



Great Public Schools

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**Testimony on HB 1209
Senate Government Affairs Committee
March 18, 2021**

Chairman Vedaa and members of the Committee, for the record my name is Nick Archuleta, and I am the president of North Dakota United. North Dakota United is a union of professionals which includes state, county, and municipal employees. I am pleased to be here today and to urge a Do Not Pass recommendation on HB 1209.

In its original form, HB 1209 offered some interesting ideas on how to get the PERS Plan to fully funded status in twenty years. ND PERS executive director, Scott Miller, offered praise of the original version of HB 1209, along with some suggested amendments that would improve the bill. In the view of our members, these ideas deserved to be considered and judged on their merit.

Mr. Chairman and members of the Committee, that is not the bill we see here today. This version of HB 1209 calls for a study of the PERS system, which in and of itself might be fine. However, the bill goes on to call for the development of a plan that will close off the defined benefit retirement plan to new employees effective January 1, 2024. In essence, the study being called for is one with an apparent foregone conclusion: that the PERS DB plan must end. So, Mr. Chairman, our members are left to wonder what purpose a study will serve.

Members of the Committee, the PERS defined benefit plan is a tool that agency heads recognize as a critical piece of their efforts to recruit and retain skilled public employees. State government and political subdivisions are competing not just regionally, but nationally for highly skilled employees. And they are not only competing with other state governments and political subs, but they are also competing with the private sector which can pay more for the skills they seek. The PERS DB plan, along with the PERS health insurance plan, help to attract and retain new employees.

Senator Vedaa and members of the Committee, public employees have told us repeatedly that they are frustrated that the PERS plan has still not received a similar fix to what TFFR received several sessions ago. HB 1209 serves only to justify that concern since rather than offering ideas designed to set it on course to fully funded status, it offers the means to end the PERS DP plan.

Thank you for the opportunity to be here today. Please issue a Do Not Pass recommendation for HB 1209.