

2025 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1077

2025 HOUSE STANDING COMMITTEE MINUTES

GOVERNMENT VETERANS AFFAIRS COMMITTEE

PIONEER ROOM, STATE CAPITOL

HB 1077

1/16/2025

Relating to the definition of national guard security officer and firefighter.
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10:00 a.m. Chairman Schauer opened the hearing.

Members present: Chairman Schauer, Representatives Bahl, Brown, Christy, Grindberg, Karls, McLeod, Rohr, Schneider, Steiner, VanWinkle, Vetter, Wolff

Members absent: Vice Chairman Satrom

Discussion Topics:

- Definition of a National Guard Security Officer

10:00 a.m. Jason Sutheimer, Office of the Adjutant General, testified in favor and submitted testimony, #29214.

10:05 a.m. Chris Martens, Attorney, Office of the Adjutant General, testified in favor.

10:06 a.m. Representative Vetter moved a Do Pass.

10:06 a.m. Representative Christy seconded the motion.

Representatives	Vote
Representative Austen Schauer	Y
Representative Bernie Satrom	AB
Representative Landon Bahl	AB
Representative Collette Brown	Y
Representative Josh Christy	Y
Representative Karen Grindberg	Y
Representative Karen Karls	Y

Representative Carrie McLeod	Y
Representative Karen Rohr	Y
Representative Mary Schneider	Y
Representative Vicky Steiner	Y
Representative Lori VanWinkle	Y
Representative Steve Vetter	Y
Representative Christina Wolff	Y

10:07 a.m. Motion passed 12-0-2.

Representative Grindberg will carry the bill.

Additional written testimony:

Derrick Hohbein, COO, CFO of NDPERS, submitted testimony in favor, #28977.

10:08 a.m. Chairman Schauer closed the hearing.

Jackson Toman, Committee Clerk

REPORT OF STANDING COMMITTEE
HB 1077 ([25.8103.01000](#))

Government and Veterans Affairs Committee (Rep. Schauer, Chairman) recommends **DO PASS** (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). HB 1077 was placed on the Eleventh order on the calendar.

TESTIMONY OF DERRICK HOHBEIN

House Bill 1077 – Clarifies the Eligibility for the National Guard Retirement Plan

Good Morning, Mr. Chairman and members of the committee. My name is Derrick Hohbein and I am the Chief Operating/Financial Officer of the North Dakota Public Employees Retirement System, or NDPERS. I appreciate the committee taking the time to analyze House Bill 1077, which clarifies the individuals who are eligible for the National Guard Retirement Plan. I am here today on behalf of the NDPERS Board to provide information in a neutral capacity so the policy makers are able to make an informed decision regarding the bill.

House Bill 1077 expands the definition of a National Guard security officer or firefighter to include security officer employees. It is our understanding this is more of a technical correction being submitted by the Adjutant General's Office, and have confirmed with the agency that there are not additional employees impacted at this time, unless they decide to fill some vacant positions. As such, there is no fiscal impact that is expected if the Legislation were to pass.

Mr. Chairman, I appreciate the committee taking the time to learn more about the impact this bill will have to our state. This concludes my testimony, and I'd be happy to answer any questions the committee may have.

**TESTIMONY OF
JASON SUTHEIMER, OFFICE OF THE ADJUTANT GENERAL
BEFORE THE
HOUSE GOVERNMENT AND VETERANS AFFAIRS COMMITTEE
16 JANUARY 2025
IN SUPPORT OF HOUSE BILL 1077**

Good morning, Chairman Schauer, Vice Chair Satrom, and Members of the House Government and Veterans Affairs Committee:

For the record my name is Jason Sutheimer, Human Resource Business Partner within the Office of the Adjutant General. Thank you for the opportunity to speak on behalf of this bill today.

This bill was introduced by the Office of the Adjutant General (OTAG) at the request of the North Dakota Public Employee Retirement System (NDPERS). Based on the timing of when cleanup bills needed to be submitted by NDPERS, they requested our agency submit this cleanup bill.

