

BILL NO.

Introduced by

Representative Lefor

1 A BILL for an Act to amend and reenact subsection 1 of section 54-52-06 and subsection 2 of
2 section 54-52.6-09 of the North Dakota Century Code, relating to increased employer
3 contributions under the public employees retirement system defined benefit and defined
4 contribution plans; to provide for a transfer; and to provide a statement of legislative intent.

5 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

6 **SECTION 1. AMENDMENT.** Subsection 1 of section 54-52-06 of the North Dakota Century
7 Code is amended and reenacted as follows:

8 1. Each governmental unit shall contribute an amount equal to ~~four~~six and
9 twelve-hundredths percent of the monthly salary or wage of a participating member.
10 Governmental unit contributions increase by one percent of the monthly salary or
11 wage of a participating member beginning with the monthly reporting period of
12 ~~January 2012; with an additional increase of one percent, beginning with the reporting~~
13 ~~period of January 2013; and with an additional increase of one percent, beginning with~~
14 ~~the monthly reporting period of January 2014; and with an additional increase of~~
15 two percent, beginning with the monthly reporting period of January 2022. For a
16 participating member who first enrolls after December 31, 2019, the governmental unit
17 shall contribute an additional amount equal to one and fourteen-hundredths percent of
18 the monthly salary or wage of the participating member.

19 **SECTION 2. AMENDMENT.** Subsection 2 of section 54-52.6-09 of the North Dakota
20 Century Code is amended and reenacted as follows:

21 2. The employer shall contribute an amount equal to ~~four~~six and twelve-hundredths
22 percent of the monthly salary or wage of a participating member. Employer
23 contributions increase by one percent of the monthly salary or wage of a participating
24 member beginning with the monthly reporting period of ~~January 2012; with an~~

1 additional increase of one percent, beginning with the monthly reporting period of
2 January 2013; and with an additional increase of one percent, beginning with the
3 monthly reporting period of January 2014; and with an additional increase of
4 two percent, beginning with the monthly reporting period of January 2022. For
5 members first enrolled after December 31, 2019, the employer contribution includes
6 an additional increase of one and fourteen-hundredths percent. If the employee's
7 contribution is paid by the employer under subsection 3, the employer shall contribute,
8 in addition, an amount equal to the required employee's contribution. Monthly, the
9 employer shall pay such contribution into the participating member's account from the
10 employer's funds appropriated for payroll and salary or any other funds available for
11 such purposes. If the employer fails to pay the contributions monthly, the employer is
12 subject to a civil penalty of fifty dollars and, as interest, one percent of the amount due
13 for each month of delay or fraction of a month after the payment became due. In lieu
14 of assessing a civil penalty or one percent per month, or both, interest at the actuarial
15 rate of return may be assessed for each month the contributions are delinquent. If
16 contributions are paid within ninety days of the date the contributions became due,
17 penalty and interest to be paid on delinquent contributions may be waived.

18 **SECTION 3. TRANSFER TO PUBLIC EMPLOYEES RETIREMENT SYSTEM FUND -**

19 **INTENT.** The office of management and budget shall transfer the sum of \$50,000,000 from the
20 general fund to the public employees retirement system fund on July 1, 2021. It is the intent of
21 the sixty-seventh legislative assembly that the funds transferred be derived from legacy fund
22 earnings transferred to the general fund during the biennium beginning July 1, 2021, and ending
23 June 30, 2023.