retirement system, subject to the appropriation provided in Senate Bill No. 2024."

Renumber accordingly

Page No. 1

30061.0201

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Yalosta Rickford
Operator's Signature

10/2/03
Date

Date: 1/20/03
Roll Call Vote #: 1

2003 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1063

House Industry, Business & Labor Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number

30061.0201 .0300

Action Taken

Do Pass As Amended

Motion Made By

Klein

Seconded By

Johnson

Representatives	Yes	No	Representatives	Yes	No
Chairman Kelser	✓		Rep.Boe	✓	
Rep.Severson, Vice-Chair	✓		Rep.Ekstrom	✓	
Rep.Dosch	✓		Rep.Thorpe	✓	
Rep. Froseth	✓		Rep. Zaiser	✓	
Rep. Johnson	✓				
Rep.Kasper	✓				
Rep. Klein	✓				
Rep. Nottlestad	✓				
Rep. Ruby	✓				
Rep.Tieman	✓				

Total (Yes)

14

No

0

Absent

0

Floor Assignment

Dosch

If the vote is on an amendment, briefly indicate intent:

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Operator's Signature

Yolanda Rickford

Date

10/2/03

REPORT OF STANDING COMMITTEE (410)
January 28, 2003 10:36 a.m.

Module No: HR-16-1173
Carrier: Dosch
Insert LC: 30061.0201 Title: .0300

REPORT OF STANDING COMMITTEE

HB 1063: Industry, Business and Labor Committee (Rep. Kelsor, Chairman)
recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends
DO PASS (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1063 was placed
on the Sixth order on the calendar.

Page 1, line 8, remove "and"

Page 1, line 10, after "bureau" insert "; and to provide for implementation"

Page 3, after line 29, insert:

"SECTION 7. IMPLEMENTATION. The old age and survivors' insurance trust
fund is an identified funding source for the public employees retirement system, subject
to the appropriation provided in Senate Bill No. 2024."

Renumber accordingly

2003 SENATE INDUSTRY, BUSINESS AND LABOR

HB 1063

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Yolanda Rickford
Operator's Signature

10/2/03
Date

2003 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 1063

Senate Industry, Business and Labor Committee

☐ Conference Committee

Hearing Date 02-26-03

Tape Number	Side A	Side B	Meter #
1		xxx	2650
Committee Clerk Signature <i>Lisa Huber</i>			

Minutes: Chairman Mutch opened the hearing on HB 1063. Senator Heitkamp was absent.

HB 1063 relates to the administration of the old-age and survivor insurance system and authority of the executive director of job service North Dakota.

Testimony in support of HB 1115

John Graham, Job Service of North Dakota, introduced the bill. See attached testimony.

Sparb Collins, PERS, states, for the record, that they support the bill.

Senator Krebsbach: I thought this was Job Service's retirement program?

John: No, we have a separate fund for that.

There was no opposing testimony.

Senator Krebsbach moved a DO PASS. Senator Klein seconded.

Roll Call Vote: 6 yes. 0 no. 1 absent.

Carrier: Senator Krebsbach

Date: 2-26-03
Roll Call Vote #: 1

2003 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1003

Senate _____ Committee _____

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass

Motion Made By Krebsbach Seconded By Klein

Senators	Yes	No	Senators	Yes	No
Sen. Jerry Klein, Vice Chairman	X				
Sen. Karen Krebsbach	X				
Sen. Dave Nething	X				
Sen. Joel Heitkamp	A				
Sen. Mike Every	X				
Sen. Duane Espgaard	X				
Sen. Duane Mutch, Chairman	X				

Total (Yes) 6 No 0

Absent 1

Floor Assignment Krebsbach

If the vote is on an amendment, briefly indicate intent:

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Yalosta Rickford
Operator's Signature

10/2/03
Date

REPORT OF STANDING COMMITTEE (410)
February 26, 2003 1:38 p.m.

Module No: SR-34-3522
Carrier: Krebbsbach
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE
HB 1063, as engrossed: Industry, Business and Labor Committee (Sen. Mutch, Chairman) recommends **DO PASS** (6 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1063 was placed on the Fourteenth order on the calendar.

