

TESTIMONY OF SCOTT MILLER

House Bill 1539 – Employee Benefits Programs Committee Elimination

My name is Scott Miller. I am the Executive Director of the North Dakota Public Employees Retirement System, or NDPERS. On behalf of the NDPERS Board, I am here to testify in opposition to House Bill 1539.

HB 1539 does two primary things. First, it eliminates the Employee Benefits Programs Committee (EBPC) from the North Dakota Century Code. The purpose of the EBPC is provided right in NDCC section 54-35-02.4:

The employee benefits programs committee shall consider and report on those legislative measures and proposals over which it takes jurisdiction and which affect, actuarially or otherwise, the retirement programs of state employees or employees of any political subdivision, and health and retiree health plans of state employees or employees of any political subdivision. The committee shall make a thorough review of any measure or proposal which it takes under its jurisdiction, including an actuarial review.

Like any useful committee, by performing these activities the EBPC takes pressure off of Legislative Management. The EBPC can take the necessary time to become educated regarding benefits topics and properly analyze and evaluate proposed legislation. The EBPC can ensure that legislation that needs an actuarial or expert analysis to fully appreciate the effects and possible problems is thoroughly examined. Only with the help of these experts can the Legislative Assembly be assured of the ramifications of particularly detailed and nuanced legislation. Those analyses provide the Legislative Assembly with the knowledge it needs to make prudent and informed decisions.

Eliminating the EBPC puts the full responsibility for evaluating every benefit-related piece of legislation on the shoulders of the Legislative Management. Instead of being able to prudently delegate the analysis of these difficult issues to a committee that over time becomes specialized to do so, the Legislative Management itself must become educated on the issues and willing to take the time and energy to properly evaluate proposed legislation. It is not an overstatement to say that mistakes relating to these topics can cost the state hundreds of millions of dollars.

The second primary effect of HB 1539 is to actually eliminate the requirement that benefits-related legislation be analyzed by appropriate experts, including actuarial and legal experts, as necessary. Again, these analyses are critical to understanding the effects and potential costs of legislative proposals. The Assembly will have a profoundly difficult time making prudent and informed decisions without these analyses.

For these reasons we ask for your vote of Do Not Pass.