

Sixty-fourth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2102

Introduced by

Government and Veterans Affairs Committee

(At the request of the Adjutant General)

1 A BILL for an Act to amend and reenact sections 54-52-06.2, 54-52-06.4, and 54-52-06.5, and
2 subsection 3 of section 54-52-17 of the North Dakota Century Code, relating to state employee
3 retirement plans and retirement contributions by national guard security officers and firefighters.

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

5 **SECTION 1. AMENDMENT.** Section 54-52-06.2 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **54-52-06.2. Contribution by national guard security officers or firefighters - Employer**
8 **contribution.**

9 Each national guard security officer or firefighter who is a member of the public employees
10 retirement system is assessed and shall pay monthly four percent of the employee's monthly
11 salary. Member contributions increase by one-half of one percent of the member's monthly
12 salary beginning with the monthly reporting period of January 2014. Effective August 1, 2015,
13 each national guard security officer or firefighter who is a participating member of the plan under
14 this section becomes a participating member of the plan under section 54-52-06.4 and the
15 board shall thereafter manage any account balance associated with those participating
16 members under section 54-52-06.4. After July 31, 2015, a new eligible employee may not
17 become a participating member of the plan under this section. The assessment must be
18 deducted and retained out of the employee's salary in equal monthly installments. The national
19 guard security officer's or firefighter's employer shall contribute an amount determined by the
20 board to be actuarially required to support the level of benefits specified in section 54-52-17.
21 The employer's contribution must be paid from funds appropriated for salary or from any other
22 funds available for such purposes. If the security officer's or firefighter's assessment is paid by
23 the employer under subsection 3 of section 54-52-05, the employer shall contribute, in addition,
24 an amount equal to the required national guard security officer's or firefighter's assessment.

1 **SECTION 2. AMENDMENT.** Section 54-52-06.4 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **54-52-06.4. Contribution by peace officers employed by the bureau of criminal**
4 **investigation or security officers employed by the national guard - Employer**
5 **contribution.**

6 Each peace officer employed by the bureau of criminal investigation who is a member of the
7 public employees retirement system is assessed and shall pay monthly four percent of the
8 employee's monthly salary. Peace officer contributions increase by one percent of the member's
9 monthly salary beginning with the monthly reporting period of January 2012, and with an
10 additional increase of one percent, beginning with the reporting period of January 2013.

11 Effective August 1, 2015, each national guard security officer who is a member of the public
12 employee's retirement system is assessed and monthly shall pay six percent of the employee's
13 monthly salary. National guard security officer contributions decrease by one-half of one percent
14 of the member's monthly salary beginning with the monthly reporting period of January 2016.

15 The assessment must be deducted and retained out of the employee's salary in equal monthly
16 installments. The peace officer's or security officer's employer shall contribute an amount
17 determined by the board to be actuarially required to support the level of benefits specified in
18 section 54-52-17. The employer's contribution must be paid from funds appropriated for salary
19 or from any other funds available for such purposes. If the peace officer's or security officer's
20 assessment is paid by the employer under subsection 3 of section 54-52-05, the employer shall
21 contribute, in addition, an amount equal to the required peace officer's or security officer's
22 assessment.

23 **SECTION 3. AMENDMENT.** Section 54-52-06.5 of the North Dakota Century Code is
24 amended and reenacted as follows:

25 **54-52-06.5. Reduction in member and employer contributions.**

26 The required increase in the amount of member and employer contributions under sections
27 54-52-02.9, 54-52-05, 54-52-06, 54-52-06.1, ~~54-52-06.2~~, 54-52-06.3, 54-52.6-02, and
28 54-52.6-09 must be reduced to the rate in effect on July 1, 2013, effective on the July first that
29 follows the first valuation of the public employees retirement system main system showing a
30 ratio of the actuarial value of assets to the actuarial accrued liability of the public employees
31 retirement system main system that is equal to or greater than one hundred percent.

SECTION 4. AMENDMENT. Subsection 3 of section 54-52-17 of the North Dakota Century Code is amended and reenacted as follows:

3. Retirement dates are defined as follows:

a. Normal retirement date, except for a national guard security officer or firefighter or a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, is:

(1) The first day of the month next following the month in which the member attains the age of sixty-five years; or

(2) When the member has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.

b. Normal retirement date for a national guard security officer or firefighter is ~~the~~:

~~(1) The first day of the month next following the month in which the national guard security officer or firefighter attains the age of fifty-five years and has completed at least three eligible years of employment as a; or~~

~~(2) When the national guard security officer or firefighter has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.~~

c. Normal retirement date for a peace officer or correctional officer employed by a political subdivision is:

(1) The first day of the month next following the month in which the peace officer or correctional officer attains the age of fifty-five years and has completed at least three eligible years of employment as a peace officer or correctional officer; or

(2) When the peace officer or correctional officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.

d. Normal retirement date for a peace officer employed by the bureau of criminal investigation is:

(1) The first day of the month next following the month in which the peace officer attains the age of fifty-five years and has completed at least three eligible years of employment as a peace officer; or

(2) When the peace officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.

e. Postponed retirement date is the first day of the month next following the month in which the member, on or after July 1, 1977, actually severs or has severed the member's employment after reaching the normal retirement date.

f. Early retirement date, except for a national guard security officer or firefighter or a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, is the first day of the month next following the month in which the member attains the age of fifty-five years and has completed three years of eligible employment. For a national guard security officer or firefighter, early retirement date is the first day of the month next following the month in which the national guard security officer or firefighter attains the age of fifty years and has completed at least three years of eligible employment. For a peace officer or correctional officer employed by the bureau of criminal investigation or by a political subdivision, early retirement date is the first day of the month next following the month in which the peace officer or correctional officer attains the age of fifty years and has completed at least three years of eligible employment.

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

(1) Became disabled during the period of eligible employment; and

1 (2) Applies for disability retirement benefits within twelve months of the date the
2 member terminates employment.

3 A member is eligible to continue to receive disability benefits as long as the
4 permanent and total disability continues and the member submits the necessary
5 documentation and undergoes medical testing required by the board, or for as
6 long as the member participates in a rehabilitation program required by the
7 board, or both. If the board determines that a member no longer meets the
8 eligibility definition, the board may discontinue the disability retirement benefit.
9 The board may pay the cost of any medical testing or rehabilitation services it
10 deems necessary and these payments are appropriated from the retirement fund
11 for those purposes.