

2025 HOUSE GOVERNMENT AND VETERANS AFFAIRS

HB 1606

2025 HOUSE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee Pioneer Room, State Capitol

HB 1606
1/30/2025

Relating to sick leave for state employees.

4:19 p.m. Chairman Schauer opened the hearing.

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

Discussion Topics:

- Sick leave benefits

4:20 p.m. Representative Heilman, District 7, introduced the bill and submitted testimony, #32863.

4:24 p.m. Nick Archuleta, President, North Dakota United, testified in favor.

4:26 p.m. Chairman Schauer closed the hearing.

Jackson Toman, Committee Clerk



North Dakota
House of Representatives
STATE CAPITOL
600 EAST BOULEVARD
BISMARCK, ND 58505-0360



Representative Matthew Heilman

District 7
5501 Flatrock Drive
Bismarck, ND 58503-8929
mheilman@ndlegis.gov

COMMITTEES:

Education
Political Subdivisions

January 25th, 2025

Chairman Schauer and members of the GVA committee,

My name is Matt Heilman, and I am a state representative from North Dakota's seventh legislative district in Bismarck. I am here today to testify in favor of my constituent bill, HB 1606, which is to increase the sick time accrual from eight hours per month to ten hours.

As you may recall, we did pass HB 1170 recently. Both bills change the word "persons" to "individuals" on page one line seven. The only other overlap between the two bills is page two line seven. My bill changes "persons" to "individuals" where HB 1170 changes "persons" to "an individual." This can be used as a recruitment and retention tool to help fill our vacant full time employee positions. I represent a good number of state employees in my district, so this piece of legislation is good for not only my district, but also the state agencies with vacancies. Mr. Chairman and members of the committee I will stand for any questions.

2025 HOUSE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee Pioneer Room, State Capitol

HB 1606
2/13/2025

Relating to sick leave for state employees.

10:34 a.m. Chairman Schauer opened the meeting.

Members present: Chairman Schauer, Vice Chairman Satrom, Representatives Brown, Grindberg, Karls, Rohr, Schneider, Steiner, VanWinkle, Vetter, Wolff

Members absent: Representatives Bahl, Christy, McLeod

Discussion Topics:

- Fiscal Note

10:35 a.m. Chairman Schauer- States he is waiting for information from Molly in HR.

10:37 a.m. Chairman Schauer closed the meeting.

Jackson Toman, Committee Clerk by Risa Berube

2025 HOUSE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee Pioneer Room, State Capitol

HB 1606
2/13/2025

Relating to sick leave for state employees.

11:27 a.m. Chairman Schauer opened the meeting.

Members present: Chairman Schauer, Vice Chairman Satrom, Representatives Brown, Grindberg, Karls, Rohr, Schneider, Steiner, VanWinkle, Vetter, Wolff

Members absent: Representatives Bahl, Christy, McLeod

Discussion Topics:

- Committee discussion

11:28 a.m. Molly Herrington, Chief People Officer of North Dakota, testified and submitted testimony, #44370.

11:40 a.m. Chairman Schauer closed the meeting.

Jackson Toman, Committee Clerk

POTENTIAL IMPACTS OF HB 1606

DATA AS OF 1/1/25

Monthly Accrual	Employee Count	Months per year	Total accrued hours/year	Average Hourly Rate	Total cost of accrued hours per year	10% payout cost
8 Hours	3,552	12	340,992	\$34.86	\$11,886,981	\$1,188,698
10 hours	3,552	12	426,240	\$34.86	\$14,858,726	\$1,485,873
Difference						\$297,175

Cost of sick leave is part of base pay; therefore, an actual financial cost would not be realized unless there was a 10% payout.

Key Assumptions

- This scenario accounts for classified full and part time employees based on 1/1/25 data.
- This scenario assumes none of the incremental leave is used.
- This scenario is looking at only those with 10+ years of service.