During a recent hire in the Security section at Fraine Barracks, conversations took place with NDPERS as to which retirement plan to enroll our security positions. Our security positions have both classified and non-classified team members performing similar job duties. Previous NDPERS guidance was the "status" of position the team member held determined which retirement plan they were enrolled in. After further conversations and analyzing the retirement plans further, NDPERS made the determination that all security team members should be enrolled in the same retirement plan regardless of their classified status.

This bill is being introduced to clarify the definition of a National Guard Security Officer and provide clarification for existing Adjutant General team members serving in security positions. NDPERS submitted the fiscal note for this bill showing there are no fiscal impact because all current team members employed in this capacity were placed into the National Guard retirement plan upon the NDPERS's determination.

Thank you again for the opportunity to be here this morning and for the important work you are doing. I am happy to stand for questions.

2025 SENATE AGRICULTURE AND VETERANS AFFAIRS

HB 1077

2025 SENATE STANDING COMMITTEE MINUTES

Agriculture and Veterans Affairs Committee Fort Union Room, State Capitol

HB 1077
2/14/2025

A bill relating to the definition of national guard security officer and firefighters.
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9:15 a.m. Chairman Luick opened the hearing.

Members present: Chairman Luick, Senator Marcellais, Senator Weber, Senator Lemm

Members absent: Senator Weston and Vice-Chair Myrdal

Discussion Topics:

- North Dakota Public Employee Retirement System (NDPERS) and retirement plans
- Security positions and classified status
- Fiscal impact
- Employee term
- IRS regulations
- ND National Guard Retirement plans
- State Public Safety Retirement Plans
- Main Defined Benefit Plan
- ADEC Basis Funding

9:08 a.m. Jason Sutheimer, Human Resource Business Partner within the Office of the Adjutant General, testified in favor and submitted testimony #37658.

9:12 a.m. Derrick Hohbein, Chief Operating/Financial Officer of the ND Public Employees Retirement System (NDPERS), testified in favor and submitted testimony #37383.

9:16 a.m. Chairman Luick closed the hearing.

9:16 a.m. Senator Weber moved a Do Pass.

9:16 a.m. Senator Lemm seconded the motion.

Senators	Vote
Senator Larry Luick	Y
Senator Janne Myrdal	A
Senator Randy D. Lemm	Y
Senator Richard Marcellais	Y
Senator Mark F. Weber	Y
Senator Kent Weston	A

Motion passed 4-0-2.

Senator Weber will carry the bill.

9:17 a.m. Chairman Luick closed the hearing.

Audrey Oswald, Committee Clerk

REPORT OF STANDING COMMITTEE
HB 1077 ([25.8103.01000](#))

Agriculture and Veterans Affairs Committee (Sen. Luick, Chairman) recommends **DO PASS** (4 YEAS, 0 NAYS, 2 ABSENT OR EXCUSED AND NOT VOTING). HB 1077 was placed on the Fourteenth order on the calendar. This bill does not affect workforce development.

TESTIMONY OF DERRICK HOHBEIN

House Bill 1077 – Clarifies the Eligibility for the National Guard Retirement Plan

Good Morning, Mr. Chairman and members of the committee. My name is Derrick Hohbein and I am the Chief Operating/Financial Officer of the North Dakota Public Employees Retirement System, or NDPERS. I appreciate the committee taking the time to analyze House Bill 1077, which clarifies the individuals who are eligible for the National Guard Retirement Plan. I am here today on behalf of the NDPERS Board to provide information in a neutral capacity so the policy makers are able to make an informed decision regarding the bill.

House Bill 1077 expands the definition of a National Guard security officer or firefighter to include security officer employees. It is our understanding this is more of a technical correction being submitted by the Adjutant General's Office, and have confirmed with the agency that there are not additional employees impacted at this time, unless they decide to fill some vacant positions. As such, there is no fiscal impact that is expected if the Legislation were to pass.

