



EMPLOYEE BENEFITS PROGRAMS COMMITTEE

Thursday, April 25, 2024
Roughrider Room, State Capitol
Bismarck, North Dakota

Representative Austen Schauer, Chairman, called the meeting to order at 10:00 a.m.

Members present: Representatives Austen Schauer, Josh Boschee, Clayton Fegley, Patrick Hatlestad, Jorin Johnson, Jim Kasper, Corey Mock; Senators Brad Bekkedahl, Sean Cleary, Judy Estenson*, Larry Luick, Kristin Roers

Members absent: None

Others present: Representative Karen Karls, Bismarck
Rebecca Fricke and Derrick Hohbein, Public Employees Retirement System; Bonnie Wurst, Gabriel, Roeder, Smith & Company Holdings, Inc.; and Colonel Brandon Solberg, Highway Patrol
Christopher S. Joseph, Legislative Council, Bismarck
See [Appendix A](#) for additional persons present.

**Attended remotely*

It was moved by Senator Bekkedahl, seconded by Representative Mock, and carried on a voice vote that the minutes of the November 16, 2023, meeting be approved as distributed.

PUBLIC EMPLOYEES RETIREMENT SYSTEM

Ms. Rebecca Fricke, Executive Director, Public Employees Retirement System, provided an update ([Appendix B](#)) on the status of implementing legislation relating to the Public Employees Retirement System (PERS). She noted:

- The Insurance Department and health carriers are reviewing House Bill No. 1095 (2023), relating to the comprehensive medication management program, to determine the cost of the program.
- PERS is providing information to existing and prospective state employees about the transition from the defined benefit (DB) retirement plan to the defined contribution (DC) retirement plan in accordance with House Bill No. 1547 (2023 special session).
- The implementation of House Bill No. 1040 (2023) is ongoing.
 - On January 1, 2024, the 1 percent employer contribution increase was implemented.
 - Effective July 1, 2024, Empower will replace TIAA as the new recordkeeping service provider for the DC retirement plan and the deferred compensation plan.
 - The deadline for PERS to promulgate administrative rules was extended to January 1, 2025, to align with closing the DB retirement plan to new hires and establishing the new DC retirement plan.

Ms. Bonnie Wurst, Senior Consultant, Gabriel, Roeder, Smith & Company Holdings, Inc., provided information ([Appendix C](#)) about potential funding solutions for the Highway Patrol Troopers' retirement system fund, including four cash infusion scenarios with corresponding fixed-rate contribution projections. Ms. Wurst also provided information about potential funding changes for the retiree health insurance credit plan.

In response to the committee's request, Ms. Wurst provided a chart ([Appendix D](#)) which includes Highway Patrol Troopers' retirement system funding ratio projections for 2023-53, with and without the \$3 million transfer to the fund provided in House Bill No. 1011 (2023).

HEALTH INSURANCE MANDATES

Mr. Christopher S. Joseph, Assistant Legal Division Director, Legislative Council, reviewed the committee's charge ([Appendix E](#)) under North Dakota Century Code Section 54-03-28(4). He noted:

- The statute requires the committee to adopt a procedure to identify measures and proposed measures mandating health insurance coverage of services or payment for specified providers of services.
- The law requires the procedure to include solicitation of draft measures and proposals during the interim from legislators and agencies with bill introduction privileges and deadlines for identification of the measures or proposals.
- The requirements under Joint Rule 211 reflect the committee's recommendation from the 2023-24 interim for measures providing for a health insurance mandate to be submitted to the Legislative Council by the close of business on the second Friday following the adjournment of the Organizational Session.

The committee discussed issues of equity and time for proper analysis of bill drafts and bills providing for a health insurance mandate.

It was moved by Representative Boschee, seconded by Senator Bekkedahl, and carried on a roll call vote that the committee recommend to the Legislative Management that legislators who plan to introduce a legislative measure that provides for a health insurance mandate under Section 54-03-28 be required to provide Legislative Council with a copy of the proposed legislative measure by the close of business on the second Friday following adjournment of the Organizational Session. Representatives Schauer, Boschee, Fegley, Hatlestad, Johnson, and Mock and Senators Bekkedahl, Cleary, Estenson, Luick, and Roers voted "aye." Representative Kasper voted "nay."