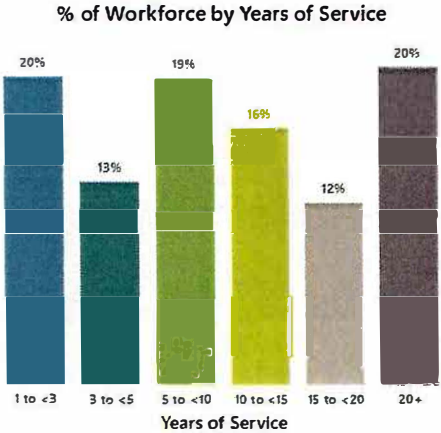
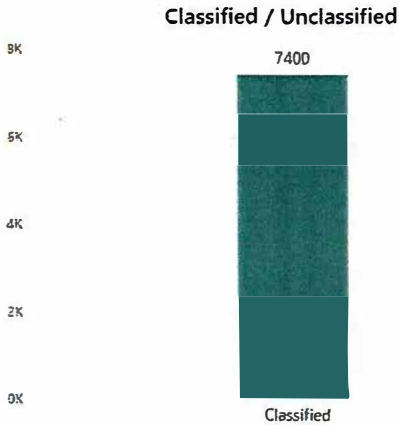
CLASSIFIED EMPLOYEES

DATA AS OF 1/1/25

Employee Count
7,400 – Total full and part-time
(classified only)

Years of Service
48% – 10+ years of service
(classified only)

**Employee count used
for assumptions for this
scenario**
 $7,400 \times 48\% = 3,552$



Average Salary
\$72.500/year
\$34.86/hour

NORTH DAKOTA HUMAN RESOURCES MANAGEMENT SERVICES (HRMS)

A Division of the Office of Management and Budget

Team ND HR serves as thought leaders, change agents, and resourceful partners who build talent, drive results, and work as one so that we build a high performing statewide culture, are recognized as an employer of choice and deliver a 21st Century citizen experience.

HRMS's primary responsibility is to provide a unified system of human resources administration for the classified service.

Beyond the basic framework of human resource management rules, job classifications and salary ranges, HRMS provides assistance to agencies in their management of human resources. HRMS services include:

Management consulting • Supervisor/employee training • Employee compensation • Recruitment/selection assistance
Legislative & regulatory compliance • Performance management tools • Universal policies, handbooks and guides

CLASSIFIED TEAM MEMBER STATS

Agency	# of EEs
Human Services	2,427
Transportation	969
Corrections & Rehabilitation	878
Information Technology	475
Workforce Safety & Ins.	245
Attorney General	208
Highway Patrol	198
DPI	194
(Includes State Library, School for Deaf, School for Blind, CDE)	
Adj Gen/Natl Guard	193
Game & Fish	166
Environmental Quality	160
Job Service ND	154
Veterans Home	111
Tax	107
Agencies Under 100	915
Total	7,400

The 7,400 state team members in positions classified by HRMS are employed in over 50 agencies.

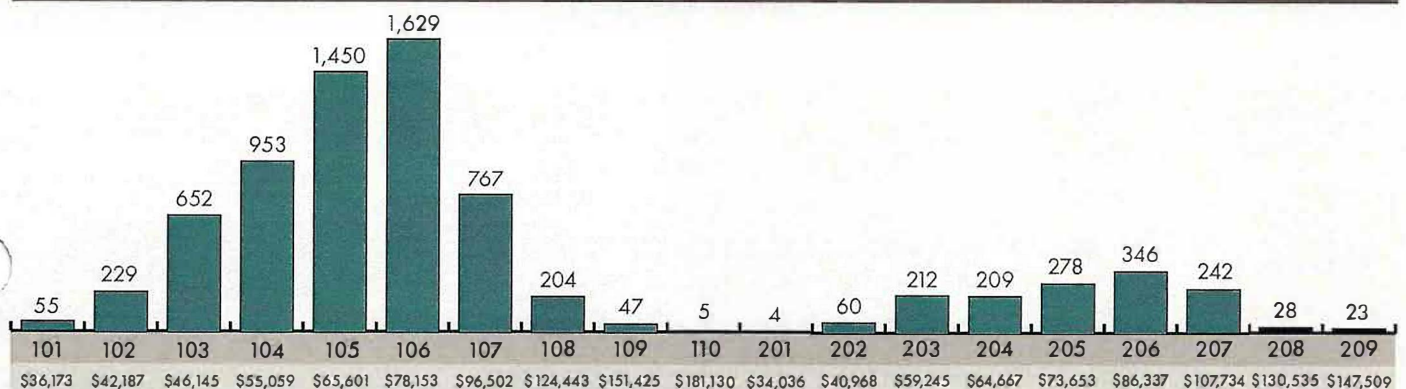
88% of classified team members work in 14 agencies with over 100 team members.

