

2021 HOUSE POLITICAL SUBDIVISIONS

HB 1435

2021 HOUSE STANDING COMMITTEE MINUTES

Political Subdivisions Committee Room JW327B, State Capitol

HB1435
1/28/2021
House Political Subdivisions

Relating to peace officers, patrolmen, correctional officers, and firefighters who die in the line of duty; and to provide for retroactive application

Chairman Dockter: (3:38). Opened the hearing.

Representatives	
Representative Jason Dockter	P
Representative Brandy Pyle	P
Representative Mary Adams	P
Representative Claire Cory	P
Representative Sebastian Ertelt	P
Representative Clayton Fegley	P
Representative Patrick Hatlestad	P
Representative Mary Johnson	P
Representative Lawrence R. Klemin	P
Representative Donald Longmuir	P
Representative Dave Nehring	P
Representative Marvin E. Nelson	P
Representative Luke Simons	A
Representative Nathan Toman	P

Discussion Topics:

- Contingencies

Rep. Ista: Introduced the bill. (testimony #3879).

Stephanie Dassinger, no written testimony.

Scott Miller, Director NDPERS: Neutral, (testimony #3118).

Additional written testimony:

Rebecca Fricke, testimony #3162. **Derrick Hohbein,** testimony #3395. **Allyn Sveen,** testimony #3894. **Megan Houn,** testimony #3943. **Brandy Pyle,** testimony #5530.

Chairman Dockter: (4:24) Closed the hearing.

Carmen Hickle, Committee Clerk by Anna Fiest



NORTH DAKOTA HOUSE OF REPRESENTATIVES

STATE CAPITOL
600 EAST BOULEVARD
BISMARCK, ND 58505-0360



Representative Zachary Ista

District 43
3850 15th Avenue South
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COMMITTEES:

Finance and Taxation
Energy and Natural Resources

July 28, 2021

Chairman Dockter and Members of the House Committee on Political Subdivisions:

I write in **support** of HB 1435, which allows continuing health insurance coverage for the surviving spouse and dependent children of any police officer, firefighter, or corrections officer killed in the line of duty. I urge the Committee to recommend a **DO PASS**, but I pray the bill will *never* be needed again in North Dakota.

On May 27, 2020, our state—and my Grand Forks community specifically—suffered an immense loss when Officer Cody Holte was killed in the line of duty. As the members of the Legislative Assembly know well, Officer Holte represents the best our state has to offer, a true hero. Not only did he serve with distinction as an officer in the Grand Forks Police Department, but he was also a First Lieutenant in the North Dakota National Guard. Governor Burgum beautifully captured Officer Holte's bravery and courage in his heartfelt tribute to him during the State of the State Address.

Officer Holte, though, is not unique among the brave men and women who volunteer for careers that require them to run towards danger for our safety and protection. We remember also Officer Jason Moszer of Fargo, whose end of watch was February 11, 2016. Indeed North Dakota is blessed with countless police officers, firefighters, and corrections officers who know the duties of their job require, when necessary, that they place themselves in harm's way. And try as we might, there are no laws we can pass to eliminate entirely the risk these heroes face on the job.

But what we can do is to make sure we take care of surviving spouses and children of our fallen heroes when tragedy does strike. That's the intention of HB 1435, which provides an additional layer of protection to the families of fallen police officers, firefighters, and corrections officers killed in the line of duty. In that tragic event, HB 1435 would allow the surviving spouse and dependent children to remain on the deceased's health insurance going forward. It likewise extends retroactively to cover any families who lost loved ones in the line of duty since the start of 2010. If the bill were passed, North Dakota would join 17 other states who currently offer similar protection, including Alabama, Arizona, Minnesota, Utah, and Texas.

I believe it is time for North Dakota to join this list of states, recognizing that we owe the families of fallen heroes both a debt of gratitude and actual, tangible protections that help them through what surely would be the darkest times imaginable for any family. Amidst such darkness, one can hardly fathom how difficult it would be to concentrate on the tedious task of acquiring replacement health insurance coverage while still overcome with grief. This bill would take one small burden off a family's plate in its hour of need.

Let me briefly discuss the details of the bill.

First, it extends the protections I've discussed to all law enforcement officers, corrections officers, and firefighters who already receive employer-provided benefits regardless of which governmental entity is acting as

employer. That's why the bill includes separate sections for Titles 11-10 (county employees, like sheriff's deputies), 15-10 (campus police), 39-03.1 (Highway Patrol), 40-20 (municipal police and fire), and 54-23.3 (DOCR corrections officers). If the Committee is aware of any potential gaps in these enumerated sections, I would welcome an amendment to address that issue.

Second, the bill attempts to define "line of duty death" (*see, e.g.*, page 1, line 13) to include such deaths that are direct and proximate results of a line of duty activity. My intent is for the definition to apply to discrete, tragic occurrences. Again, I welcome any amendments to better clarify that intent in the definition, if necessary.

Third, the bill defines "health benefits" broadly to include any applicable health, prescription drug, medical service, dental, or vision benefit which the deceased had in place at the time of his or her death. The bill does not contemplate extending any new coverage in that regard, nor does it apply if the deceased did not have (or was not eligible for) health benefits through his or her employer. In other words, this bill does not invite qualifying beneficiaries to increase their coverage just on account of this proposal.

Fourth, my intention is that the surviving beneficiaries would not have to pay any out-of-pocket premiums for continuing coverage. For some recipients, this may be a more generous benefit than the employee received, and I invite the Committee to debate whether that is the appropriate policy (indeed other states that have enacted bills like this vary in whether they cover premiums or not). Regardless of resolution of that detail, the bill contemplates that the surviving beneficiaries would still be responsible for any deductibles, co-pays, and the like.

Fifth, the bill provides for ongoing coverage until one of three contingencies occurs: 1) a surviving spouse reaches age 65 (thus becoming eligible for Medicare), 2) a dependent child reaches age 26 (thus aging out of dependent coverage), or 3) either type of beneficiary receives coverage from an alternate source (other employer-based coverage, government-provided coverage, marriage-based coverage, etc.). The bill originally included cessation of coverage upon a spouse's remarriage, but members of the Employee Benefits Program Committee viewed this as potentially disincentivizing marriage (I will note, though, that most other states with similar laws include the remarriage provision). Likewise, that Committee encouraged the bill to provide retroactive application to at least those families impacted in the recent past, and the draft before you reflects that.

Sixth and finally, the bill contemplates that the original employing entity would bear the cost of any ongoing coverage under this proposal. My goal is to maintain the status quo in terms of insurance coverage for surviving spouses and dependents rather than transitioning the family to some alternative insurance policy. Thus, under that view, a county, city, university, or the state would be required to keep the beneficiaries under the same insurance policy as before the qualifying event and would be responsible for any costs to do so. This, again, is another detail in the bill worthy of close deliberation to determine how best to finance this plan. While the costs are likely to be small, I am sure our political subdivisions would welcome certainty as to this important point, just as I welcome their input to ensure they are not faced with an unsustainable cost burden. I am confident that we can reach a solution that works for all stakeholders.

That confidence is based, in part, on my strong hope that the need to provide ongoing insurance coverage for fallen heroes will arise only with exceeding infrequency. According to the Officer Down Memorial Page, North Dakota has experienced 58 line of duty police and corrections officer deaths dating back nearly 140 years to 1882. By my count, half of these deaths occurred before 1950, with 10 occurring in my lifetime (*i.e.*, since 1985). Likewise, the North Dakota Fire Memorial honors 20 line of duty deaths among firefighters since 1907, with 6 such deaths occurring in my lifetime. While each of these statistics represents a unique tragedy, we can take some solace in the fact that line of duty deaths happen only rarely in North Dakota. Thus, my expectation is that HB 1435 would not impose a substantial financial burden on the State or any political subdivision.

