

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER
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DESCRIPTION

2082

2001 SENATE GOVERNMENT AND VETERANS AFFAIRS

SB 2082


2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2082

Senate Government and Veterans Affairs Committee

Conference Committee

Hearing Date January 19, 2001

Tape Number	Side A	Side B	Meter #
1	X		0.0-18.5
1		X	14.4-16.0
Committee Clerk Signature 			

Minutes: Chairman Krebsbach called the committee to order, The clerk called the roll. All members were present. At this time Chairman Krebsbach opened the hearing on SB 2082 which relates to the public employees retirement system. Sparb Collins, Executive Director of the North Dakota Public Employees Retirement System appeared before the committee to explain the proposed legislation. A copy of his written testimony is attached. The testimony provides a section by section explanation of what this will do. Senator T. Mathern Mr. Collins, under section 1, if you could give me an example of what a fine might be that you refer to. Mr. Collins An example would be that we have a requirement that, well for example, if I am participating in the deferred comp program, I get between like one of 10 different providers that are in the program. Let's say that I would decide to make a change from one provider to another provider. We say that that change needs to be done in a certain period of time, in 30 days. When I file my change notice, we say that it has to be executed in 30 days. If a provider doesn't execute it in the time frame, under the agreement they sign with us, we can put an administrative penalty into

place. Senator Kilzer At the end of your testimony you said that the PERS actuary had reviewed the proposed bill. Could you tell me how long ago that was? Sparb Collins indicated that the actuary review was done in Sept.-Oct. of this past year. The final actuarial report on this bill is dated Sept.-Oct. 2000. Mr. Collins briefly explained the actuarial margin of this bill. Senator Wardner The portability enhancement program, how is that going? Mr. Collins indicated that they have been real pleased with it. We have increased participation in the program. In the deferred comp program we have probably doubled it. The big challenge we face now is getting the information out to all the new employees. It's gone well. Chairman Krebsbach where did fees and penalties go in the past? Mr. Collins indicated that right now they are going to the general fund. Senator Kilzer wondered that if this were to become law, is this the first group that would reach the two point goal. Mr. Collins indicated that this would be in our system. There were no other questions at this time. Appearing before the committee was Chris Runge, Executive Director representing the North Dakota Public Employees Association. She indicated that she and those she represents support SB 2082. There were no questions for Ms. Runge. Tom Toupa representing the Association of Former Public Employees and the Independent North Dakota State Employees Association. Combined there are approximately 1500 in the two groups. He indicated that he and his organizations encourage support of the committee for SB 2082. There were no questions for Mr. Toupa. He did however comment that he would like to commend Mr. Collins and PERS for the fine work they have done concerning the public employees retirement program. There was nothing further on SB 2082. At this time Chairman Krebsbach closed the hearing on SB 2082. Committee Action (Tape 1, Side B, Meter #'s 14.4-16.0). Senator Wardner made a motion for a Do Pass on SB 2082, seconded by Senator

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Senate Government and Veterans Affairs Committee

Bill/Resolution Number SB 2082

Hearing Date January 19, 2001

Kilzer. Roll Call vote indicated 6 Yeas, 0 Nays, and 0 Absent or Not Voting. Senator Kilzer

will carry the bill.

## FISCAL NOTE

Requested by Legislative Council

12/14/2000

Bill/Resolution No.: SB 2082

Amendment to:

**1A. State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
<b>Revenues</b>			\$136,000		\$136,000	
<b>Expenditures</b>						
<b>Appropriations</b>						

**1B. County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

**2. Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant your analysis.*

**3. State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

**A. Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

Revenues are the result of income and sales taxes paid by the retiree's on the additional benefit payment.

**B. Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

This bill will have no effect on state expenditures since no additional employee or employer contribution is required. The proposed benefit enhancement will be paid for with existing funds in the retirement system.

**C. Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

**Name:** Sparb Collins

**Agency:** Public Employees Retirement System

**Phone Number:** 328-3901

**Date Prepared:** 12/20/2000

Date: 1/19/01  
 Roll Call Vote #: )

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES  
 BILL/RESOLUTION NO. SB 2082

Senate GOVERNMENT AND VETERAN'S AFFAIRS Committee

Subcommittee on \_\_\_\_\_  
 or  
 Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Do Pass

Motion Made By Sen. Wardner Seconded By Sen. Kilzer

Senators	Yes	No	Senators	Yes	No
Senator Karen Krebsbach, Chr.	✓		Senator Carolyn Nelson	✓	
Senator Dick Dever, Vice-Chr.	✓		Senator Tim Mathern	✓	
Senator Ralph Kilzer	✓				
Senator Rich Wardner	✓				

Total (Yes) 6 No 0

Absent 0

Floor Assignment Sen. Kilzer

If the vote is on an amendment, briefly indicate intent:



**REPORT OF STANDING COMMITTEE (410)**  
January 19, 2001 12:29 p.m.

**Module No: SR-09-1289**  
**Carrier: Kilzer**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**SB 2082: Government and Veterans Affairs Committee (Sen. Krebsbach, Chairman)**  
recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2082  
was placed on the Eleventh order on the calendar.

