

**HOUSE BILL NO. 1071**

Introduced by

Government and Veterans Affairs Committee

(At the request of the Public Employees Retirement System)

1 A BILL for an Act to create and enact a new paragraph to subdivision b of subsection 4 of  
2 section 54-52-17 of the North Dakota Century Code, relating to postretirement adjustments for  
3 supreme and district court judges under the public employees retirement system; and to amend  
4 and reenact subdivision e of subsection 4 of section 54-52-17 and subsection 6 of section  
5 54-52-17 of the North Dakota Century Code, relating to disability retirement and survivor's  
6 benefits for supreme and district court judges under the public employees retirement system.

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

8 **SECTION 1.** A new paragraph to subdivision b of subsection 4 of section 54-52-17 of  
9 the 1997 Supplement to the North Dakota Century Code is created and enacted as follows:

10 A participant who is receiving a monthly retirement benefit on  
11 December thirty-first is entitled to receive a two percent increase in the  
12 participant's present monthly benefit with the increased benefit payable  
13 each month thereafter beginning on January first. After receiving the  
14 annual valuation, the board may suspend the increase, in whole or in  
15 part, for the upcoming year if the board determines that the increase is  
16 not actuarially prudent, but any suspension must be made before  
17 December thirty-first.

18 **SECTION 2. AMENDMENT.** Subdivision e of subsection 4 of section 54-52-17 of the  
19 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

20 e. ~~Disability~~ Except for supreme and district court judges, disability retirement  
21 benefits are twenty-five percent of the member's final average salary.  
22 Disability retirement benefits for supreme and district court judges are seventy  
23 percent of final average salary reduced by the member's primary social  
24 security benefits and by any workers' compensation benefits paid. The

1                   minimum monthly disability retirement benefit under this section is one  
2                   hundred dollars. A participant who, on July 31, 1997, is receiving disability  
3                   retirement benefits that are not based upon the benefit multiplier is entitled to  
4                   receive an increase in benefits equal to five percent of the individual's present  
5                   benefit with the increased benefits payable beginning August 1, 1997.

6                   **SECTION 3. AMENDMENT.** Subsection 6 of section 54-52-17 of the 1997 Supplement  
7 to the North Dakota Century Code is amended and reenacted as follows:

8                   6. If before retiring a member dies after completing five years of eligible employment,  
9                   the board shall pay the member's account balance to the member's surviving  
10                  spouse. However, if there is no surviving spouse or the surviving spouse  
11                  designates an alternate beneficiary in writing, the board shall pay the member's  
12                  account balance to the member's beneficiary or, if there is no named beneficiary,  
13                  to the member's estate. If the member has not designated an alternate  
14                  beneficiary, the surviving spouse of the member may select ~~one of the following~~  
15                  optional forms of payment a form of payment as follows:

16                  a. If the member was a supreme or district court judge, the surviving spouse  
17                  may select one of the following optional forms of payment:

18                          (1) A lump sum payment of the member's retirement account as of the date  
19                          of death.

20                          (2) Payments as calculated for the deceased member as if the member  
21                          was of normal retirement age at the date of death, payable until the  
22                          spouse dies.

23                  b. The surviving spouse of all other members may select one of the following  
24                  options:

25                          a: (1) A lump sum payment of the member's retirement account as of the date  
26                          of death.

27                          b: (2) Payments for sixty months as calculated for the deceased member as if  
28                          the member was of normal retirement age at the date of death.

29                          e: (3) Payment of a monthly retirement benefit equal to fifty percent of the  
30                          deceased member's accrued single life retirement benefits until the  
31                          spouse dies.