That was also the conclusion of the actuarial review of my bill when it came before the Employee Benefits Programs Committee to consider any impact on NDPERS. That review found that “the additional cost for survivor coverage will most likely be minimal.” I am grateful that, based on this review, the Employee Benefits Programs Committee unanimously supported the bill with a favorable recommendation, just as I am grateful to be joined on this bill by a bipartisan group of lawmakers from both chambers. I especially thank my fellow Grand Forks lawmakers, including Senator Meyer and Representative O’Brien, for the work they have done to help bring this proposal forward this session.

In sum, Mr. Chairman and members of the Committee, HB 1435 represents a statement of North Dakota values: that those who pursue careers in law enforcement and public safety should be honored as the heroes they are; that those who willingly put themselves in harm’s way to keep us safe deserve our gratitude and our support; and that when someone pays the ultimate price in service to our state, we should make sure we support the family they leave behind. For these reasons, I urge the Committee to recommend **DO PASS** on HB 1435, and I stand ready for your questions.

TESTIMONY OF SCOTT MILLER

House Bill 1435 – Line of Duty Death Health Insurance Coverage

Good Morning, my name is Scott Miller. I am the Executive Director of the North Dakota Public Employees Retirement System, or NDPERS. I am here to testify in a neutral position regarding House Bill 1435.

This bill requires an employer to pay for the insurance coverage for a surviving spouse and dependents in the event their public safety employee dies in the line of duty. That coverage includes Medical, Dental, and Vision insurance. The surviving spouse remains covered until they are covered by other insurance or reach age 65. Dependents, including unborn children, remain covered until age 26 or they obtain other coverage.

The bill is unclear regarding whether the coverage would be by the employer's regular insurance, or something obtained in the marketplace. Further, if the coverage is to be by the employer's regular insurance, we are unclear regarding the premium to be charged. As required by federal continuation of coverage regulations, referred to as COBRA, upon the death of an employee, coverage must be offered to any covered dependents for up to 36 months. The federal regulations provide direction that the most an eligible dependent can be charged is 102% of the active employee premium, which is what NDPERS charges in these cases. However, there is not direction in this bill regarding what premium the employer should be charged, whether NDPERS can continue to charge the applicable COBRA rate during the first 36 months, and what the premium for coverage upon the exhaustion of the COBRA continuation period should be. It would be helpful to NDPERS if this type of direction were provided, especially given dependents could be covered for many years following the 36 months of COBRA coverage.

We anticipate that the financial impact to NDPERS would be minimal because of the thankfully few line-of-duty deaths in North Dakota. But note that not all political subdivisions participate in the NDPERS Health Plan, and none are eligible for the NDPERS Dental and Vision plans. Further, any additional cost for this coverage will be paid by the governmental unit employer.

TESTIMONY OF REBECCA FRICKE

House Bill 1435 – Line of Duty Death Health Insurance Coverage

Good afternoon, my name is Rebecca Fricke. I am the Chief Benefits Officer of the North Dakota Public Employees Retirement System, or NDPERS. I appear before you today in a neutral position on House Bill 1435. I am available should there be any questions related to the impact of the bill on any of the NDPERS benefits.

TESTIMONY OF DERRICK HOHBEIN

House Bill 1435 – Line of Duty Death Health Insurance Coverage

Good afternoon, my name is Derrick Hohbein. I am the Chief Operating and Financial Officer of the North Dakota Public Employees Retirement System, or NDPERS. I appear before you today in a neutral position on House Bill 1435. I am available should there be any questions related to the impact of the bill on any of the NDPERS benefits.

**Allyn Sveen – Stanley City Auditor**

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January 27, 2021

House Political Subdivisions

HB #1435 - (1/28/2021 Hearing – 3:00 P.M.)

Dear Chair Dockter and Honorable Members of the House Political Subdivisions Committee:

I have concerns with House Bill #1435 relating to peace officers, patrolmen, correctional officers, and firefighters who die in the line of duty; and to provide for retroactive application.

The bill is unclear as to whether the governing body is responsible to provide 100% of the health benefits for the surviving spouse until the surviving spouse receives health benefits from another source or reaches age 65 and the dependent child until the dependent child reaches age 26 or receives health benefits from another source. Depending on the intent of the bill, this obligation could have a serious financial impact for many years to local political subdivisions (taxpayers).

The idea to support the surviving spouse and dependent child as a result of a line-of-duty death is honorable, but placing this obligation on a political subdivision will have a huge impact on its budget for an indefinite amount of years. Further, the political subdivision could potentially be paying for more than one policy, depending on how many dependents that are required to be covered after the age of 26 or if more than one officer or firefighter lost their life in the line of duty.

There are so many uncertainties in HB #1435. I would like to offer a suggestion to create a fund at the State level to provide health coverage for line-of-duty deaths in North Dakota. Catastrophic incidents such as losing an officer or firefighter in the line of duty impacts our entire State, and spreading the costs over the entire State would have less of an impact to local entities, some of which may have limited funding if such an incident would occur.

Due to the sensitivity of the issue being addressed in HB #1435, I am not taking a stand, I am simply expressing that if such an incident were to occur, the financial impact to local political subdivisions could be devastating.

Sincerely,
Allyn Sveen
Stanley City Auditor

E-mail: District #2 & #4 House Representatives

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House Political Science Committee
HB 1435
Megan Houn, BCBSND
January 28, 2021

Good afternoon Chairman Dockter and members of the Political Subdivisions Committee, I am Megan Houn, Director of Government Relations at BCBSND. On behalf of BCBSND, I want to extend our gratitude for all who serve so honorably and extend our deepest sympathies to the families who have tragically lost a loved one in the line of duty.

We commend the sponsors for supporting continuation of health insurance coverage for the spouse and dependents of an employee who dies in the line of duty, however, this bill raises concerns among a number of employer groups that BCBSND represents as a third party administrator:

- It's uncertain if NDPER's is included, raising concerns about the inconsistent application across governmental entities.
- Financial impacts on the budgets of political subdivisions.
- Retroactive provision included in Section 6.

As an alternative approach, we support the creation of a fund at the State level which will provide health coverage for families impacted by the tragedy of line-of-duty deaths. This approach would provide critical support for these families, reduce the impact on political subdivisions who could be challenged by the added costs, and establish a consistent and reliable fund to support the loved ones of those who have served so honorably. Thank you for your time and consideration of these comments.

Regards, Megan Houn

Sixty-seventh
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1435

Introduced by

Representatives Ista, Adams, Guggisberg, Heinert, Lefor, Mock, O'Brien, M. Ruby, Vetter
Senators Bakke, Kreun, Meyer

1 A BILL for an Act to ~~create and enact a new section to chapter 11-10, a new section to chapter~~
2 ~~15-10, a new section to chapter 39-03.1, a new section to chapter 40-20, and a new section to~~
3 ~~chapter 54-23.3 of the North Dakota Century Code, relating to peace officers, patrolmen,~~
4 ~~correctional officers, and firefighters who die in the line of duty; and to provide for retroactive~~
5 ~~application for an Act to create and enact a new section to chapter 54-52.1 of the North Dakota~~
6 ~~Century Code, relating to public employees retirement system health insurance benefits~~
7 ~~coverage for emergency responders who die in the line of duty; and to provide for retroactive~~
8 ~~application.~~

9 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

10 ~~SECTION 1. A new section to chapter 11-10 of the North Dakota Century Code is created~~
11 ~~and enacted as follows:~~

12 ~~Dying in the line of duty - Health benefits.~~

13 ~~1. As used in this section:~~

14 ~~a. "Correctional facility staff" has the same meaning as provided under section~~
15 ~~12-44.1-01.~~