2001 HOUSE GOVERNMENT AND VETERANS AFFAIRS

SB 2082

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2082

House Government and Veterans Affairs Committee

Conference Committee

Hearing Date 3/08/01

Tape Number	Side A	Side B	Meter #
2	X		1359-2843
3/9/01 (1)		X	0-2000
Committee Clerk Signature <i>Robin L. Small</i>			

Minutes:

REP. M. KLEIN called the hearing to order, all members were present.

In favor:

SPARB COLLINS, EXECUTIVE DIRECTOR OF THE NORTH DAKOTA PERS

Please see attached testimony.

REP. GRANDE asks if section three has to do with the PEP portion. COLLINS states that is the buy back.

REP. KLEMIN talks about the confidentiality part of the bill.

REP. M. KLEIN asks about section one of the bill, what are those expenses? COLLINS states that they are different chapters, main retirement statute. REP. M. KLEIN asks about the fines collected from defined contribution groups. COLLINS replies that they are from AETNA, Seiko, thirty days to pay it back.

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House Government and Veterans Affairs Committee

Bill/Resolution Number SB 2082

Hearing Date 3/08/01

REP. M. KLEIN asks what is the adjustment on page 6? COLLINS replies that it is the prior service retirees.

Being there was no further testimony in favor or in opposition the hearing was then closed.

Action was taken on March 9th, 2001. SPARB COLLINS addresses the committee if questions are needed to be answered.

General discussion:

REP. BRUSEGAARD asks if the deferred compensation plans are available to the legislatures.

COLLINS replies that yes they are. REP. GRANDE asks if she put \$8,000.00 into the plan would the state match it? COLLINS replies no they would not. REP. M. KLEIN asks if this is paid before taxes? COLLINS replies that yes it is. REP. M. KLEIN points to the committee that he does not like how temporary employees are kept on for such a long period of time and never are able to take part in the benefit programs and never are permanent employees. COLLINS is thanked for coming back to committee and answering questions.

Action:

REP. DEVLIN motions to accept the first amendment, seconded by REP. KLEMIN. A voice vote is taken and passes by majority. REP. KLEMIN motions to accept the second amendment, seconded by REP. DEVLIN. A voice vote is taken and passes by majority. REP. HAAS motions for a DO PASS AS AMENDED, with both amendments, seconded by REP. KROEBER. The roll call is taken with 15 YES, 0 NO and 0 ABSENT AND NOT VOTING. The motion carries. The CARRIER of the bill is REP. GRANDE.

SB 2082: DO PASS AS AMENDED 15-0

CARRIER: REP. GRANDE

10071.0201  
Title.0300

Adopted by the Government and Veterans  
Affairs Committee  
March 9, 2001

VK  
3/9/01

**HOUSE AMENDMENTS TO SB 2082 HOUSE GVA 3/9/01**

Page 7, line 17, replace "Member interest groups approved by the board, limited to information concerning" with "The member's spouse or former spouse, that person's legal representative, and the judge presiding over the member's dissolution proceeding for purposes of aiding the parties in drafting a qualified domestic relations order under section 54-54-17.6. The information disclosed is limited to information necessary for drafting the order."

Page 7, remove line 18

Renumber accordingly

Date: 3/9/01

Roll Call Vote #: 1

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. SB 2082

House GOVERNMENT AND VETERANS AFFAIRS Committee

Subcommittee on \_\_\_\_\_

or

Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken Accept the Amendment #1

Motion Made By Devlin Seconded By Klein

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN KLEIN			REP KROEBER		
VICE CHAIR GRANDE					
REP BELLEW					
REP BRUSEGAARD					
REP CLARK					
REP DEVLIN					
REP HAAS					
REP KASPER					
REP KLEMIN					
REP MEIER					
REP WIKENHEISER					
REP CLEARY					
REP HUNSKOR					
REP METCALF					

*VOLED VOTE  
PASSES*

Total (Yes) \_\_\_\_\_ No \_\_\_\_\_

Absent \_\_\_\_\_

Floor Assignment \_\_\_\_\_

If the vote is on an amendment, briefly indicate intent:

