

PROPOSED AMENDMENTS TO 30017.0100

Page 1, line 1, remove "two new subsections of section 54-52-01, a new section"

Page 1, line 2, remove "of chapter 54-52, and"

Page 1, line 5, replace "subsection 3 of section" with "sections", replace ", section" with "and", and after the third comma insert "section 54-52-06.2,"

Page 1, line 6, replace the second "section" with "sections 54-52.1-03.2 and"

Page 1, replace lines 11 through 23 with:

"SECTION 1. AMENDMENT. Section 54-52-01 of the North Dakota Century Code is amended and reenacted as follows:

54-52-01. Definition of terms. As used in this chapter, unless the context otherwise requires:

1. "Account balance" means the total contributions made by the employee, vested employer contributions under section 54-52-11.1, the vested portion of the vesting fund as of June 30, 1977, and interest credited thereon at the rate established by the board.
2. "Beneficiary" means any person in receipt of a benefit provided by this plan or any person designated by a participating member to receive benefits.
3. "Eligible employee" means all permanent employees who meet all of the eligibility requirements set by this chapter and who are eighteen years or more of age, and includes appointive and elective officials who elect to remain members of the retirement system; provided, that judges of the supreme and district courts eligible under section 54-52-02.3 and appointed officials who elect to participate under section 54-52-02.5 are eligible employees and shall participate in the public employees retirement system. Eligible employee does not include nonclassified state employees, peace officers, and correctional officers who elect to become members of the retirement plan established under chapter 54-52.6 but does include employees of the judicial branch and employees of the board of higher education and state institutions under the jurisdiction of the board.
4. "Employee" means any person employed by a governmental unit, whose compensation is paid out of the governmental unit's funds, or funds controlled or administered by a governmental unit, or paid by the federal government through any of its executive or administrative officials; licensed employees of a school district means those employees eligible to participate in the teachers' fund for retirement who, except under subsection 2 of section 54-52-17.2, are not eligible employees under this chapter.
5. "Employer" means a governmental unit.
6. "Funding agent" or "agents" means an investment firm, trust bank, or other financial institution which the retirement board may select to hold and invest the employers' and members' contributions.

7. "Governmental unit" means the state of North Dakota or a political subdivision thereof.
8. ~~"National guard security officer or firefighter" means a participating member who is:~~
 - ~~a. A security police employee of the North Dakota national guard; or~~
 - ~~b. A firefighter employee of the North Dakota national guard.~~
9. "Participating member" means all eligible employees who through payment into the plan have established a claim against the plan.
10. ~~9.~~ "Permanent employee" means a governmental unit employee whose services are not limited in duration and who is filling an approved and regularly funded position in an eligible governmental unit, and is employed twenty hours or more per week and at least five months each year.
11. ~~10.~~ "Prior service" means service or employment prior to July 1, 1966.
12. ~~11.~~ "Prior service credit" means such credit toward a retirement benefit as the retirement board may determine under the provisions of this chapter.
13. ~~12.~~ "Public employees retirement system" means the retirement plan and program established by this chapter.
14. ~~13.~~ "Retirement" means the acceptance of a retirement allowance under this chapter upon termination of employment.
15. ~~14.~~ "Retirement board" or "board" means the seven persons designated by this chapter as the governing authority for the retirement system created.
16. ~~15.~~ "Seasonal employee" means a participating member who does not work twelve months a year.
17. ~~16.~~ "Security officer" means a participating member who is:
 - a. A security police employee of the North Dakota national guard;
 - b. A firefighter employee of the North Dakota national guard;
 - c. Certified by the department of corrections and rehabilitation or the peace officer standards and training board as a correctional officer and is employed by the department of corrections and rehabilitation or a political subdivision as a correctional officer; or
 - d. A peace officer as defined in section 12-63-01 and is employed as a peace officer.
18. "Service" means employment on or after July 1, 1966.
19. "Service benefit" means the credit toward retirement benefits as determined by the retirement board under the provisions of this chapter.
20. "Temporary employee" means a governmental unit employee who is not eligible to participate as a permanent employee, who is at least eighteen years old and not actively contributing to another employer-sponsored pension fund, and, if employed by a school district, occupies a noncertified teacher's position.

20. "Wages" and "salaries" means the member's earnings in eligible employment under this chapter reported as salary on the member's federal income tax withholding statements plus any salary reduction or salary deferral amounts under 26 U.S.C. 125, 401(k), 403(b), 414(h), or 457. "Salary" does not include fringe benefits such as payments for unused sick leave, personal leave, vacation leave paid in a lump sum, overtime, housing allowances, transportation expenses, early retirement incentive pay, severance pay, medical insurance, workers' compensation benefits, disability insurance premiums or benefits, or salary received by a member in lieu of previously employer-provided fringe benefits under an agreement between the member and participating employer. Bonuses may be considered as salary under this section if reported and annualized pursuant to rules adopted by the board."

Page 2, remove lines 1 through 8

Page 2, line 23, replace "5" with "4"

Page 3, line 17, replace "5" with "4"

Page 4, replace lines 6 through 18 with:

"SECTION 4. AMENDMENT. Section 54-52-06.2 of the North Dakota Century Code is amended and reenacted as follows:

54-52-06.2. Contribution by ~~national guard~~ security officers ~~or firefighters~~ - Employer contribution. Each ~~national guard~~ security officer ~~or firefighter~~ who is a member of the public employees retirement system is assessed and shall pay monthly four percent of the employee's monthly salary. The assessment must be deducted and retained out of the employee's salary in equal monthly installments. The ~~national guard~~ security officer's ~~or firefighter's~~ employer shall contribute an amount determined by the board to be actuarially required to support the level of benefits specified in section 54-52-17. The employer's contribution must be paid from funds appropriated for salary or from any other funds available for such purposes. If the security officer's ~~or firefighter's~~ assessment is paid by the employer under subsection 3 of section 54-52-05, the employer shall contribute, in addition, an amount equal to the required ~~national guard~~ security officer's ~~or firefighter's~~ assessment."

Page 4, line 22, overstrike "national guard" and overstrike "or"

Page 4, line 23, overstrike "firefighter" and remove "or a peace officer or correctional officer"

Page 4, line 29, overstrike "national guard" and overstrike "or firefighter"

Page 4, line 30, overstrike "national guard"

Page 4, line 31, overstrike "or firefighter"

Page 5, line 1, overstrike "national guard"

Page 5, line 2, overstrike "or firefighter"

Page 5, line 3, remove "Normal retirement date for a peace officer or correctional officer is the first"

Page 5, remove lines 4 through 7

Page 5, line 8, remove "d."

Page 5, line 11, remove the overstrike over "~~d.~~", remove "e.", overstrike "national guard", and overstrike "or firefighter"

Page 5, line 12, remove "or a peace officer or correctional officer"

Page 5, line 14, overstrike "national guard"

Page 5, line 15, overstrike "or firefighter"

Page 5, line 16, overstrike "national guard" and overstrike "or"

Page 5, line 17, overstrike "firefighter"

Page 5, line 18, remove "For a peace officer or correctional officer, early"

Page 5, remove lines 19 through 21

Page 5, line 22, remove the overstrike over "~~e.~~" and remove "f."

Page 6, after line 11, insert:

"SECTION 6. AMENDMENT. Section 54-52.1-03.2 of the North Dakota Century Code is amended and reenacted as follows:

54-52.1-03.2. Retiree health benefits fund - Appropriation.

1. The board shall establish a retiree health benefits fund account with the Bank of North Dakota for the purpose of prefunding and providing hospital benefits coverage and medical benefits coverage under the uniform group insurance program for retired eligible employees or surviving spouses of retired eligible employees and their dependents as provided in this chapter. The state shall contribute monthly to the retiree health benefits fund an amount equal to one percent of the monthly salaries and wages of all participating members of the highway patrolmen's retirement system under chapter 39-03.1, and one percent of the monthly salaries of all supreme or district court judges who are participating members of the public employees retirement system under chapter 54-52. Each governmental unit that contributes to the public employees retirement system fund under section 54-52-06 or the retirement plan under chapter 54-52.6 shall contribute monthly to the retiree health benefits fund an amount equal to one percent of the monthly salaries or wages of all participating members of the public employees retirement system under chapter 54-52 or chapter 54-52.6. The employer of a ~~national guard~~ security officer ~~or firefighter~~ shall contribute monthly to the retiree health benefits fund an amount equal to one percent of the monthly salaries or wages of all ~~national guard~~ security officers ~~or firefighters~~ participating in the public employees retirement system under chapter 54-52. Job service North Dakota shall reimburse monthly the retiree health benefits fund for credit received under section 54-52.1-03.3 by members of the retirement program established by job service North Dakota under section 52-11-01. The board, as trustee of the fund and in exclusive control of its administration, shall:

- a. Provide for the investment and disbursement of moneys of the retiree health benefits fund and administrative expenditures in the same manner as moneys of the public employees retirement system are invested, disbursed, or expended.
 - b. Adopt rules necessary for the proper administration of the retiree health benefits fund, including enrollment procedures.
2. All moneys deposited in the fund established under subsection 1, not otherwise appropriated, are hereby appropriated to the board for the purpose of making investments for the fund and to make contributions toward hospital and medical benefits coverage for eligible retired employees or surviving spouses of eligible retired employees and their dependents under the uniform group insurance program.
 3. If a member terminates employment because of death, permanent and total disability, or any voluntary or involuntary reason prior to retirement, the member or the member's designated beneficiary is entitled to the member's account balance at termination. If a member's account balance is withdrawn, the member relinquishes all rights to benefits under the retiree health benefits fund."

Page 9, line 14, replace "5" with "4"

Page 10, line 23, replace "5" with "4"

Renumber accordingly