16 ~~b. "Dies in the line of duty" means a death occurring as a direct and proximate~~
17 ~~result of a personal injury sustained by an employee engaged in a line of duty~~
18 ~~activity or which arose out of and as a result of the individual's performance of a~~
19 ~~line of duty activity.~~

20 ~~c. "Employee" means correctional facility staff, a firefighter, or a peace officer~~
21 ~~employed by the county.~~

22 ~~d. "Health benefits" means hospital, prescription drug, and medical service benefits.~~
23 ~~The term may include dental and vision services benefits. The term does not~~

- 1 ~~include a policy of workforce safety and insurance, a long-term care insurance~~
2 ~~policy, a life insurance policy, or an annuity.~~
- 3 ~~e. "Line of duty activity" means an employment-related action taken by an employee~~
4 ~~which is required or authorized by law, rule, regulation, or condition of~~
5 ~~employment and for which compensation is provided by the employing agency or~~
6 ~~would have been eligible to have been provided by the employing agency if the~~
7 ~~employee had been on duty at the time the action in question was taken.~~
- 8 ~~f. "Peace officer" has the same meaning as provided under section 12-63-01.~~
- 9 ~~2. If a county provides health benefits for an employee at the time the employee dies in~~
10 ~~the line of duty, the county shall continue to provide the health benefits for the~~
11 ~~employee's surviving spouse and dependent child who were covered under the health~~
12 ~~benefits at the time of the death. The provision of health benefits under this section~~
13 ~~includes coverage of a child of the employee who was unborn at the time of the death.~~
- 14 ~~3. The provision of health benefits under this section must continue for a:~~
- 15 ~~a. Surviving spouse until the surviving spouse receives health benefits from another~~
16 ~~source or reaches age sixty five; and~~
- 17 ~~b. Dependent child until the dependent child reaches age twenty-six or receives~~
18 ~~health benefits from another source.~~
- 19 ~~**SECTION 2.** A new section to chapter 15-10 of the North Dakota Century Code is created~~
20 ~~and enacted as follows:~~
- 21 ~~**Peace officers who die in the line of duty - Health benefits.**~~
- 22 ~~1. As used in this section:~~
- 23 ~~a. "Dies in the line of duty" means a death occurring as a direct and proximate~~
24 ~~result of a personal injury sustained by a peace officer while engaged in a line of~~
25 ~~duty activity or which arose out of and as a result of the individual's performance~~
26 ~~of a line of duty activity.~~
- 27 ~~b. "Health benefits" means hospital, prescription drug, and medical service benefits.~~
28 ~~The term may include dental and vision services benefits. The term does not~~
29 ~~include a policy of workforce safety and insurance, a long-term care insurance~~
30 ~~policy, a life insurance policy, or an annuity.~~

1 ~~c. "Line of duty activity" means an employment-related action taken by a peace~~
2 ~~officer which is required or authorized by law, rule, regulation, or condition of~~
3 ~~employment and for which compensation is provided by the employing agency or~~
4 ~~would have been eligible to have been provided by the employing agency if the~~
5 ~~peace officer had been on duty at the time the action in question was taken.~~

6 ~~d. "Peace officer" has the same meaning as provided under section 12-63-01.~~

7 ~~2. If an institution of higher education under the control of the state board of higher~~
8 ~~education provides health benefits for an employee employed as a peace officer at the~~
9 ~~time the employee dies in the line of duty, the institution of higher education shall~~
10 ~~continue to provide the health benefits for the employee's surviving spouse and~~
11 ~~dependent child who were covered under the health benefits at the time of death. The~~
12 ~~provision of health benefits under this section includes coverage of a child of the~~
13 ~~employee who was unborn at the time of the death.~~

14 ~~3. The provision of health benefits under this section must continue for a:~~

15 ~~a. Surviving spouse until the surviving spouse receives health benefits from another~~
16 ~~source or reaches age sixty-five; and~~

17 ~~b. Dependent child until the dependent child reaches age twenty-six or receives~~
18 ~~health benefits from another source.~~

19 ~~**SECTION 3.** A new section to chapter 39-03.1 of the North Dakota Century Code is created~~
20 ~~and enacted as follows:~~

21 ~~**Patrolmen who die in the line of duty - Health benefits.**~~

22 ~~1. As used in this section:~~

23 ~~a. "Dies in the line of duty" means a death occurring as a direct and proximate~~
24 ~~result of a personal injury sustained by a patrolman while engaged in a line of~~
25 ~~duty activity or which arose out of and as a result of the individual's performance~~
26 ~~of a line of duty activity.~~

27 ~~b. "Health benefits" means hospital, prescription drug, and medical service benefits.~~
28 ~~The term may include dental and vision services benefits. The term does not~~
29 ~~include a policy of workforce safety and insurance, a long-term care insurance~~
30 ~~policy, a life insurance policy, or an annuity.~~

- 1 ~~c. "Line of duty activity" means an employment-related action taken by a patrolman~~
2 ~~which is required or authorized by law, rule, regulation, or condition of~~
3 ~~employment and for which compensation is provided by the employing agency or~~
4 ~~would have been eligible to have been provided by the employing agency if the~~
5 ~~patrolman had been on duty at the time the action in question was taken.~~
- 6 ~~d. "Patrolman" has the same meaning as "patrolmen" under section 39-03-01.~~
- 7 ~~2. If the state provides health benefits for a patrolman at the time the patrolman dies in~~
8 ~~the line of duty, the state shall continue to provide the health benefits for the surviving~~
9 ~~spouse and dependent child who were covered under the benefits at the time of the~~
10 ~~death. The provision of health benefits under this section includes coverage of a child~~
11 ~~of the patrolman who was unborn at the time of the death.~~
- 12 ~~3. The provision of health benefits under this section must continue for the:~~
- 13 ~~a. Surviving spouse until the surviving spouse receives health benefits from another~~
14 ~~source or reaches age sixty-five; and~~
- 15 ~~b. Dependent child until the dependent child reaches age twenty-six or receives~~
16 ~~health benefits from another source.~~
- 17 ~~SECTION 4. A new section to chapter 40-20 of the North Dakota Century Code is created~~
18 ~~and enacted as follows:~~
- 19 ~~**Dying in the line of duty - Health benefits.**~~
- 20 ~~1. As used in this section:~~
- 21 ~~a. "Correctional facility staff" has the same meaning as provided under section~~
22 ~~12-44.1-01.~~
- 23 ~~b. "Dies in the line of duty" means a death occurring as a direct and proximate~~
24 ~~result of a personal injury sustained by an employee while engaged in a line of~~
25 ~~duty activity or which arose out of and as a result of the individual's performance~~
26 ~~of a line of duty activity.~~
- 27 ~~c. "Employee" means correctional facility staff, a firefighter, or a peace officer~~
28 ~~employed by the governing body.~~
- 29 ~~d. "Health benefits" means hospital, prescription drug, and medical service benefits.~~
30 ~~The term may include dental and vision services benefits. The term does not~~

~~include a policy of workforce safety and insurance, a long-term care insurance policy, a life insurance policy, or an annuity.~~

~~e. "Line of duty activity" means an employment-related action taken by an employee which is required or authorized by law, rule, regulation, or condition of employment and for which compensation is provided by the employing agency or would have been eligible to have been provided by the employing agency if the employee had been on duty at the time the action in question was taken.~~

~~f. "Peace officer" has the same meaning as provided under section 12-63-01.~~

~~2. If a governing body provides health benefits for an employee at the time the employee dies in the line of duty, the governing body shall continue to provide the health benefits for the employee's surviving spouse and dependent child who were covered under the health benefits at the time of the death. The provision of health benefits under this section includes coverage of a child of the employee who was unborn at the time of the death.~~

~~3. The provision of health benefits under this section must continue for the:~~

