

BILL NO.

Introduced by

(At the request of the Public Employees Retirement System)

1 A BILL for an Act to amend and reenact subsection 1 of section 54-52-02.9, subsection 1 of
2 section 54-52-06, subsection 6 of section 54-52.6-02, and subsection 2 of section 54-52.6-09 of
3 the North Dakota Century Code, relating to increased employer and employee contributions
4 under the public employees retirement system defined benefit and defined contribution plans;
5 and to provide a penalty.

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

7 **SECTION 1. AMENDMENT.** Subsection 1 of section 54-52-02.9 of the North Dakota
8 Century Code is amended and reenacted as follows:

9 1. Within one hundred eighty days of beginning employment, a temporary employee may
10 elect to participate in the public employees retirement system and receive credit for
11 service after enrollment. Monthly, the temporary employee shall pay to the fund an
12 amount equal to eight and twelve-hundredths percent times the temporary employee's
13 present monthly salary. The amount required to be paid by a temporary employee
14 increases by two percent times the temporary employee's present monthly salary
15 beginning with the monthly reporting period of January 2012, ~~and~~; with an additional
16 ~~two percent~~ increase of two percent, beginning with the reporting period of
17 January 2013, ~~and~~; with an additional increase of two percent, beginning with the
18 monthly reporting period of January 2014; and with an additional increase of two
19 percent, beginning with the monthly reporting period of January 2022.

20 **SECTION 2. AMENDMENT.** Subsection 1 of section 54-52-06 of the North Dakota Century
21 Code is amended and reenacted as follows:

22 1. Each governmental unit shall contribute an amount equal to four and
23 twelve-hundredths percent of the monthly salary or wage of a participating member.
24 Governmental unit contributions increase by one percent of the monthly salary or

1 wage of a participating member beginning with the monthly reporting period of
2 January 2012; with an additional increase of one percent, beginning with the reporting
3 period of January 2013; ~~and~~ with an additional increase of one percent, beginning with
4 the monthly reporting period of January 2014; and with an additional increase of two
5 percent, beginning with the monthly reporting period of January 2022. For a
6 participating member who first enrolls after December 31, 2019, the governmental unit
7 shall contribute an additional amount equal to one and fourteen-hundredths percent of
8 the monthly salary or wage of the participating member.

9 **SECTION 3. AMENDMENT.** Subsection 6 of section 54-52.6-02 of the North Dakota
10 Century Code is amended and reenacted as follows:

- 11 6. A participating member who becomes a temporary employee may still participate in
12 the defined contribution retirement plan upon filing an election with the board within
13 one hundred eighty days of transferring to temporary employee status. The
14 participating member may not become a member of the defined benefit plan as a
15 temporary employee. The temporary employee electing to participate in the defined
16 contribution retirement plan shall pay monthly to the fund an amount equal to eight
17 and twelve-hundredths percent times the temporary employee's present monthly
18 salary. The amount required to be paid by a temporary employee increases by two
19 percent times the temporary employee's present monthly salary beginning with the
20 monthly reporting period of January 2012; ~~and;~~ with an additional increase of two
21 percent, beginning with the monthly reporting period of January 2013; ~~and;~~ with an
22 additional increase of two percent, beginning with the monthly reporting period of
23 January 2014; and with an additional increase of two percent, beginning with the
24 monthly reporting period of January 2022. The temporary employee shall also pay the
25 required monthly contribution to the retiree health benefit fund established under
26 section 54-52.1-03.2. This contribution must be recorded as a member contribution
27 pursuant to section 54-52.1-03.2. An employer may not pay the temporary employee's
28 contributions. A temporary employee may continue to participate as a temporary
29 employee until termination of employment or reclassification of the temporary
30 employee as a permanent employee.

1 **SECTION 4. AMENDMENT.** Subsection 2 of section 54-52.6-09 of the North Dakota
2 Century Code is amended and reenacted as follows:

3 2. The employer shall contribute an amount equal to four and twelve-hundredths percent
4 of the monthly salary or wage of a participating member. Employer contributions
5 increase by one percent of the monthly salary or wage of a participating member
6 beginning with the monthly reporting period of January 2012; with an additional
7 increase of one percent, beginning with the monthly reporting period of January 2013;
8 ~~and with an additional increase of one percent, beginning with the monthly reporting~~
9 ~~period of January 2014; and with an additional increase of two percent, beginning with~~
10 ~~the monthly reporting period of January 2022.~~ For members first enrolled after
11 December 31, 2019, the employer contribution includes an additional increase of one
12 and fourteen-hundredths percent. If the employee's contribution is paid by the
13 employer under subsection 3, the employer shall contribute, in addition, an amount
14 equal to the required employee's contribution. Monthly, the employer shall pay such
15 contribution into the participating member's account from the employer's funds
16 appropriated for payroll and salary or any other funds available for such purposes. If
17 the employer fails to pay the contributions monthly, the employer is subject to a civil
18 penalty of fifty dollars and, as interest, one percent of the amount due for each month
19 of delay or fraction of a month after the payment became due. In lieu of assessing a
20 civil penalty or one percent per month, or both, interest at the actuarial rate of return
21 may be assessed for each month the contributions are delinquent. If contributions are
22 paid within ninety days of the date the contributions became due, penalty and interest
23 to be paid on delinquent contributions may be waived.