Mr. Chairman, I appreciate the committee taking the time to learn more about the impact this bill will have to our state. This concludes my testimony, and I'd be happy to answer any questions the committee may have.



January 7, 2025

Representative Austen Schauer, Chair
Legislative Employee Benefits Programs Committee
North Dakota State Government

**Re: North Dakota Public Employees Retirement System Legislative Studies – Provisions from
Bill No. 25.8103.01000**

Dear Representative Schauer:

In accordance with your request, we have analyzed the impact of Bill No. 25.8103.01000 on the North Dakota Public Employees Retirement System (NDPERS). Our review is actuarial in nature; we are not attorneys and cannot provide legal advice.

Systems Affected

North Dakota Public Employees Retirement System (Public Safety with prior Main System service)

Summary

Bill No. 25.8103.01000:

- Clarifies the definition of “National guard security officer or firefighter” to include security officer employees

Actuarial Impact of Bill 8103

There is no actuarial impact. Plan participation, benefits, and funding are not affected by the proposed change.

Based on input provided by PERS and confirmed with the Adjutant General’s human resources department, current individuals employed in this capacity are already members of the National Guard plan.

Policy Issue Analysis

Benefits Policy Issues

- Adequacy of Retirement Benefits
No impact.
- Competitiveness
No impact.
- Benefits Equity and Group Integrity
No impact.
- Purchasing Power
No impact.
- Preservation of Benefits
No impact.
- Portability
No impact.
- Ancillary Benefits
No impact.
- Social Security
No impact.

Funding Policy Issues

- Actuarial Impacts

No impact.

- Investment Impacts

No impact.

Administration Issues

- Implementation Issues

No impact.

- Administrative Costs

No impact.

- Needed Authority

The bill appears to provide appropriate levels of administrative and governance authority to the PERS Board to implement the changes made by the bill.

- Integration

None.

- Employee Communications

No impact.

- Miscellaneous and Drafting Issues

No impact.

Disclosures and Additional Information

We have reviewed the bill and provided a policy issue analysis from our perspective as actuaries. However, the policy issue analysis should not be considered to be comprehensive and there may be additional benefits policy, administration issues or legal issues that are not discussed in this letter.

The signing actuary is independent of the plan sponsor.

Bonita J. Wurst and Abra D. Hill are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

Please let us know if you have any questions.

Sincerely,



Bonita J. Wurst, ASA, EA, MAAA, FCA
Senior Consultant



Abra D. Hill, ASA, MAAA, FCA
Consultant

cc: Rebecca Fricke, NDPERS
Joshua Murner, GRS



**TESTIMONY OF
JASON SUTHEIMER, OFFICE OF THE ADJUTANT GENERAL
BEFORE THE
SENATE AGRICULTURE AND VETERANS AFFAIRS COMMITTEE
14 FEBRUARY 2025
IN SUPPORT OF HOUSE BILL 1077**

Good morning, Chairman Luick and Members of the Senate Agriculture and Veterans Affairs Committee:

For the record my name is Jason Sutheimer, Human Resource Business Partner within the Office of the Adjutant General. Thank you for the opportunity to speak on behalf of this bill today.

This bill was introduced by the Office of the Adjutant General (OTAG) at the request of the North Dakota Public Employee Retirement System (NDPERS). Based on the timing of when cleanup bills needed to be submitted by NDPERS, they requested our agency submit this cleanup bill.

During a recent hire in the Security section at Fraine Barracks, conversations took place with NDPERS as to which retirement plan to enroll our security positions. Our security positions have both classified and non-classified team members performing similar job duties. Previous NDPERS guidance was the "status" of position the team member held determined which retirement plan they were enrolled in. After further conversations and analyzing the retirement plans further, NDPERS made the determination that all security team members should be enrolled in the same retirement plan regardless of their classified status.

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