

Chairman Schauer and members of the North Dakota House Government and Veterans Affairs Committee, my name is Dana Henry and I am a Compliance Officer with the Office of State Tax Commissioner. The testimony I am providing is in opposition to HB 1040.

I am the daughter of two retired educators who currently draw on Oregon PERS benefits. They have been able to comfortably retire at ages 53 and 55 from their public service careers and have been drawing on these deserved benefits since 2008 and 2010 respectively. Because of their pension and now social security benefits, they have not had to take any distributions from their supplemental retirement savings to maintain the same level of lifestyle as when they were working.

The entirety of my professional career has been in the public sector from working with federally funded grant programs, in K-12 education, two-year and four-year higher education, non-profits, and now state government. I have participated as an employee in PERS plans in three states: Oregon, Montana, and North Dakota.

When my husband moved us to North Dakota, I was looking to continue my employment in the public sector. As I reviewed the various job postings that would fit my skill set and industry of work, the defined benefit plan that the State of North Dakota offered as part of the total compensation package was the main/top determining factor in coming to work for the state.

I believe that anyone who works their entire life in public service has earned their retirement security. I saw and continue to see the benefits of a defined benefit plan and am a firm believer that benefits are a key component to recruiting and retaining talent in our agencies.

Closing the PERS plan will eliminate new dollars investing into the fund increasing the likelihood of the fund becoming insolvent and keeping current and future retirees from receiving their full benefits. In addition, without the plan, you lose a competitive edge/offering to new hires with the private sector because the salary ranges offered by the state cannot compete.

I encourage the committee to oppose HB 1040.