~~a. Surviving spouse until the surviving spouse receives health benefits from another source or reaches age sixty-five; and~~

~~b. Dependent child until the dependent child reaches age twenty-six or receives health benefits from another source.~~

~~SECTION 5. A new section to chapter 54-23.3 of the North Dakota Century Code is created and enacted as follows:~~

~~**Correctional officers who die in the line of duty - Health benefits.**~~

~~1. As used in this section:~~

~~a. "Dies in the line of duty" means a death occurring as a direct and proximate result of a personal injury sustained by a correctional officer while engaged in a line of duty activity or which arose out of and as a result of the individual's performance of a line of duty activity.~~

~~b. "Health benefits" means hospital, prescription drug, and medical service benefits. The term may include dental and vision services benefits. The term does not include a policy of workforce safety and insurance, a long-term care insurance policy, a life insurance policy, or an annuity.~~

1 ~~c. "Line of duty activity" means an employment-related action taken by a~~
2 ~~correctional officer which is required or authorized by law, rule, regulation, or~~
3 ~~condition of employment and for which compensation is provided by the~~
4 ~~employing agency or would have been eligible to have been provided by the~~
5 ~~employing agency if the correctional officer had been on duty at the time the~~
6 ~~action in question was taken.~~

7 ~~2. If the state provides health benefits for a correctional officer at the time the correctional~~
8 ~~officer dies in the line of duty, the state shall continue to provide the health benefits for~~
9 ~~the correctional officer's surviving spouse and dependent child who were covered~~
10 ~~under the health benefits at the time of the death. The provision of health benefits~~
11 ~~under this section includes coverage of a child of the correctional officer who was~~
12 ~~unborn at the time of the death.~~

13 ~~3. The provision of health benefits under this section must continue for the:~~

14 ~~a. Surviving spouse until the surviving spouse receives health benefits from another~~
15 ~~source or reaches age sixty-five; and~~

16 ~~b. Dependent child until the dependent child reaches age twenty-six or receives~~
17 ~~health benefits from another source.~~

18 ~~SECTION 6. RETROACTIVE APPLICATION.~~ This Act applies retroactively to an employee
19 who died in the line of duty on or after January 1, 2010.

20 **SECTION 1.** A new section to chapter 54-52.1 of the North Dakota Century Code is created
21 and enacted as follows:

22 **Emergency responders who die in the line of duty - Health benefits.**

23 1. As used in this section:

24 a. "Correctional facility staff" has the same meaning as provided under section
25 12-44.1-01.

26 b. "Dies in the line of duty" means a death occurring as a direct and proximate
27 result of a personal injury sustained by an emergency responder while engaged
28 in a line of duty activity or which arose out of and as a result of the individual's
29 performance of a line of duty activity.

30 c. "Emergency responder" means a peace officer, member of a correctional facility
31 staff, or firefighter, who is employed by the state, a political subdivision of the

1 state, or an institution under the control of the state board of higher education.

2 The term does not include a national guard security officer or national guard
3 firefighter.

4 d. "Line of duty activity" means an employment-related action taken by an
5 emergency responder which is required or authorized by law, rule, regulation, or
6 condition of employment and for which compensation is provided by the
7 employing entity or would have been eligible to have been provided by the
8 employing entity if the emergency responder had been on duty at the time the
9 action in question was taken.

10 e. "Peace officer" has the same meaning as provided under section 12-63-01. The
11 term includes a game warden.

12 2. At no charge, the board shall offer health insurance benefits coverage, including drug
13 benefits coverage, to the surviving spouse and dependent child of an emergency
14 responder who dies in the line of duty. The provision of health insurance benefits
15 coverage under this section includes coverage of a child of the emergency responder
16 who is born within ten months of the date of the death.

17 3. The provision of health insurance benefits coverage under this section must continue
18 for the:

19 a. Surviving spouse until the surviving spouse reaches age sixty-five; and

20 b. Dependent child until the dependent child reaches age twenty-six.

21 4. An employer shall notify the board of the qualifying event of an emergency responder
22 dying in the line of duty.

23 5. This section does not affect eligibility for benefits under title 65.

24 **SECTION 2. RETROACTIVE APPLICATION.** This Act applies retroactively to the qualifying
25 event of an emergency responder dying in the line of duty on or after January 1, 2010; however,
26 the benefits under this Act do not begin before August 1, 2021.

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1435

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 54-52.1 of the North Dakota Century Code, relating to public employees retirement system health insurance benefits coverage for emergency responders who die in the line of duty; and to provide for retroactive application.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 54-52.1 of the North Dakota Century Code is created and enacted as follows:

Emergency responders who die in the line of duty - Health benefits.

1. As used in this section:
 - a. "Correctional facility staff" has the same meaning as provided under section 12-44.1-01.
 - b. "Dies in the line of duty" means a death occurring as a direct and proximate result of a personal injury sustained by an emergency responder while engaged in a line of duty activity or which arose out of and as a result of the individual's performance of a line of duty activity.
 - c. "Emergency responder" means a peace officer, member of a correctional facility staff, or firefighter, who is employed by the state, a political subdivision of the state, or an institution under the control of the state board of higher education. The term does not include a national guard security officer or national guard firefighter.
 - d. "Line of duty activity" means an employment-related action taken by an emergency responder which is required or authorized by law, rule, regulation, or condition of employment and for which compensation is provided by the employing entity or would have been eligible to have been provided by the employing entity if the emergency responder had been on duty at the time the action in question was taken.
 - e. "Peace officer" has the same meaning as provided under section 12-63-01. The term includes a game warden.
2. At no charge, the board shall offer health insurance benefits coverage, including drug benefits coverage, to the surviving spouse and dependent child of an emergency responder who dies in the line of duty. The provision of health insurance benefits coverage under this section includes coverage of a child of the emergency responder who is born within ten months of the date of the death.
3. The provision of health insurance benefits coverage under this section must continue for the:

- a. Surviving spouse until the surviving spouse reaches age sixty-five:
and
- b. Dependent child until the dependent child reaches age twenty-six.
- 4. An employer shall notify the board of the qualifying event of an emergency responder dying in the line of duty.
- 5. This section does not affect eligibility for benefits under title 65.

SECTION 2. RETROACTIVE APPLICATION. This Act applies retroactively to the qualifying event of an emergency responder dying in the line of duty on or after January 1, 2010; however, the benefits under this Act do not begin before August 1, 2021."

Renumber accordingly

2021 HOUSE STANDING COMMITTEE MINUTES

Political Subdivisions Committee Room JW327B, State Capitol

HB 1435
2/4/2021

Relating to peace officers, patrolmen, correctional officers, and firefighters who die in the line of duty; and to provide for retroactive application

Chairman Dockter: (5:55). Opens for committee work.

Representatives	
Representative Jason Dockter	P
Representative Brandy Pyle	P
Representative Mary Adams	P
Representative Claire Cory	P
Representative Sebastian Ertelt	P
Representative Clayton Fegley	P
Representative Patrick Hatlestad	P
Representative Mary Johnson	P
Representative Lawrence R. Klemin	P
Representative Donald Longmuir	P
Representative Dave Nehring	A
Representative Marvin E. Nelson	P
Representative Luke Simons	P
Representative Nathan Toman	P

Discussion Topics:

- Amendment

Rep. Nelson: Moved amendment 21.0325.03002.

Rep. Adams: Second the motion.

Voice vote carried.

Rep. Fegley: Made a motion to further amend to include emergency medical services.

Rep. Longmuir: Second the motion.

Voice vote carried.

