



Great Public Schools

Great Public Service

**Testimony Before the House GVA Committee
HB 1486
Thursday, January 26, 2023**

Good morning, Chairman Schauer and members of the House Government and Veterans Affairs Committee. For the record, my name is Nick Archuleta, and I am the president of North Dakota United. On behalf of our 11,500 dedicated public servants, I rise to respectfully urge a do not pass recommendation on HB 1486.

Mr. Chairman, our reasons for opposing HB 1486 are the same as those opposing HB 1040. In fact, the only difference between the two bills is that HB 1486 requires political subdivisions to pay their share of the fund's liability. The core reason for our opposition remains the same: this bill, in our view, unnecessarily closes the PERS Defined Benefit Plan rather than simply setting it on a trajectory to fully funded status.

Furthermore, Mr. Chairman and members of the Committee: at \$5.5B over the next 20 years, the cost to close the plan is just too great. Additionally, we worry that future legislatures will not be able, or will not choose, to allocate the necessary level of funding over the course of the next two decades. If that concern is realized, current members of the plan may be negatively impacted despite the promise that closing the plan would only affect future state employees.

For those reasons and the reality that the DB plan is preferred by public employees regardless of age and experience, and that the DB plan is an excellent tool to attract and retain skilled public employees are the main reasons we stand in opposition to HB 1486 and respectfully urge a do not pass recommendation.