JURISDICTION OF BILL DRAFTS

The committee considered the following bill drafts to determine whether the bill drafts affect, actuarially or otherwise, the retirement programs of state employees or employees of any political subdivision, or health and retiree health plans of state employees or employees of any political subdivision pursuant to Section 54-35-02.4:

Bill Draft No. 129

The committee reviewed Bill Draft No. 129 [[25.0129.01000](#)], which revises eligibility requirements for Teachers' Fund for Retirement (TFFR) benefits.

It was moved by Senator Bekkedahl, seconded by Senator Roers, and carried on a voice vote that the committee take jurisdiction over Bill Draft No. 129.

Bill Draft No. 40

The committee reviewed Bill Draft No. 40 [[25.0040.01000](#)], which expands participation in the public safety retirement plan to include correctional officers employed by a governmental unit.

It was moved by Representative Boschee, seconded by Representative Mock, and carried on a voice vote that the committee take jurisdiction over Bill Draft No. 40.

Bill Draft No. 41

The committee reviewed Bill Draft No. 41 [[25.0041.01000](#)], which revises the definition of correctional officer and expands eligibility for the public safety retirement plan to include dispatchers and emergency medical services personnel.

It was moved by Representative Boschee, seconded by Senator Roers, and carried on a voice vote that the committee take jurisdiction over Bill Draft No. 41.

Bill Draft No. 45

The committee reviewed Bill Draft No. 45 [[25.0045.01000](#)], which expands eligibility for the public safety retirement plan to include correctional officers employed by a governmental unit, dispatchers, and medical services personnel, and limits application.

It was moved by Senator Roers, seconded by Representative Mock, and carried on a voice vote that the committee take jurisdiction over Bill Draft No. 45.

Bill Draft No. 68

The committee reviewed Bill Draft No. 68 [[25.0068.01000](#)], which provides for health benefit plans to include any amount paid by an enrollee, or on behalf of an enrollee, when calculating an enrollee's overall contribution to an out-of-pocket maximum or cost-sharing requirement for a prescription drug.

It was moved by Representative Kasper, seconded by Representative Mock, and carried on a voice vote that the committee take jurisdiction over Bill Draft No. 68.

Bill Draft No. 69

The committee reviewed Bill Draft No. 69 [[25.0069.02000](#)], which provides for PERS health benefits coverage of fertility treatment.

It was moved by Representative Boschee, seconded by Senator Bekkedahl, and carried on a voice vote that the committee take jurisdiction over Bill Draft No. 69.

Bill Draft No. 70

The committee reviewed Bill Draft No. 70 [[25.0070.03000](#)], which provides for PERS health benefits coverage of fertility preservation services.

It was moved by Representative Boschee, seconded by Senator Bekkedahl, and carried on a voice vote that the committee take jurisdiction over Bill Draft No. 70.

Bill Draft No. 75

The committee reviewed Bill Draft No. 75 [[25.0075.02000](#)], which provides PERS health benefits coverage may not impose cost-sharing requirements for diagnostic or supplemental breast examination services.

It was moved by Representative Kasper, seconded by Representative Hatlestad, and carried on a voice vote that the committee take jurisdiction over Bill Draft No. 75.

Bill Draft No. 84

The committee reviewed Bill Draft No. 84 [[25.0084.01000](#)], which provides for medical assistance coverage to include payment for applied behavioral analysis.

It was moved by Senator Bekkedahl, seconded by Senator Luick, and carried on a voice vote that the committee take jurisdiction over Bill Draft No. 84.

Bill Draft No. 104

The committee reviewed Bill Draft No. 104 [[25.0104.02000](#)], which provides for the Department of Corrections and Rehabilitation to prescribe rules for the adequate medical care of inmates and provide instruction on the correct assessment and billing of medical care costs for inmates.

It was moved by Senator Davison, seconded by Senator Roers, and carried on a voice vote that the committee not take jurisdiction over Bill Draft No. 104.

Bill Draft No. 115

The committee reviewed Bill Draft No. 115 [[25.0115.01000](#)], which revises the PERS definition of firefighter.