Rep. Adams: Made a do pass as amended motion with # 21.0325.03003

Vice Chairman Pyle: Second

Representatives	Vote
Representative Jason Dockter	Y
Representative Brandy Pyle	Y
Representative Mary Adams	Y
Representative Claire Cory	Y
Representative Sebastian Ertelt	N
Representative Clayton Fegley	Y
Representative Patrick Hatlestad	Y
Representative Mary Johnson	Y
Representative Lawrence R. Klemin	Y
Representative Donald Longmuir	Y
Representative Dave Nehring	A
Representative Marvin E. Nelson	Y
Representative Luke Simons	N
Representative Nathan Toman	N

Motion carried 10-3-1

Rep. Adams: Will carry the bill.

Chairman Dockter: (6:11) adjourned.

Carmen Hickle, Committee Clerk by Anna Fiest and Donna Whetham

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1435

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 54-52.1 of the North Dakota Century Code, relating to public employees retirement system health insurance benefits coverage for emergency responders who die in the line of duty; and to provide for retroactive application.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 54-52.1 of the North Dakota Century Code is created and enacted as follows:

Emergency responders who die in the line of duty - Health benefits.

1. As used in this section:
 - a. "Correctional facility staff" has the same meaning as provided under section 12-44.1-01.
 - b. "Dies in the line of duty" means a death occurring as a direct and proximate result of a personal injury sustained by an emergency responder while engaged in a line of duty activity or which arose out of and as a result of the individual's performance of a line of duty activity.
 - c. "Emergency responder" means a peace officer, member of a correctional facility staff, or firefighter, who is employed by the state, a political subdivision of the state, or an institution under the control of the state board of higher education. The term does not include a national guard security officer or national guard firefighter.
 - d. "Line of duty activity" means an employment-related action taken by an emergency responder which is required or authorized by law, rule, regulation, or condition of employment and for which compensation is provided by the employing entity or would have been eligible to have been provided by the employing entity if the emergency responder had been on duty at the time the action in question was taken.
 - e. "Peace officer" has the same meaning as provided under section 12-63-01. The term includes a game warden.
2. At no charge, the board shall offer health insurance benefits coverage, including drug benefits coverage, to the surviving spouse and dependent child of an emergency responder who dies in the line of duty. The provision of health insurance benefits coverage under this section includes coverage of a child of the emergency responder who is born within ten months of the date of the death.
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SECTION 2. RETROACTIVE APPLICATION. This Act applies retroactively to the qualifying event of an emergency responder dying in the line of duty on or after January 1, 2010; however, the benefits under this Act do not begin before August 1, 2021."

Renumber accordingly

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PROPOSED AMENDMENTS TO HOUSE BILL NO. 1435

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 - c. "Emergency responder" means a peace officer, member of a correctional facility staff, emergency medical services personnel, or firefighter, who is employed by the state, a political subdivision of the state, or an institution under the control of the state board of higher education. The term does not include a national guard security officer or national guard firefighter.
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3. The provision of health insurance benefits coverage under this section must continue for the:

- 2/9/21
CM
2 of 2
- a. Surviving spouse until the surviving spouse reaches age sixty-five; and
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SECTION 2. RETROACTIVE APPLICATION. This Act applies retroactively to the qualifying event of an emergency responder dying in the line of duty on or after January 1, 2010; however, the benefits under this Act do not begin before August 1, 2021."

Renumber accordingly

REPORT OF STANDING COMMITTEE

HB 1435: Political Subdivisions Committee (Rep. Dockter, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (10 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING). HB 1435 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 54-52.1 of the North Dakota Century Code, relating to public employees retirement system health insurance benefits coverage for emergency responders who die in the line of duty; and to provide for retroactive application.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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 - b. "Dies in the line of duty" means a death occurring as a direct and proximate result of a personal injury sustained by an emergency responder while engaged in a line of duty activity or which arose out of and as a result of the individual's performance of a line of duty activity.
 - c. "Emergency responder" means a peace officer, member of a correctional facility staff, emergency medical services personnel, or firefighter, who is employed by the state, a political subdivision of the state, or an institution under the control of the state board of higher education. The term does not include a national guard security officer or national guard firefighter.
 - d. "Line of duty activity" means an employment-related action taken by an emergency responder which is required or authorized by law, rule, regulation, or condition of employment and for which compensation is provided by the employing entity or would have been eligible to have been provided by the employing entity if the emergency responder had been on duty at the time the action in question was taken.
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Renumber accordingly

2021 SENATE GOVERNMENT AND VETERANS AFFAIRS

HB 1435

2021 SENATE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee Room JW216, State Capitol

HB 1435
3/11/2021
9:45 AM

Relating to PERS health insurance benefits coverage for emergency responders who die in the line of duty; provide for retroactive application.

Chair Vedaa opened hearing at 9:45 AM with Sen Vedaa, Meyer, Elkin, K Roers, Weber, Wobbema, and Marcellais present.

Discussion Topics:

- Surviving spouse/dependents
- Added layer of protection
- Fiscal impact

Rep Ista introduced the bill #8577

Blake Crosby – ND League of Cities - testified in favor

Donnell Preskey – ND Association of Counties - testified in favor

Blair Throson – ND Police Officers Association - testified in favor

Scott Miller – ND PERS – testified neutral - #7966

Rebecca Fricke – ND PERS responded to questions of the committee

Sheriff Chad Kaiser – Stutsman County - testified in favor

Additional written testimony:

Stephanie Dassinger – Chief of Police Association - in favor - #8756

Darren Schimke - favor -#8743

Travis Engelhardt – favor -#8580

Greg Tehven – favor -#8371

Tom Ford – Grand Forks - favor -#8337

Adjourned at 10:09 AM

Pam Dever, Committee Clerk



NORTH DAKOTA HOUSE OF REPRESENTATIVES

STATE CAPITOL
600 EAST BOULEVARD
BISMARCK, ND 58505-0360



Representative Zachary Ista

District 43
3850 15th Avenue South
Grand Forks, ND 58201-3727
C: 701-361-6671
zmista@nd.gov

COMMITTEES:

Finance and Taxation
Energy and Natural Resources

March 11, 2021

Chairman Vedaa and Members of the Senate Committee on Government & Veterans Affairs:

I write in **support** of HB 1435, which allows continuing health insurance coverage for the surviving spouse and dependent children of any police officer, firefighter, corrections officer, or emergency medical services personnel killed in the line of duty. I am proud to have broad bipartisan support across both the House and Senate for this bill. I am especially thankful to my Grand Forks colleagues, including your Vice Chairman, Senator Scott Meyer, and Representative Emily O'Brien, for their help in bringing this bill forward. In the House, HB 1435 earned a 10-3-1 "do pass" recommendation in the Political Subdivisions Committee and a 75-18 favorable vote on the House floor. For the reasons set forth below, I urge the Committee to recommend a **DO PASS** on HB 1435, but I pray the bill will *never* be needed again in North Dakota.

On May 27, 2020, our state—and my Grand Forks community specifically—suffered an immense loss when Officer Cody Holte was killed in the line of duty. As the members of the Legislative Assembly know well, Officer Holte represents the best our state has to offer, a true hero. Not only did he serve with distinction as an officer in the Grand Forks Police Department, but he was also a First Lieutenant in the North Dakota National Guard. We all recall how Governor Burgum beautifully captured Officer Holte's bravery and courage in his heartfelt tribute to him during the State of the State Address.¹

Officer Holte, though, is not unique among the brave men and women who volunteer for careers that require them to run towards danger for our safety and protection. We remember also people like Officer Jason Moszer of Fargo, whose end of watch was February 11, 2016. Indeed North Dakota is blessed with countless emergency services workers who know the duties of their job require, when necessary, that they place themselves in harm's way. And try as we might, there are no laws we can pass to eliminate entirely the risk these heroes face on the job.