Classified team members under HRMS (ND's civil service) are covered by administrative rules adopted by HRMS. The rules guide equitable pay, open competitive selection, and protection from arbitrary personnel actions and are designed to provide consistent employment conditions.

Unclassified employees do NOT have employment rights under HRMS. The terms and conditions of employment vary by agency, category of team member, or by individual team member.

Team members under the University System are covered by and subject to the policies adopted by the State Board of Higher Education.

OF EMPLOYEES BY GRADE with AVERAGE ANNUAL SALARY



CLASSIFIED STATE TEAM MEMBER STATS

46.1 average age

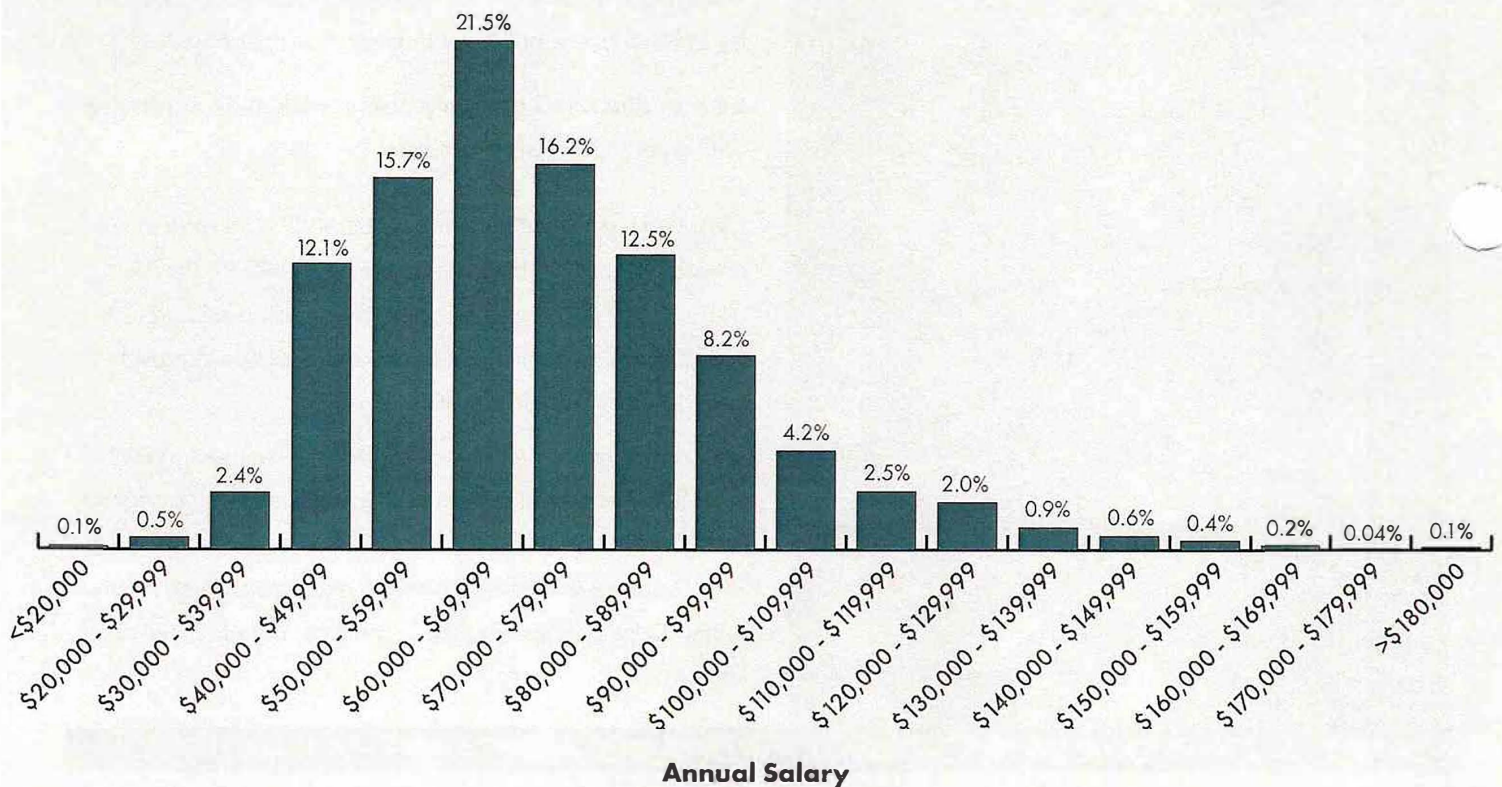
\$72.5K average annual salary

11.5 average years of service

9.1% retirement eligible

Current Estimate

AVERAGE CLASSIFIED STATE TEAM MEMBER



NORTH Dakota | Human Resources
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Information current
as of Jan. 2025

ON EMAIL

Molly Herrington
mherrington@nd.gov

ONLINE

omb.nd.gov
nd.gov/careers

ON SOCIAL

facebook.com/ndstatecareers
linkedin.com/company/northdakota



NORTH Dakota

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TEAM ND

Benefits & Extras

Team ND

There are over
15,000
members of
Team ND

There are over
70
individual
state agencies

There are over
100
Team ND
career openings

Team ND is comprised of two primary position types:

- Classified employees are covered under ND's classified state employees (civil service) and are subject to Administrative Rules adopted by the Human Resource Management Services (HRMS) division of the Office of Management and Budget (OMB). The rules guide equitable pay, open competitive selection, and protection from arbitrary personnel actions and are designed to provide consistent employment conditions. There are about 7,281 state employees in positions classified by HRMS. Newly hired or reinstated employees in classified positions must serve a probationary period of at least six months prior to obtaining "regular" status.
- Unclassified employees do not have employment rights under HRMS. The terms and conditions of employment are at-will and vary by agency, category of employee, or by individual employee. There are about 2,238 employees in appointed, elected, temporary or otherwise designated as "unclassified" positions.