(2) DESK, (3) COMM

Page No. 1

SR-34-3522

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Yolanda Rickford
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10/2/03
Date

2003 TESTIMONY

HB 1063

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Operator's Signature

Valista Rickford

Date

10/2/03

4

**REPORT OF THE LEGISLATIVE COUNCIL'S
EMPLOYEE BENEFITS PROGRAMS COMMITTEE
HOUSE BILL NO. 1063**

Sponsor: Job Service North Dakota

Proposal: Increases primary insurance benefits under the Old-Age and Survivor Insurance System (OASIS) fund and appropriates \$3,800 from the general fund to Job Service North Dakota to pay Old-Age and Survivor Insurance System benefits to remaining beneficiaries.

The committee amended the proposal at the request of Job Service North Dakota to transfer administration of the Old-Age and Survivor Insurance System from Job Service North Dakota to the Retirement Board and to remove the appropriation.

Actuarial Analysis: Job Service North Dakota reported the fund has sufficient assets to pay for the proposed increase.

Committee Report: Favorable recommendation.

Committee on Industry, Business, and Labor

Testimony on House Bill No. 1063

Presented by John Graham, Job Service North Dakota

January 20, 2003

Thank you, Mr. Chairman, for the opportunity to testify in favor of House Bill No. 1063 which Job Service caused to be prefilled. My name is John Graham and I manage the Unemployment Insurance program for Job Service. Our unit is also responsible for the administration of the OASIS retirement program.

This Bill accomplishes two primary things: First, it would transfer the administration of the phase-out of the Old Age Survivors Insurance System (OASIS) from Job Service to the Public Employees Retirement System; and, second, it would increase the monthly benefit for the four remaining beneficiaries by \$20 per month for each year of the biennium.

This Fall, I met with the Public Employees Retirement Board and that Board approved the transfer of the program from Job Service to PERS. Job Service wanted to make that transfer because administration of the OASIS program better fits with the mission of PERS than it does with Job Service's mission. At one time, when the forerunner agency to Job Service had the responsibility to collect the payroll tax which supported the program it might have made sense for Job Service to administer the retirement program also. Now that no supporting tax is being collected, it no longer makes sense.

transfer was also considered by the interim Employee Benefits Programs Committee and that Committee had no objection to the transfer.

The \$20 monthly increase in benefits recognizes the increased cost of living impacting on the four retirees, and is in accord with legislative increases granted in the current biennium. The OASIS fund is adequate to cover benefits to the remaining beneficiaries the two years of the biennium as shown by the two tables appended to this testimony. The four remaining beneficiaries range in age from 92 to 100.

Mr. Chairman I would be happy to answer the Committee's questions.

PY 2004

\$20 in 2003 and 2004

OASIS FUNDING USAGE								
/Age on 6/30/04	Duration (Months)	7/1/2004 Benefit/mo	PY 04	PY 05	PY 06	PY 07	PY 08	
			7/04-6/05 +A (8/03)	7/05-6/06 +B (8/04)	7/06-6/07 +C (8/05)	7/07-6/08 +D (8/06)	7/08-6/09 +E (8/07)	
M M / 92	47	\$698.24	\$8,578.88	\$8,818.88	\$8,858.88	\$8,120.64	\$0.00	\$0.00
C Z / 92	42	\$703.49	\$8,641.88	\$8,881.88	\$8,921.88	\$4,460.94	\$0.00	\$0.00
M M H / 96	37	\$712.11	\$8,745.32	\$8,985.32	\$9,025.32	\$752.11	\$0.00	\$0.00
E E / 102	17	\$696.71	\$8,560.52	\$3,643.55	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL		\$2,810.55	\$34,526.60	\$30,329.63	\$26,806.08	\$13,333.69	\$0.00	\$0.00
Beginning Balance			61,921.62	\$24,633.45	(\$9,203.51)	(\$40,009.59)	(\$57,343.28)	
Benefits Paid			34,526.60	30,329.63	26,806.08	13,333.69	0.00	
Admin Cost			4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	
Earnings			1,238.43	492.67	0	0	0	
Ending Balance			\$24,633.45	(\$9,203.51)	(\$40,009.59)	(\$57,343.28)	(\$61,343.28)	
Increase per month			A - Aug/03	B - Aug/04	C - Aug/05	D - Aug/06	E - Aug/07	
year			0	20	20	3	4	5

