

Fiscal No. 1

April 23, 2021

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1023

That the Senate recede from its amendments as printed on pages 1568-1570 of the House Journal and pages 1294-1296 of the Senate Journal and that Engrossed House Bill No. 1023 be amended as follows:

Page 1, line 2, after "system" insert "; to provide for a report; and to provide for a legislative management study"

Page 1, replace lines 11 through 15 with:

"Salaries and wages	\$6,652,604	\$556,456	\$7,209,060
Operating expenses	2,443,592	57,144	2,500,736
Capital assets	0	257,600	257,600
Contingencies	<u>250,000</u>	<u>0</u>	<u>250,000</u>
Total special funds	\$9,346,196	\$871,200	\$10,217,396
Full-time equivalent positions	34.50	1.00	35.50"

Page 1, line 16, after "FUNDING" insert "- EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY"

Page 1, line 17, after "biennium" insert "and the one-time funding items included in the appropriation in section 1 of this Act"

Page 1, replace lines 19 through 21 with:

"Information technology risk assessment	\$40,000	\$0
Upgrade business system software	190,000	0
Upgrade benefit enrollment system	0	104,500
Upgrade PERSLink business system	<u>0</u>	<u>257,600</u>
Total special funds	\$230,000	\$362,100

The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget for the 2023-25 biennium. The public employees retirement system shall report to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 3. LEGISLATIVE MANAGEMENT STUDY - HEALTH INSURANCE FERTILITY BENEFITS. During the 2021-22 interim, the legislative management shall consider studying the feasibility and desirability of expanding fertility benefits under the public employees retirement system uniform group insurance health benefits as a precursor under section 54-03-28 to mandating the fertility benefits for health insurance in the private market. The study must include a public employees retirement system actuarial study of the cost of expanding the fertility benefits of the state health plan and must include consideration of the positive and negative aspects of mandating fertility benefits for health insurance in the private market. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly."

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1023 - Public Employees Retirement System - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$6,652,604	\$6,927,497	\$281,563	\$7,209,060	\$7,287,864	(\$78,804)
Operating expenses	2,443,592	2,378,216	122,520	2,500,736	2,615,946	(115,210)
Capital assets			257,600	257,600	257,600	
Contingencies	250,000	250,000		250,000	250,000	
Total all funds	\$9,346,196	\$9,555,713	\$661,683	\$10,217,396	\$10,411,410	(\$194,014)
Less estimated income	9,346,196	9,555,713	661,683	10,217,396	10,411,410	(194,014)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	34.50	34.50	1.00	35.50	36.50	(1.00)

Department 192 - Public Employees Retirement System - Detail of Conference Committee Changes

	Adjusts Funding for Salary Increases ¹	Adds Funding for an Internal Auditor Position ²	Adds Funding for a Temporary Receptionist Position ³	Removes Funding for a Marketing Intern Position ⁴	Adds One-Time Funding to Upgrade Benefit Enrollment Software ⁵	Adds One-Time Funding to Upgrade the PERSLink Business System ⁶
Salaries and wages	(\$1,273)	\$180,926	\$139,337	(\$37,427)		
Operating expenses		14,365	15,033	(11,378)	\$104,500	
Capital assets						\$257,600
Contingencies						
Total all funds	(\$1,273)	\$195,291	\$154,370	(\$48,805)	\$104,500	\$257,600
Less estimated income	(1,273)	195,291	154,370	(48,805)	104,500	257,600
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	1.00	0.00	0.00	0.00	0.00

	Total Conference Committee Changes
Salaries and wages	\$281,563
Operating expenses	122,520
Capital assets	257,600
Contingencies	
Total all funds	\$661,683
Less estimated income	661,683
General fund	\$0
FTE	1.00

¹ Funding is adjusted to provide salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100, and 2 percent on July 1, 2022, the same as the Senate. The House provided salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250.

² Funding of \$195,291, including \$180,926 for salaries and wages and \$14,365 for related operating costs, is restored for 1 FTE internal auditor position, the same as the Senate. The House removed 1 FTE internal auditor position and added 1 FTE accountant position. The Conference Committee amendments do not adjust funding for the accountant position, nor did the Senate amendments.

³ Funding of \$154,370 is added for a temporary receptionist position, including \$139,337 for salaries and wages and \$15,033 for related operating expenses. The House did not provide funding for this position. The Senate added \$21,216 for a .20 FTE receptionist position and \$169,913 for a .80 FTE public information specialist position.

⁴ Funding of \$48,805 for a marketing intern, of which \$37,427 is for salaries and wages and \$11,378 is for related operating expenses, is removed. Both the House and the Senate included funding for this position.

⁵ One-time funding of \$104,500 is added to operating expenses to upgrade the benefit enrollment software. The House did not provide funding for this item. The Senate provided \$209,000 to upgrade the software.

⁶ One-time funding of \$257,600 is added to capital assets to upgrade the PERSLink business system, the same as the Senate. The House did not provide funding for this item.

This amendment also:

- Provides for a Legislative Management study of the feasibility and desirability of expanding fertility benefits under the Public Employees Retirement System uniform group insurance health benefit plan. The Senate included this section but the House did not.