NOTE: Employees of the North Dakota University System are covered by and subject to the policies adopted by the State Board of Higher Education. There are about 6,700 employees in the University System.

EMPLOYEE BENEFITS

The state of North Dakota is proud to provide a comprehensive benefits package to all regular state team members. Many of the benefits are available at no cost, while some are available at a cost if team members wish to participate.

The primary benefit offerings are summarized here, along with the legal authority for each. Annual, sick, holiday and funeral leave is prorated for part-time team members.

ANNUAL LEAVE (NDAC 4-07-12)

Team members begin to accrue annual leave from the first day of hire. Annual leave must be earned before it can be taken. An employee can carry over a maximum of 240 hours of accrued annual leave beyond April 30 of each year.

Full-time employees
accrue annual leave
monthly based on the
following schedule:

Years of Service	Hours/Mo. of Leave	Days/Year of Leave
0-3	8	12
4-7	10	15
8-12	12	18
13-18	14	21
Over 18	16	24

Team ND

Accrue

12

days of sick
leave annually

A portion of accrued
sick leave may be used
to care for eligible
family members

Accrue

12

vacation days during
first year of service

Earn

\$250

per year through
wellness activities

SICK LEAVE (NDAC 4-07-13)

Full-time team members begin to earn eight hours of sick leave each month with no maximum accumulations from the first day of employment.

Sick leave must be earned before it can be taken. Team members may use accrued sick leave when ill or in need of medical care or to care for an eligible family member.

LEAVE SHARING PROGRAM (NDCC 54-06-14.4)

Team members may be eligible to give or receive donations of annual or sick leave in case of severe illness, injury, impairment, or physical or mental condition, if the team member has exhausted all available accrued leave. Additional information on donating and requesting leave in PeopleSoft, Employee Self-Service.

FUNERAL LEAVE (NDAC 4-07-14)

Funeral leave is an approved leave of absence with pay for up to 24 working hours to attend, or make arrangements for, a funeral as a result of a death in the team member's family or in the family of an employee's spouse.

