

FISCAL NOTE
Requested by Legislative Council
01/12/2021

Bill/Resolution No.: HB 1174

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2019-2021 Biennium		2021-2023 Biennium		2023-2025 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$0	\$0	\$0	\$0
Appropriations	\$0	\$0	\$0	\$0	\$0	\$0

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2019-2021 Biennium	2021-2023 Biennium	2023-2025 Biennium
Counties	\$0	\$0	\$0
Cities	\$0	\$0	\$0
School Districts	\$0	\$0	\$0
Townships	\$0	\$0	\$0

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

The Secure Act of 1999 changed federal law relating to the age at which retirement account owners must take "required minimum distributions" (RMD's). This bill was reviewed by plan actuaries who found no impact to the actuarial position of the fund, or material impact to liabilities or costs.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

No impact. See attached technical comments.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

No impact. See attached technical comments.

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

No impact. See attached technical comments.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

No impact. See attached technical comments.

Name: Janilyn Murtha

Agency: NDRIO

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Date Prepared: 01/12/2021



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Via Email

October 27, 2020

Ms. Janilyn Murtha
Deputy Executive Director/Chief Retirement Officer
ND Retirement & Investment Office
3442 E. Century Avenue
Bismarck, ND 58507-7100

Re: Technical Comments on Proposed Bill (SECURE Act)

Dear Jan:

As requested, we have reviewed the proposed bill that addresses the change in the Required Minimum Distribution (RMD) age as a result of the SECURE Act. This bill makes a technical and administrative change to the Teachers' Fund for Retirement (TFFR).

The proposed bill changes the RMD for participants that attain age seventy and one-half after December 31, 2019.

- Participants that attain age seventy and one-half prior to January 1, 2020, the RMD is no later than April first of the calendar year following attainment of age seventy and one-half or April first of the calendar year following the year the member terminates covered employment, whichever is later.
- Participants that attain age seventy and one-half after December 31, 2019, the RMD is no later than April first of the calendar year following attainment of age seventy-two or April first of the calendar year following the year the member terminates covered employment, whichever is later

The change made by the bill does not impact the actuarial position of the fund. The change has no material impact on the liabilities or costs.

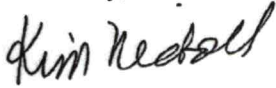
General Comments

The signing actuaries are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

Ms. Janilyn Murtha
ND Retirement & Investment Office
October 27, 2020
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Please do not hesitate to contact us with any questions or comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Kim Nicholl". The signature is fluid and cursive, with a long horizontal stroke extending from the end.

Kim Nicholl, FSA, MAAA, EA
Senior Vice President and Actuary

A handwritten signature in black ink, appearing to read "Matthew A. Strom". The signature is cursive and includes a long horizontal line that sweeps across the end of the name.

Matthew A. Strom, FSA, MAAA, EA
Consulting Actuary