But what we can do is to make sure we take care of surviving spouses and children of our fallen heroes when tragedy does strike. That's the intention of HB 1435, which provides an additional layer of protection to the families of fallen police officers, firefighters, corrections officers, and EMS workers killed in the line of duty. In that tragic event, HB 1435 would allow the surviving spouse and dependent children to continue receiving healthcare coverage by enrolling in the state employees' plan. It likewise extends retroactively to cover any families who lost loved ones in the line of duty since the start of 2010.

If the bill were enacted, North Dakota would join 17 other states who currently offer similar protection, including Alabama, Arizona, Minnesota, Utah, California, and Texas. I believe it is time for North Dakota to join

¹ I further refer the Committee to the testimony of Greg Tehven (a member of Officer Holte's family), Rep. Mary Adams (a friend of the family), and Tom For (on behalf of Grand Forks County) in support of HB 1435.

this list of states, recognizing that we owe the families of fallen heroes both a debt of gratitude and actual, tangible protections that help them through what surely would be the darkest times imaginable for any family. Amidst such darkness, one can hardly fathom how difficult it would be to concentrate on the tedious task of acquiring replacement health insurance coverage while still overcome with grief. Indeed, the severe emotional toll of such a tragic loss may even give rise to an urgent need to seek out healthcare just as a family's coverage expires. This bill hopefully would take one small burden off a family's plate in its hour of need.

Let me briefly discuss the details of the bill.

First, it extends the protections I've discussed to the spouse/dependents of all law enforcement officers, corrections officers, EMS personnel, and firefighters who are employed by the state, a political subdivision of the state, or an institution under the control of the State Board of Higher Education (page 1, lines 16-20). This definition does not extend any coverage, then, to persons who serve in these roles in a volunteer capacity or as employees of a private company provider emergency response services.

Second, the bill defines "dies in the line of duty" and "line of duty activity" (see page 1, lines 12-15, and page 1, line 21 through page 2, line 2) to include such deaths that are the direct and proximate result of a personal injury sustained while engaging in an authorized employment-related action (whether on- or off-duty).

Third, the bill provides that any qualifying beneficiary shall be offered health insurance coverage through the North Dakota state employees insurance plan at no charge (page 2, lines 5-9). This means that, like eligible state employees, the beneficiary would pay no premiums. Such beneficiaries still would be responsible for any co-payments or other expenses for services rendered. This clause also makes clear that such coverage would extend to any dependent child that was conceived but unborn at the time of the qualifying death.

Fourth, the bill provides that any coverage extended under this new law would continue until a spouse reached age 65 or a dependent child reached age 26 (page 2, lines 10-13). These limitations mirror when a spouse would be eligible for Medicare and a child is no longer considered an eligible dependent under existing healthcare policy. I note that prior versions of the bill would have ceased spousal coverage upon re-marriage (as many other states do), but there was concern this would disincentive a spouse from re-marrying purely for pecuniary reasons.

Fifth, and finally, the bill includes clauses requiring notice be provided to eligible persons, that nothing in the bill affects any existing provisions of the WSI code sections, and providing for retroactive application for any line of duty deaths of qualifying emergency services providers since January 1, 2010. To be clear, though, any benefits flowing from this bill would only be prospective, meaning there would be no obligation to reimburse survivors for any prior insurance costs they may have incurred during this look-back period.

* * *

When evaluating the merits of this bill—including whether it is financially viable for the state—it is important to look at how often line of duty deaths have happened in North Dakota. According to the Officer Down Memorial Page, North Dakota has experienced 58 line of duty police and corrections officer deaths dating back nearly 140 years to 1882. By my count, half of these deaths occurred before 1950, with 10 occurring in my lifetime (*i.e.*, since 1985). Likewise, the North Dakota Fire Memorial honors 20 line of duty deaths among firefighters since 1907, with 6 such deaths occurring in my lifetime. While each of these statistics represents a unique tragedy, we can take some solace in the fact that line of duty deaths happen only rarely in North Dakota. To the best of my knowledge, the retroactive coverage contemplated in HB 1435 would extend to the families of five (5) fallen police officers killed in the line of duty since January 1, 2010. Based on public reports, the number of possible beneficiaries is approximately 16 (though it is unknown whether all would opt for the coverage

provided by the bill). Thus, based on this data and historical line-of-duty-death data, my expectation is that HB 1435 would not impose a substantial financial burden on the State or other beneficiaries of the state health insurance plan.²

Let me also briefly address an additional minor point of opposition the bill received in the House. Some have suggested it could be a violation of North Dakota's constitutional anti-gifting clause found in Article X, § 18. While I do not question the earnestness of those concerns, I do not share them (nor did Chairman Jason Dockter, as he refuted such concerns in remarks on the House floor). I have spoken with the Attorney General, himself a long-time and passionate supporter of our law enforcement community, and he assures me his office stands ready to defend this law in court if ever challenged. Should this Committee desire, I am happy to go into more detail on this legal question.

In conclusion, Mr. Chairman and members of the Committee, I believe that HB 1435 represents a statement of North Dakota values: that those who pursue careers in law enforcement and public safety should be honored as the heroes they are; that those who willingly put themselves in harm's way to keep us safe deserve our gratitude and our support; and that when someone pays the ultimate price in service to our state, we should make sure we support the family they leave behind. For these reasons, I urge the Committee to recommend **DO PASS** on HB 1435, and I stand ready for your questions.

² I understand that NDPERS has prepared a fiscal note for HB 1435 indicating the estimated cost to cover all possible beneficiaries over the upcoming biennium, with such cost spread across all plan participants through a *de minimis* premium increase to each contract (currently estimated to be just \$0.55 per contract per month).

TESTIMONY OF SCOTT MILLER

Engrossed House Bill 1435 – Line of Duty Death Health Insurance Coverage

Good Morning, my name is Scott Miller. I am the Executive Director of the North Dakota Public Employees Retirement System, or NDPERS. I am here to testify in a neutral position regarding House Bill 1435.

This bill originally required an employer to pay for the insurance coverage for a surviving spouse and dependents in the event their emergency responder employee died in the line of duty. We were able to address the original bill and brought forth several questions regarding the bill's language.

The bill was then hog-housed into its current form, and NDPERS did not have the opportunity to provide testimony on the amendments to HB 1435 before it was passed. My testimony today will be markedly different than in the House as a result.

HB 1435 now requires the NDPERS Board to offer health and pharmacy insurance coverage to the surviving spouse and dependents of an emergency responder who dies in the line of duty. The Board is required to offer that insurance at no cost to the surviving spouse or dependents. The bill has a retroactive application back to January 1, 2010, and the coverage would be effective on or after August 1, 2021.

We have information on five line-of-duty deaths since January 1, 2010. The cost of adding those five groups of surviving family members for the upcoming biennium is approximately \$246,810, assuming they all participate. This will increase premiums for all participating employers going forward.

In evaluating the amended bill, the question arose regarding whether the retroactive application of the bill would present a possible gift clause issue. Because the bill is providing a significant financial benefit to the survivors that was not part of the compensation package for the emergency responders at the time of their passing, there is a reasonable possibility of a gift clause violation. We merely bring this to your attention for your information and consideration.

March 11, 2021

Senate Transportation Committee

#8756

HB 1435

Sen. Vedaa, Chair

For the record, I am Stephanie Dassinger. I am submitting this testimony on behalf of the Chiefs of Police Association of North Dakota. I am also the deputy director and attorney for the North Dakota League of Cities.

The Chiefs of Police express strong support for HB 1435 and thank Representative Ista for bringing this bill forward. HB 1435 provides health insurance coverage, under the NDPERS plan, for the spouse and dependents of a law enforcement officer or a firefighter who dies in the line of duty at no cost to a political subdivision and no cost to the spouse and the dependents.