MILITARY LEAVE (NDCC 37-01-25)

Team members who are members of the National Guard or Armed Forces Reserve subject to call to service by the U.S. president, or are volunteers for service when ordered by proper authority to active non-civilian employment, are entitled to a leave of absence from such civil service for the period of such active service without loss of status or efficiency rating.

FAMILY & MEDICAL LEAVE (NDCC 54-52.4)

Team members that qualify are eligible for family and medical leave under the state and federal Family and Medical Leave Acts (FMLA) if they have been employed with the state of North Dakota for at least 12 months and have worked at least 1,250 hours during the previous 12-months.

HOLIDAY PAY (NDCC 1-03-01, NDAC 4-07-07)

Regular and probationary team members receive 10 paid holidays per year. State offices close at noon on Christmas Eve day when it falls on Monday through Thursday. A holiday occurring on Saturday or Sunday is observed the preceding Friday or succeeding Monday (does not apply to Christmas Eve office closure).

EMPLOYEE ASSISTANCE PROGRAM

Provides short-term counseling services to assist employees and eligible dependents in dealing with alcoholism, drug abuse and personal problems. All information in this program is confidential.

TRAINING (NDAC 4-07-36)

All employees receive training provided by the state for a variety of training types, dependent on the employee's position.

PERFORMANCE BONUSES (NDCC 54-06-24§2)

The 2019 legislature approved an increase in the state employee performance bonus program, raising the maximum amount to \$1,500 per person, per year.

SERVICE AWARDS (NDAC 4-07-18)

Employees are eligible to receive service awards based on years of service, beginning at three years of full-time service.

State Holidays

New Year's Day
Martin Luther King Jr. Day
Presidents' Day
Good Friday
Memorial Day
Independence Day
Labor Day
Veterans' Day
Thanksgiving Day
Christmas Day

Team ND

Many state agencies also offer the following to their team members:

- Employee Recognition
- Career Development Opportunities
- Promotional Opportunities
- Flexible Scheduling
- Telecommuting
- Tuition Reimbursement
- Infant-at-Work
- Employee Wellness

RETIREMENT AWARDS (NDAC 4-07-18)

A retirement award is provided to an employee who has a minimum of 15 years of state service and who has not been previously recognized by the state.

STAFF DEVELOPMENT (NDAC 4-07-36)

All team members have the opportunity to receive state provided staff development, dependent on the employee's position. Leadership Everywhere courses are available to all team members at no cost.

GROUP BENEFIT PROGRAMS

All group benefit programs are administered by the North Dakota Public Employees Retirement System (NDPERS). Additional information about each of the benefit plans can be obtained from the NDPERS website. Benefit enrollments are done through the NDPERS Member Self Service website. Most group benefits are available to team members who are at least 18 years of age and work 20 hours per week for 20 or more weeks per year.

HEALTH INSURANCE

Team members may participate in a group health insurance program at a single or family level of coverage with the full premium paid for by the state if they work in a regularly funded position. Coverage for new team members begins the first of the month following the month employment began.

LIFE INSURANCE

Team members can participate in a group life insurance plan. The state pays for a basic insurance benefit per team member. Team members can buy additional insurance coverage for themselves and dependents through payroll deduction.

RETIREMENT

Team members are eligible to become members of the NDPERS retirement plan. Team members first enrolled on or prior to December 31, 2024, are in the Main Defined Benefit Retirement Plan. A total of 16.26% of salary is contributed towards the employee's retirement. The state contributes 13.26%, and the team member contributes the remaining 3%. Team members are vested after 36 months of employment.

New team members first enrolled after December 31, 2024, are enrolled in Tier 3 of the Defined Contribution Plan. The state contributes 9.26% toward the employee's retirement. A 3% employer match is available to team member contributing an additional 3% of gross salary into their retirement account. When the additional 3% contribution is elected, the total contribution is 15.26%. Team members are fully vested after 48 months of contributing employment.

DEFERRED COMPENSATION

Team members may defer taxes on a portion of their income in a voluntary deferred compensation supplementary retirement plan. The amount of income deferred plus any earnings are subject to income tax only when the team member or beneficiary receive a distribution at the time of death, retirement, disability or termination of employment.

