

North Dakota AFL-CIO

1323 East Front Ave. Bismarck ND 58504 Ilarson@ndaflcio.org 701-526-8787

Testimony of Landis Larson, ND AFL-CIO President In Opposition to HB 1040 January 13, 2023

Chairperson Schauer and members of the Government and Veterans Affairs Committee:

My name is Landis Larson, President of the North Dakota AFL-CIO. The North Dakota AFL-CIO is the federation of labor unions in North Dakota, representing the interests of all working people in our state.

I am testifying on behalf of the North Dakota AFL-CIO in opposition to House Bill 1040.

The North Dakota AFL-CIO opposes HB 1040 and any other attempts at moving from a defined benefit to a defined contribution retirement plan for any current or future public employees in the state of North Dakota.

As a federation of labor unions, we have hundreds of years of combined experience fighting for secure, dignified retirement for working people in our state, private and public sectors alike. Our Experience is clear and will be no surprise to anyone who has punched a clock for a living:Defined benefit retirement plans are hands down better than defined contribution retirement plans.

We want to recruit and retain the best workforce possible to run the vital daily operations of our state, like cleaning our roads, helping run our government offices, and keeping us safe. To recruit and retain this high caliber workforce we need to make a commitment to the long-term needs of our public servants by offering the highest quality benefits we can, including maintaining our defined benefit plan.

Not only will this help with retention, but the spillover effects into our communities are substantial. Quantitatively, those dollars circulate in our communities, increasing revenues of local business. Qualitatively, we are stronger when our retirees are secure because they are able to fully participate in their community, serving as the bedrocks, and as beacons of hope and pride for the next generation of workers that make North Dakota their home and make service to North Dakota their careers.

Our public employees deserve to retire with dignity and security after a life of service to our state and its citizens.

Along with all of this, the cost to keep the defined benefit plan is less than closing it out and changing to a defined contribution plan.

For all of the reasons stated, we recommend a DO NOT PASS vote on HB 1040 and to allow the NDPERS system to continue working for our public employees past, current, and future.

Respectfully Submitted, Landis Larson North Dakota AFL-CIO President