It was moved by Representative Mock, seconded by Senator Davison, and carried on a voice vote that the committee take jurisdiction over Bill Draft No. 115.

Bill Draft No. 116

The committee reviewed Bill Draft No. 116 [[25.0116.01000](#)], which provides for PERS to determine the manner of payment of administrative expenses for the deferred compensation plan and for a continuing appropriation.

It was moved by Senator Davison, seconded by Senator Roers, and carried on a voice vote that the committee take jurisdiction over Bill Draft No. 116.

Bill Draft No. 117

The committee reviewed Bill Draft No. 117 [[25.0117.01000](#)], which provides for a change in the computation of final average salary for the Highway Patrol Troopers' retirement system and PERS retirement benefits.

It was moved by Senator Davison, seconded by Senator Bekkedahl, and carried on a voice vote that the committee take jurisdiction over Bill Draft No. 117.

Bill Draft No. 118

The committee reviewed Bill Draft No. 118 [\[25.0118.01000\]](#), which provides for health benefit plans to include benefits for insulin drug and medical supplies for insulin dosing and administration.

It was moved by Senator Bekkedahl, seconded by Representative Kasper, and carried on a voice vote that the committee take jurisdiction over Bill Draft No. 118.

Bill Draft No. 119

The committee reviewed Bill Draft No. 119 [\[25.0119.01000\]](#), which changes PERS eligibility requirements for disability retirement benefits.

It was moved by Senator Davison, seconded by Senator Bekkedahl, and carried on a voice vote that the committee take jurisdiction over Bill Draft No. 119.

Bill Draft No. 120

The committee reviewed Bill Draft No. 120 [\[25.0120.01000\]](#), which provides for a transfer to the Highway Patrol Troopers' retirement system fund to increase the funded liability.

It was moved by Senator Davison, seconded by Representative Mock, and carried on a voice vote that the committee take jurisdiction over Bill Draft No. 120.

Bill Draft No. 121

The committee reviewed Bill Draft No. 121 [\[25.0121.01000\]](#), which provides for PERS administrative changes.

It was moved by Senator Davison, seconded by Senator Roers, and carried on a voice vote that the committee take jurisdiction over Bill Draft No. 121.

Bill Draft No. 124

The committee reviewed Bill Draft No. 124 [\[25.0124.01000\]](#), which provides step therapy protocol limitations for an associated condition of metastatic cancer.

It was moved by Representative Mock, seconded by Representative Johnson, and carried on a voice vote that the committee take jurisdiction over Bill Draft No. 124.

Bill Draft No. 134

The committee reviewed Bill Draft No. 134 [\[25.0134.01000\]](#), which revises the PERS definition of correctional officer.

It was moved by Senator Davison, seconded by Representative Mock, and carried on a voice vote that the committee take jurisdiction over Bill Draft No. 134.

Bill Draft No. 138

The committee reviewed Bill Draft No. 138 [\[25.0138.01000\]](#), which provides for step therapy protocol exceptions.

It was moved by Representative Mock, seconded by Senator Davison, and carried on a voice vote that the committee take jurisdiction over Bill Draft No. 138.

Bill Draft No. 142

The committee reviewed Bill Draft No. 142 [\[25.0142.01000\]](#), which provides PERS health benefits coverage for state employees and retirees must be compliant with the Patient Protection and Affordable Care Act.

It was moved by Senator Davison, seconded by Representative Mock, and carried on a voice vote that the committee take jurisdiction over Bill Draft No. 142.

Bill Draft No. 143

The committee reviewed Bill Draft No. 143 [\[25.0143.01000\]](#), which provides for a state employee compensation adjustment and transfer to the TFFR benefits for a cost-of-living adjustment.

It was moved by Senator Bekkedahl, seconded by Senator Davison, and carried on a voice vote that the committee take jurisdiction over Bill Draft No. 143.

Chairman Schauer noted the tentative date for the next committee meeting is Monday, June 17, 2024.

No further business appearing, Chairman Schauer adjourned the meeting at 1:45 p.m.

Beth Dittus
Counsel

ATTACH:5