FLEXCOMP

Team members may pay for eligible insurance payments, medical expenses and dependent care expenses with pre-tax dollars through payroll deductions.

Team ND

"Working for the state of North Dakota is a rewarding experience because every employee can and does make a difference."

"After 25 years, I find there to be challenges every day that make it a joy to come to work."

"I like that what I am doing results in saving lives. It's more than just a job. It's a profession, which offers the opportunity for a satisfying life of service."

"I am proud that in a rural state like North Dakota, we can provide a level of service that is as good or better than larger states."

Updated July 2024

DENTAL & VISION INSURANCE

Team members can choose to participate in a group dental and/or group vision insurance plan for themselves and dependents. The coverage is effective the first of the month following the employment date.

POLICIES

POLITICAL ACTIVITY (NDCC 34-11.1)

Team members have the right to vote as they please without any attempt from their employer to influence their political decisions. No public employee can engage in political activities while on duty or in uniform. Some state team members whose principal employment is in an activity financed in whole or in part by federal funds are covered by the federal Hatch Act. State agencies and political subdivisions cannot restrict employees from speaking on their own behalf to any member or committee of the legislative assembly.

CONFLICT OF INTEREST

Team members should not hold a position or serve on a board that would conflict with their employment duties with the state. Any secondary employment should be discussed with their supervisor prior to accepting in order to avoid any possible conflict. State team members may not receive remuneration in any form from an individual, business, or corporation for services rendered while acting as an agent or employee of the state.

TECHNOLOGY & SECURITY

The state of North Dakota provides team members with the technology they need to do their jobs effectively. Team members should regularly review their agency's computer security policies, and note that agencies may monitor team member computer activity.

PERSONNEL RECORDS

North Dakota is an open records state. Most personnel files can be viewed by the public. Some information, such as social security numbers and medical information, is confidential and cannot be released to the public.

PAYROLL

State agencies pay their team members once per month - on the first working day of the month. The amount of payment is subject to various deductions or withholdings including state and federal income tax, FICA, Medicare and other voluntary deductions.

This is intended to provide a general overview of important aspects about employment with the State of North Dakota. Nothing in this represents a firm condition of employment, nor does it imply an employment contract between you and the State of North Dakota. Your employing agency's employee handbook and policies will provide specific information relative to your employment, the benefits you will receive, and their expectations of you as an employee.

ND HUMAN RESOURCE MANAGEMENT SERVICE
701.328.3290 • hrms@nd.gov • nd.gov/omb

ND PUBLIC EMPLOYEES RETIREMENT SYSTEM
701.328.3900 • ndpers-info@nd.gov • ndpers.nd.gov

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2/13/2025

Relating to sick leave for state employees.

3:40 p.m. Chairman Schauer opened the meeting.

Members present: Chairman Schauer, Vice Chairman Satrom, Representatives Brown, Grindberg, Karls, Rohr, Schneider, Steiner, VanWinkle, Vetter, Wolff

Members absent: Representatives Bahl, Christy, McLeod

Discussion Topics:

- Committee work

3:41 p.m. Representative Grindberg moved a Do Not Pass.

3:41 p.m. Representative Wolff seconded the motion.

Representatives	Vote
Representative Austen Schauer	Y
Representative Bernie Satrom	Y
Representative Landon Bahl	AB
Representative Collette Brown	AB
Representative Josh Christy	AB
Representative Karen Grindberg	Y
Representative Karen Karls	Y
Representative Carrie McLeod	AB
Representative Karen Rohr	Y
Representative Mary Schneider	N
Representative Vicky Steiner	Y
Representative Lori VanWinkle	Y
Representative Steve Vetter	Y
Representative Christina Wolff	Y

3:42 p.m. Motion passed 9-1-4.

Representative Vetter will carry the bill.

3:43 p.m. Chairman Schauer closed the meeting.

Jackson Toman, Committee Clerk

REPORT OF STANDING COMMITTEE
HB 1606 ([25.1275.01000](#))

Government and Veterans Affairs Committee (Rep. Schauer, Chairman) recommends **DO NOT PASS** (9 YEAS, 1 NAY, 4 ABSENT AND NOT VOTING). HB 1606 was placed on the Eleventh order on the calendar.