

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1023

Page 1, line 2, after "system" insert "; to provide for a report; and to provide for a legislative management study"

Page 1, replace lines 11 through 15 with:

"Salaries and wages	\$6,652,604	\$635,260	\$7,287,864
Operating expenses	2,443,592	172,354	2,615,946
Capital assets	0	257,600	257,600
Contingencies	<u>250,000</u>	<u>0</u>	<u>250,000</u>
Total special funds	\$9,346,196	\$1,065,214	\$10,411,410
Full-time equivalent positions	34.50	2.00	36.50"

Page 1, line 16, after "FUNDING" insert "- EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY"

Page 1, line 17, after "biennium" insert "and the one-time funding items included in the appropriation in section 1 of this Act"

Page 1, replace lines 19 through 21 with:

"Information technology risk assessment	\$40,000	\$0
Upgrade business system software	190,000	0
Upgrade benefit enrollment system	0	209,000
Upgrade perslink business system	<u>0</u>	<u>257,600</u>
Total special funds	\$230,000	\$466,600

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The public employees retirement system shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. LEGISLATIVE MANAGEMENT STUDY - HEALTH INSURANCE FERTILITY BENEFITS. During the 2021-22 interim, the legislative management shall consider studying the feasibility and desirability of expanding fertility benefits under the public employees retirement system uniform group insurance health benefits as a precursor under section 54-03-28 to mandating the fertility benefits for health insurance in the private market. The study must include a public employees retirement system actuarial study of the cost of expanding the fertility benefits of the state health plan and must include consideration of the positive and negative aspects of mandating fertility benefits for health insurance in the private market. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1023 - Public Employees Retirement System - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$6,652,604	\$6,927,497	\$360,367	\$7,287,864
Operating expenses	2,443,592	2,378,216	237,730	2,615,946
Capital assets			257,600	257,600
Contingencies	250,000	250,000		250,000
Total all funds	\$9,346,196	\$9,555,713	\$855,697	\$10,411,410
Less estimated income	9,346,196	9,555,713	855,697	10,411,410
General fund	\$0	\$0	\$0	\$0
FTE	34.50	34.50	2.00	36.50

Department 192 - Public Employees Retirement System - Detail of Senate Changes

	Adjusts Funding for Salary Increases ¹	Adds Funding for a Receptionist Position ²	Adds Funding for an Internal Auditor Position ³	Adds Funding for a Public Information Specialist Position ⁴	Adds One-Time Funding to Upgrade Benefit Enrollment Software ⁵	Adds One-Time Funding to Upgrade the PERSLink Business System ⁶
Salaries and wages	\$2,677	\$21,216	\$180,926	\$155,548		
Operating expenses			14,365	14,365	\$209,000	
Capital assets						\$257,600
Contingencies						
Total all funds	\$2,677	\$21,216	\$195,291	\$169,913	\$209,000	\$257,600
Less estimated income	2,677	21,216	195,291	169,913	209,000	257,600
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.20	1.00	0.80	0.00	0.00

	Total Senate Changes
Salaries and wages	\$360,367
Operating expenses	237,730
Capital assets	257,600
Contingencies	
Total all funds	\$855,697
Less estimated income	855,697
General fund	\$0
FTE	2.00

¹ Funding is adjusted to provide salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100, and 2 percent on July 1, 2022. The House provided salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250.

² Funding of \$21,216 is added for a .20 FTE receptionist position. The House did not provide funding for this position.

³ Funding of \$195,291, including \$180,926 for salaries and wages and \$14,365 for related operating costs, is added for 1 FTE internal auditor position. The House removed 1 FTE internal auditor position and added 1 FTE accountant position. The Senate amendments do not adjust funding for the accountant position.

⁴ Funding of \$169,913, including \$155,548 for salaries and wages and \$14,365 for related operating costs, is added for a .80 FTE public information specialist position. The House did not provide funding for this position.

⁵ One-time funding of \$209,000 is added to operating expenses to upgrade the benefit enrollment software. The House did not provide funding for this item.

⁶ One-time funding of \$257,600 is added to capital assets to upgrade the PERSLink business system. The House did not provide funding for this item.

This amendment also:

- Provides for a Legislative Management study of the feasibility and desirability of expanding fertility benefits under the Public Employees Retirement System uniform group insurance health benefit plan.

Sixty-seventh
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1023

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the public employees
2 retirement system; to provide for a report; and to provide for a legislative management study.

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

4 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
5 as may be necessary, are appropriated out of any moneys from special funds from income to
6 the public employees retirement system for the purpose of defraying the expenses of the public
7 employees retirement system, for the biennium beginning July 1, 2021, and ending June 30,
8 2023.

	Adjustments or		
	Base Level	Enhancements	Appropriation
11 Salaries and wages	\$6,652,604	\$274,893	\$6,927,497
12 Operating expenses	2,443,592	(65,376)	2,378,216
13 Contingencies	250,000	0	250,000
14 Total special funds	\$9,346,196	\$209,517	\$9,555,713
15 Full-time equivalent positions	34.50	0	34.50
16 <u>Salaries and wages</u>	<u>\$6,652,604</u>	<u>\$635,260</u>	<u>\$7,287,864</u>
17 <u>Operating expenses</u>	<u>2,443,592</u>	<u>172,354</u>	<u>2,615,946</u>
18 <u>Capital assets</u>	<u>0</u>	<u>257,600</u>	<u>257,600</u>
19 <u>Contingencies</u>	<u>250,000</u>	<u>0</u>	<u>250,000</u>
20 <u>Total special funds</u>	<u>\$9,346,196</u>	<u>\$1,065,214</u>	<u>\$10,411,410</u>
21 <u>Full-time equivalent positions</u>	<u>34.50</u>	<u>2.00</u>	<u>36.50</u>

22 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**
23 **SIXTY-EIGHTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding

items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the
one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Information technology risk assessment	\$40,000	\$0
Upgrade business system software	190,000	0
Total special funds	\$230,000	\$0
<u>Information technology risk assessment</u>	<u>\$40,000</u>	<u>\$0</u>
<u>Upgrade business system software</u>	<u>190,000</u>	<u>0</u>
<u>Upgrade benefit enrollment system</u>	<u>0</u>	<u>209,000</u>
<u>Upgrade perslink business system</u>	<u>0</u>	<u>257,600</u>
<u>Total special funds</u>	<u>\$230,000</u>	<u>\$466,600</u>

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget
for the 2023-25 biennium. The public employees retirement system shall report to the
appropriations committees of the sixty-eighth legislative assembly on the use of this one-time
funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. LEGISLATIVE MANAGEMENT STUDY - HEALTH INSURANCE FERTILITY BENEFITS. During the 2021-22 interim, the legislative management shall consider studying the feasibility and desirability of expanding fertility benefits under the public employees retirement system uniform group insurance health benefits as a precursor under section 54-03-28 to mandating the fertility benefits for health insurance in the private market. The study must include a public employees retirement system actuarial study of the cost of expanding the fertility benefits of the state health plan and must include consideration of the positive and negative aspects of mandating fertility benefits for health insurance in the private market. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.