



North Dakota
Public Employees Retirement System
400 East Broadway, Suite 505 • PO Box 1657
Bismarck, North Dakota 58502-1657

OCT 08 2015

Sparb Collins
Executive Director
(701) 328-3900
1-800-803-7377

FAX: (701) 328-3920 • EMAIL: NDPERS-INFO@ND.GOV • www.nd.gov/ndpers

October 8, 2015

Mr. John Bjornson
Code Reviser
North Dakota Legislative Council
State Capitol
600 East Boulevard Ave, 2nd Floor
Bismarck, ND 58505-0360

The Notice of Intent to (Adopt, Amend, or Repeal) Administrative Rules and a copy of the proposed rules are enclosed as required by N.D.C.C. § 28-32-10(1).

Cheryl Stockert
Administrative Services Division
ND Public Employees Retirement System

NOTICE OF INTENT TO ADOPT AND AMEND ADMINISTRATIVE RULES

Take notice that the North Dakota Public Employees Retirement System will hold a public hearing to address proposed new rules and amendments to Title 71 of the North Dakota Administrative Code. The proposed rulemaking implements House Bill 1062, Senate Bill 2015, Senate Bill 2022 and Senate Bill 2102, enacted during the most recent legislative session concerning administration of the benefit plans administered by the North Dakota Public Employees Retirement System (NDPERS). The hearing will be held at 11:00 a.m. on Tuesday, November 10, 2015, in the NDPERS Conference Room at 400 E Broadway, Suite 505, Bismarck, North Dakota. The hearing will continue until 12:00 p.m. or until no further testimony is offered, whichever occurs last. The proposed rules may be viewed online at <http://www.nd.gov/ndpers/news/abbreviated-notice.html> or at the NDPERS office at the following location:

North Dakota Public Employees Retirement System
400 E Broadway, Suite 505
P.O. Box 1657
Bismarck, ND 58502

Written or oral comments on the proposed rules submitted to the above address or below referenced telephone number and received by November 20, 2015 will be fully considered. The proposed rule changes are not expected to have an impact on the regulated community in excess of \$50,000. A copy of the proposed rules and/or regulatory analysis may also be obtained by accessing them on the PERS website at <http://www.nd.gov/ndpers/news/abbreviated-notice.html> or by writing to the above address, or by calling the North Dakota Public Employees Retirement System at 701-328-3900. If you plan to attend the public hearing and will need special accommodations or assistance relating to a disability, please contact the Public Employees Retirement System at the above address or telephone number at least three business days prior to the public hearing. Specific sections affected and explanations for proposed revisions are summarized below.

Section	Description	Reason
71-01-01-01(2). Board membership	Updates rule to reflect change in Board membership.	Legislative, to comply with SB 2022.
71-01-03-04, Treatment, payment or operations	Update information sharing provisions.	Administrative revision
71-02-01-01. Definitions	As recommended by our actuary to keep the plan tax code compliant.	To maintain tax qualified status of plan and comply with the Federal Internal Revenue Code
71-02-02-01, Membership - General rule.	Provides NDPERS the option to automatically enroll an eligible employee when retirement contributions are received and employee has not filed the membership application.	Administrative revision

Section	Description	Reason
71-02-04-07. Amount of early retirement benefit.	National Guard members are being merged with the State Law Enforcement Plan and the early retirement adjustment is being changed.	Legislative, to comply with provisions of SB 2102 and SB 2015.
71-02-04-09.1(3). Dual membership limitations	Certified documents are no longer required.	Administrative revision
71-02-05-06. Determination of disability	Correct reference to NDCC and remove limit on reimbursement of cost of medical examinations to member.	Administrative revision
71-02-05-07. Optional benefits	National Guard members are being merged with the State Law Enforcement Plan.	Legislative, to comply with provisions of SB 2102.
71-02-06-07. Employer contribution – National guard/law enforcement	National Guard members are being merged with the State Law Enforcement Plan.	Legislative, to comply with provisions of SB 2102.
71-02-06-12 (new)	Add new section to provide payment options for the recovery of missed employee retirement contributions.	Administrative revision
71-03-03-01. Enrollment	Clarifies enrollment eligibility in the uniform group insurance program.	Administrative revision
71-03-03-02. Late enrollment	Eliminate the provision of a six month waiting period for preexisting conditions.	Compliance with federal law, the Patient Protection and Affordable Care Act.
71-03-03-05. Special enrollment for certain qualifying events	Reflects closing of the pre-Medicare plan for retirees after 7/1/2015.	Administrative revision to reflect closing of plan under HB 1058 (2013 session).
71-03-05-07 Erroneous payment of premiums - Overpayments.	Clarifies who may be reimbursed for an overpayment of premiums.	Administrative revision
71-03-05-08 Erroneous payment of premiums - Underpayments.	Clarifies that retroactive cancellation of coverage for non-payment of premiums is not automatic.	Administrative revision
71-04-01-01(7). Definitions.	Revises definition of participant agreement to reflect that enrollments are now completed on line using Member Self Service.	Administrative revision

Section	Description	Reason
71-04-03-01. Enrollment	Revised to reflect that Enrollments are now completed on line using Member Self Service.	Administrative revision
71-04-03-03. Change in monthly deferral.	Revised to reflect that Enrollments are now completed on line using Member Self Service.	Administrative revision
71-04-03-07. Distribution of assets.	Clarifies the circumstances under which a distribution of assets may occur.	Administrative clarification related to transactions permitted under the Federal Internal Revenue Code
71-04-04-05. Payroll deduction authorization.	Reflects that Enrollments are now completed on line using Member Self Service.	Administrative revision
71-04-04-07. Separation from service.	Reflects that Enrollments are now completed on line using Member Self Service.	Administrative revision
71-04-04-08. Authorization	Reflects that Enrollments are now completed on line using Member Self Service.	Administrative revision
71-04-05-02. Payroll deductions	Reflects that Enrollments are now completed on line using Member Self Service.	Administrative revision
71-04-05-06. Separation from service notice.	Reflects that Enrollments are now completed on line using Member Self Service.	Administrative revision
71-05-01-01. Definitions	As recommended by our actuary to keep the plan tax code compliant.	To maintain tax qualified status of plan and comply with the Federal Internal Revenue Code
71-06-01-02. Calculation of retiree health insurance credit.	Amend rules to reflect National Guard members are being merged with the State Law Enforcement Plan.	Legislative, to comply with provisions of SB 2102.
71-06-01-03. For retirees receiving more than one benefit entitled to retiree health insurance credit.	Amend rules to reflect RHIC portability provisions.	Reflects portability of RHIC credit per HB 1058 from 2013 legislative session

Section	Description	Reason
71-06-01-07. Optional benefits.	Amend rules to reflect RHIC portability provisions.	Reflects portability of RHIC credit per HB 1058 from 2013 legislative session
71-08-07-03. Employee paid contributions – Repayment options.	Add new section to provide payment options for the recovery of missed employee retirement contributions.	Administrative revision