ATTACHMENT 1

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10/2/03
Date

PY 2003
\$20 in 2003 and 2004

OASIS FUNDING USAGE								
/Age on 6/30/03	Duration (Months)	7/1/2003 Benefit/mo	PY 03	PY 04	PY 05	PY 06	PY 07	
			7/03-6/04 +A (8/03)	7/04-6/05 +B (8/04)	7/05-6/06 +C (8/05)	7/06-6/07 +D (8/06)	7/07-6/08 +E (8/07)	
M M / 91	50	\$678.24	\$8,338.88	\$8,578.88	\$8,618.88	\$8,618.88	\$1,436.48	\$0.00
C Z / 91	45	\$683.49	\$8,401.88	\$8,641.88	\$8,681.88	\$6,511.41	\$0.00	\$0.00
M M H / 95	39	\$692.11	\$8,505.32	\$8,745.32	\$8,785.32	\$2,196.33	\$0.00	\$0.00
E E / 101	18	\$676.71	\$8,320.52	\$4,260.26	\$0.00	\$0.00	\$0.00	\$0.00
TOTAL		\$2,730.55	\$33,566.60	\$30,226.34	\$26,086.08	\$17,326.62	\$1,436.48	\$0.00
Beginning Balance			97,537.47	\$61,921.62	\$28,933.71	(\$573.69)	(\$21,900.31)	
Benefits Paid			33,566.60	30,226.34	26,086.08	17,326.62	1,436.48	
Admin Cost			4,000.00	4,000.00	4,000.00	4,000.00	4,000.00	
Earnings			1,950.75	1,238.43	578.67	0	0	
Ending Balance			\$61,921.62	\$28,933.71	(\$573.69)	(\$21,900.31)	(\$27,336.79)	
Increase per month			A - Aug/03	B - Aug/04	C - Aug/05	D - Aug/06	E - Aug/07	
year			20	20				
			0	1	2	3	4	5

ATTACHMENT 1

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Operator's Signature

John R. Rickard

10/2/03
Date

47

PERS

PROPOSED AMENDMENT TO HOUSE BILL NO. 1063

Page 3, after line 27, insert the following:

SECTION 6. IMPLEMENTATION. The Bureau is authorized, for the 2003-2005 biennium, to charge the cost of its administration of chapter 52-09 to the old-age and survivor's fund subject to appropriation limitations.

Renumber accordingly

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Salvatore Rickford
Operator's Signature

10/2/03
Date

(Introduce)
Committee on Industry, Business, and Labor

Testimony on House Bill No. 1063

Presented by John Graham, Job Service North Dakota

February 26, 2003

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Last Fall, I met with the Public Employees Retirement Board and that Board approved the transfer of the program from Job Service to PERS. Job Service wanted to make that transfer because administration of the OASIS program better fits with the mission of PERS than it does with Job Service's mission. At one time, when the forerunner agency to Job Service had the responsibility to collect the payroll tax which supported the OASIS program it might have made sense for Job Service to administer the retirement program also. Now that no supporting tax is being collected, it no longer makes sense.

The transfer was also considered by the interim Employee Benefits Programs Committee and that Committee had no objection to the transfer.

The \$20 monthly increase in benefits recognizes the increased cost of living impacting on the four retirees, and is in accord with legislative increases granted in the current biennium. The OASIS fund is adequate to cover benefits to the remaining beneficiaries the two years of the biennium as shown by the two tables appended to this testimony. The four remaining beneficiaries range in age from 92 to 100.

Mr. Chairman I would be happy to answer the Committee's questions.