Brave law enforcement officers put their lives on the line everyday when they respond to calls for service and walk into uncertain situations to protect the public. Fortunately, in North Dakota, the instances where law enforcement officers have died in the line of duty have been rare. However, when it does happen, it creates a great burden for the fallen officer's surviving family who often relies on the law enforcement officer's employee benefits for health insurance. HB 1435 is a way that those families can be supported if the unthinkable happens.

The Chiefs of Police Association of North Dakota respectfully requests a Do Pass recommendation on HB 1435.

Thank you for your consideration.

Professional Fire Fighters of North Dakota

#8743

Darren Schimke, President | 218-779-4122 | dschimke@wiktel.com

3-11-2021

Senate Government and Veterans Affairs Committee

Mr. Chairman and members of the Government and Veterans Affairs Committee,

My name is Darren Schimke, President of the Professional Fire Fighters of North Dakota representing 415 professional firefighters across our great state. We appreciate the opportunity to provide testimony in support of HB 1435.

HB 1435 is the type of Bill that sends a direct message to Police Officers, Firefighters and Correction Officers that the State of ND and our employers have our backs if the ultimate price is paid in the line of duty.

Believe it or not, but this topic isn't something we think about often. We train for every type of scenario out there and try to prepare for a positive outcome. But the fact of the matter is, all scenarios don't follow a rule book. Sometimes situations arise that are out of our control and the ultimate price is paid. Thank God this type of tragedy hasn't happened often within our State, but it has.

HB 1435 will give Police Officers, Firefighters and Correction Officers the peace of mind that our families and dependents will be covered if we don't return home at the end of our shift. Words cannot express entirely what that peace of mind would be like? I do know what comes to my mind though: Gratefulness, Relief, Less Anxiety and Peace to name a few. If you could please try to imagine, during one of our families' darkest time, to have HB 1435 in place would take away one of the biggest burdens that they would face as they try to navigate forward after a line of duty death. I pray that this Bill never has to be exercised in the State of ND.

Thank you for this opportunity and we request your consideration of a Do Pass recommendation of HB 1435.

Darren Schimke

**SENATE GOVERNMENT AND VETERANS AFFAIRS COMMITTEE
SENATOR SHAWN VEDAA, CHAIR
MARCH 11, 2021**

**NORTH DAKOTA DEPARTMENT OF CORRECTIONS AND REHABILITATION
PRESENTING TESTIMONY IN SUPPORT OF HOUSE BILL 1435**

Chairman Vedaa and members of the Government and Veterans Affairs Committee, the North Dakota Department of Corrections and Rehabilitation (DOCR) submits this written testimony in support of House Bill 1435, which provides a modest but potentially very important benefit to eligible family members of a hero who gave the ultimate sacrifice in the line of duty.

The DOCR employs several hundred peace officers, correctional facility staff, and emergency medical services team members in North Dakota. Corrections and law enforcement are time honored professions that are inherently dangerous to the brave few that accept the call to duty, in order to ensure public safety for all citizens of our great state. Thankfully, line of duty deaths are rare for ND DOCR heroes, but nationally corrections and law enforcement lose heroes in the hundreds, each year. In 2020, the Great State of North Dakota lost one hero, a peace officer in the line of duty.

Chairman Vedaa and members of the Government and Veterans Affairs Committee, we ask that you support House Bill 1435 and provide the eligible surviving family members of our heroes that lost their lives in the line of duty this additional benefit.

As a lifetime North Dakotan, I'm continuously grateful for the public servants that keep our communities safe. Each individual that chooses to serve, either as a police officer, firefighter, etc, not only sacrifices themselves, they make a sacrifice for their family. As we continue to need the most talented folks willing to serve, I believe it is imperative that North Dakota provides health insurance benefits to the widow and family members of a fallen servant in the line of duty. I also believe that North Dakota needs to consider how to support the mental health for the family of the servant that dies in the line of duty.

As an extended family member to Officer Cody Holte, who died serving his community in Grand Forks, I watched first hand how the tragedy interrupted the lives of our family and all of Officer Holte's friends and colleagues. I believe this effort will be extremely important for our state to attract the talent needed to keep our state safe as well as support the families of lost leaders in such painful times.

Greg Tehven
701-361-7274
517 University Ave S
Fargo, ND 58103

Board of Commissioners

Diane K. Knauf
Grand Forks, ND

David Engen
Northwood, ND

Cynthia Pic
Niagara, ND

Tom Falck
Grand Forks, ND

Bob Rost
Grand Forks, ND

Tom Ford
Grand Forks County
PO Box 5726
Grand Forks, ND 58206-5726

RE: HB 1435 Relating to public employee's retirement system health insurance benefits coverage for emergency responders who die in the line of duty; and to provide for retroactive application.

March 9, 2021

Dear Chairman Vedaa, Vice Chairman Meyer, and members of the Senate Government and Veterans Affairs Committee,

My name is Tom Ford and I am the Grand Forks County Director of Administration, I am writing you on behalf of Grand Forks County. The County supports HB 1435 - Relating to peace officers, patrolmen, correctional officers, and firefighters who die in the line of duty; and to provide for retroactive application. Family members of peace officers, patrolmen, correctional officers, and firefighters serve every day with those that serve us. HB 1435 will provide continued health insurance for dependents of peace officers, patrolmen, correctional officers, and firefighters who die in the line of duty - which the County believes they deserve and should be entitled to receive. It is not a unique proposal as other state's already provide this benefit to dependents of those who do put their lives on the line each day to protect us.

It is for these reasons that the County supports, and urges the approval of HB 1435.

Thank you.

Respectfully,



Tom Ford
Director of Administration

2021 SENATE STANDING COMMITTEE MINUTES

Government and Veterans Affairs Committee Room JW216, State Capitol

HB 1435
3/11/2021
4:08 PM

Relating to PERS health insurance benefits coverage for emergency responders who die in the line of duty; provide for retroactive application.

Chair Vedaa called to order at 4:08 PM with Sen Vedaa, Meyer, Elkin, K Roers, Weber, Wobbema, and Marcellais present.

Discussion Topics:

- Committee Work

Sen Meyer moved a Do Pass

Sen K Roers seconded

Roll Call Vote: 7 -- YES 0 -- NO -0ab Motion Passed

Senators	Vote
Senator Shawn Vedaa	Y
Senator Scott Meyer	Y
Senator Jay R. Elkin	Y
Senator Richard Marcellais	Y
Senator Kristin Roers	Y
Senator Mark F. Webber	Y
Senator Michael A. Wobbema	Y

Sen Marcellais will carry the bill.

Adjourned at 4:12 PM

Pam Dever, Committee Clerk

REPORT OF STANDING COMMITTEE

HB 1435, as engrossed: **Government and Veterans Affairs Committee (Sen. Vedaa, Chairman)** recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1435 was placed on the Fourteenth order on the calendar.

2021 SENATE APPROPRIATIONS

HB 1435

2021 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1435
3/30/2021
Senate Appropriations Committee

Relating to public employees retirement system health insurance benefits coverage for emergency responders who die in the line of duty.

Senator Holmberg opened the hearing at 2:51 PM.

Senators present: **Holmberg, Krebsbach, Wanzek, Bekkedahl, Poolman, Erbele, Dever, Oehlke, Rust, Davison, Hogue, Sorvaag, Mathern, and Heckaman.**

Discussion Topics:

- Death coverage for police officers

Representative Zach Ista, District 43, Grand Forks – testified in favor and submitted testimony #10934.

Scott Miller, Executive Director, ND Public Employees Retirement System (NDPERS) – testified neutrally and submitted testimony #10996.

Additional written testimony: #10926, #10931, #10984.

Senator Holmberg closed the hearing at 3:03 PM.

Senator Krebsbach moved Do Pass on HB 1435.

Senator Wanzek second.

Senators		Senators	
Senator Holmberg	Y	Senator Hogue	Y
Senator Krebsbach	Y	Senator Oehlke	Y
Senator Wanzek	Y	Senator Poolman	Y
Senator Bekkedahl	Y	Senator Rust	Y
Senator Davison	Y	Senator Sorvaag	Y
Senator Dever	Y	Senator Heckaman	Y
Senator Erbele	Y	Senator Mathern	Y

Roll Call vote 14-0-0. Motion passed.

Rose Laning, Committee Clerk

REPORT OF STANDING COMMITTEE

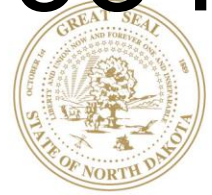
HB 1435, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman)
recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).
Engrossed HB 1435 was placed on the Fourteenth order on the calendar.



NORTH DAKOTA HOUSE OF REPRESENTATIVES

STATE CAPITOL
600 EAST BOULEVARD
BISMARCK, ND 58505-0360

10934



Representative Zachary Ista

District 43
3850 15th Avenue South
Grand Forks, ND 58201-3727
C: 701-361-6671
zmista@nd.gov

COMMITTEES:
Finance and Taxation
Energy and Natural Resources

March 30, 2021

Chairman Holmberg and Members of the Senate Appropriations Committee:

I write in **support** of HB 1435, which allows continuing health insurance coverage for the surviving spouse and dependent children of any police officer, firefighter, corrections officer, or emergency medical services personnel killed in the line of duty. This bipartisan bill arrives before you having previously received favorable consideration in the Employee Benefits Programs Committee (twice), the House Political Subdivisions Committee, the full House, and the Senate Government and Veterans Affairs Committee. I am proud that the bill also has the support of organizations representing North Dakota counties, cities, sheriffs, police chiefs, peace officers, firefighters, and the Department of Corrections and Rehabilitations. I hope your committee will concur and favorably recommend the bill, too. But as I have said every time I have spoken on this bill, I pray it will *never* be needed again in North Dakota

It is no coincidence that my co-sponsors and I brought forward this bill during this particular session. As this Committee is aware, we lost a North Dakota hero on May 27, 2020, when Grand Forks Police Department Officer Cody Holte was killed in the line of duty. Officer Holte's tragic death is a horrific reminder of the risks our emergency services workers face every day. We remember also other heroes recently killed in service to their communities, including Officer Jason Moszer of Fargo, Deputy Colt Allery of Rolette County, Deputy Bryan Sleeper of Burleigh County, and Sergeant Steven Kenner of Bismarck.

Try as we might, there are no laws we can pass to eliminate entirely the risk these heroes face on the job. But what we can do is to make sure we take care of surviving spouses and children of our fallen heroes when tragedy does strike. That's the intention of HB 1435, which provides an additional layer of protection to the families of fallen police officers, firefighters, corrections officers, and EMS workers killed in the line of duty. In that tragic event, HB 1435 would allow a surviving spouse and dependent children to continue receiving healthcare coverage by enrolling in the state employee insurance plan administered by NDPERS. It likewise extends retroactively to cover (prospectively) any families who lost loved ones in the line of duty since the start of 2010 (including the heroes I listed previously). These protections mirror similar benefits already offered in at least 17 other states nationwide, ranging from Alabama to California.

I refer the Committee to my written testimony submitted prior to the Senate Government and Veterans Affairs Committee hearing, as it discusses in-depth the details of the bill. In short, the bill allows qualifying beneficiaries to obtain health insurance coverage on the state employee plan until a spouse reaches age 65 or a dependent child reaches age 26. The coverage extends only to families of qualifying emergency personnel employed by a public entity (thus excluding, for example, volunteer firefighters and privately employed EMTs). Rather than belabor the details of the bill, I instead am more than happy to answer any questions this Committee might have regarding those details at the end of my testimony.

Let me turn instead to the bill's fiscal note. As initially filed, HB 1435 contemplated that the original employer (be it the state, a county, or a city) would incur the financial obligation to fund continuing coverage. After consulting with representatives from North Dakota cities and counties about how difficult that could be financially for small jurisdictions, the House Political Subdivisions Committee adopted a proposed amendment to instead allow all beneficiaries to obtain coverage under the state employee health insurance plan. Pursuant to this change, an updated fiscal note now indicates the estimated cost if all known possible beneficiaries opt to receive coverage starting on the bill's effective date. In that event, NDPERS estimates the additional State biennium premium for coverage would be approximately \$210,000, or a \$0.55 per contract per month cost. This figure would decrease if any of the existing pool of eligible beneficiaries declined coverage. After re-referral back to the Employee Benefits Program Committee, a new actuarial report concluded the current bill draft would increase the cost of the NDPERS plan by approximately 0.03%. Following receipt of this report, that committee again unanimously gave its favorable recommendation to the bill.

Mr. Chairman and members of the committee, even with this modest cost to the state and increased impact on the NDPERS plan, I continue to believe HB 1435 is both the right thing to do and something that our state can afford to do. So while the details of the bill have changed since its introduction, the values it represents have not. We still owe a great debt of gratitude to those heroes who put their lives on the line for us every day, and we should take this small step to protect the families they leave behind when tragedy strikes. Therefore, I urge this committee to support the measure, and I stand ready for any questions.

TESTIMONY OF SCOTT MILLER
Engrossed House Bill 1435 – Line of Duty Death
Health Insurance Coverage

Good Morning, my name is Scott Miller. I am the Executive Director of the North Dakota Public Employees Retirement System, or NDPERS. I am here to testify in a neutral position regarding House Bill 1435.

This bill originally required an employer to pay for the insurance coverage for a surviving spouse and dependents in the event their emergency responder employee died in the line of duty. We were able to address the original bill and brought forth several questions regarding the bill's language.

The bill was then hog-housed into its current form, and now requires the NDPERS Board to offer health and pharmacy insurance coverage to the surviving spouse and dependents of an emergency responder who dies in the line of duty. The Board is required to offer that insurance at no cost to the surviving spouse or dependents. The bill has a retroactive application back to January 1, 2010, and the coverage would be effective on or after August 1, 2021.

We have information on five line-of-duty deaths since January 1, 2010. The cost of adding those five groups of surviving family members for the upcoming biennium is approximately \$246,810, assuming they all participate. This will increase premiums for all participating employers going forward.

In evaluating the amended bill, the question arose regarding whether the retroactive application of the bill would present a possible gift clause issue. Because the bill is providing a significant financial benefit to the survivors that was not part of the compensation package for the emergency responders at the time of their passing, there is a reasonable possibility of a gift clause violation.

TESTIMONY OF DERRICK HOHBEIN**House Bill 1435 – Line of Duty Death Health Insurance Coverage**

Good afternoon, my name is Derrick Hohbein. I am the Chief Operating and Financial Officer of the North Dakota Public Employees Retirement System, or NDPERS. I appear before you today in a neutral position on House Bill 1435. I am available should there be any questions related to the impact of the bill on any of the NDPERS benefits.

TESTIMONY OF REBECCA FRICKE**House Bill 1435 – Line of Duty Death Health Insurance Coverage**

Good afternoon, my name is Rebecca Fricke. I am the Chief Benefits Officer of the North Dakota Public Employees Retirement System, or NDPERS. I appear before you today in a neutral position on House Bill 1435. I am available should there be any questions related to the impact of the bill on any of the NDPERS benefits.

Professional Fire Fighters of North Dakota

10984

Darren Schimke, President | 218-779-4122 | dschimke@wiktel.com

3-30-2021

Senate Appropriations Committee

Mr. Chairman and members of the Appropriations Committee,

My name is Darren Schimke, President of the Professional Fire Fighters of North Dakota representing 415 professional firefighters across our great state. We appreciate the opportunity to provide testimony in support of HB 1435.

HB 1435 is the type of Bill that sends a direct message to Police Officers, