

SENATE BILL NO. 2083

Introduced by

Government and Veterans Affairs Committee

(At the request of the Public Employees Retirement System)

1 A BILL for an Act to amend and reenact subdivision e of subsection 3 of section 54-52-17,
2 subdivision b of subsection 4 of section 54-52-17, subsection 9 of section 54-52-17, and section
3 54-52-17.11 of the North Dakota Century Code, relating to disability retirement, normal
4 retirement benefits, retirement benefit options, and postretirement adjustments for supreme and
5 district court judges under the public employees retirement system; and to repeal section
6 54-52-17.12 of the North Dakota Century Code, relating to postretirement adjustments for
7 supreme and district court judges under the public employees retirement system.

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

9 **SECTION 1. AMENDMENT.** Subdivision e of subsection 3 of section 54-52-17 of the
10 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

11 e. Disability retirement date is the first day of the month after a member
12 becomes permanently and totally disabled, according to medical evidence
13 called for under the rules of the board, and has completed at least one
14 hundred eighty days of eligible employment. For supreme and district court
15 judges, permanent and total disability is based solely on a judge's inability to
16 perform judicial duties arising out of physical or mental impairment, as
17 determined pursuant to rules adopted by the board or as provided by
18 subdivision a of subsection 3 of section 27-23-03. A member is eligible to

19 receive disability retirement benefits only if the member:

- 20 (1) Became disabled during the period of eligible employment; and
21 (2) Applies for disability retirement benefits within twelve months of the
22 date the member terminates employment.

23 A member is eligible to continue to receive disability benefits as long as the
24 permanent and total disability continues and the member submits the

1 necessary documentation and undergoes medical testing required by the
2 board, or for as long as the member participates in a rehabilitation program
3 required by the board, or both. If the board determines that a member no
4 longer meets the eligibility definition, the board may discontinue the disability
5 retirement benefit. The board ~~is authorized to~~ may pay the cost of any
6 medical testing or rehabilitation services it deems necessary and these
7 payments are ~~hereby~~ appropriated from the retirement fund for those
8 purposes.

9 **SECTION 2. AMENDMENT.** Subdivision b of subsection 4 of section 54-52-17 of the
10 1999 Supplement to the North Dakota Century Code is amended and reenacted as follows:

11 b. ~~Single life~~ Normal retirement benefits for all supreme and district court judges
12 under the public employees retirement system reaching normal retirement
13 date equal an annual amount, payable monthly, comprised of a benefit as
14 defined in this chapter, ~~which must be~~ determined as follows:

15 (1) Benefits must be calculated from the time of appointment or election to
16 the bench and must equal three and one-half percent of final average
17 salary multiplied by the first ten years of judicial service, two and eighty
18 hundredths percent of final average salary multiplied by the second ten
19 years of judicial service, and one and one-fourth percent of final
20 average salary multiplied by the number of years of judicial service
21 exceeding twenty years.

22 (2) Service benefits must include, in addition, an amount equal to the
23 percent specified in subdivision a of final average salary multiplied by
24 the number of years of nonjudicial employee service and employment.

25 ~~(3) A participant who retired before August 1, 1995, is entitled to benefits~~
26 ~~calculated at two and eighty hundredths percent multiplied by the~~
27 ~~second ten years of judicial service, with the increased benefits payable~~
28 ~~beginning August 1, 1995.~~

29 **SECTION 3. AMENDMENT.** Subsection 9 of section 54-52-17 of the 1999 Supplement
30 to the North Dakota Century Code is amended and reenacted as follows:

1 9. The board shall ~~promulgate regulations~~ adopt rules providing for the receipt of
2 retirement benefits in the following optional forms:

3 a. ~~Joint~~ Single life.

4 b. An actuarially equivalent joint and survivor option, with fifty percent or one
5 hundred percent options.

6 ~~b-~~ c. ~~Level~~ An actuarially equivalent level social security option, which ~~shall be~~ is
7 available only to ~~early retirees~~ members who retire prior to attaining the age
8 at which they may begin to receive unreduced social security benefits.

9 e. d. Life with five-year or ten-year certain options.

10 ~~Unless~~ Except for supreme and district court judges, unless a member specifically
11 requests that the member receive benefits according to one of these options at the
12 time of applying for retirement, all retirement benefits must be in the form of a
13 single life benefit. For supreme and district court judges, unless a member
14 specifically requests that the member receive benefits according to one of these
15 options at the time of applying for retirement, all retirement benefits must be in the
16 form of a lifetime monthly pension with fifty percent of the benefit continuing for the
17 life of the surviving spouse, if any.

18 **SECTION 4. AMENDMENT.** Section 54-52-17.11 of the 1999 Supplement to the North
19 Dakota Century Code is amended and reenacted as follows:

20 **54-52-17.11. Judges postretirement adjustments.** A supreme or district court judge
21 or that person's beneficiary who, on December 31, ~~1997~~ 2001, is receiving retirement benefits
22 under subdivision b of subsection 4 of section 54-52-17 is entitled to receive an increase in
23 benefits equal to two percent of the individual's present benefits with the increase payable
24 beginning January 1, ~~1998~~ 2002. A supreme or district court judge or that person's beneficiary
25 who, on December 31, ~~1998~~ 2002, is receiving retirement benefits under subdivision b of
26 subsection 4 of section 54-52-17 is entitled to receive an increase in benefits equal to two
27 percent of the individual's present benefits with the increase payable beginning January 1, ~~1999~~
28 2003.

29 **SECTION 5. REPEAL.** Section 54-52-17.12 of the North Dakota Century Code is
30 repealed.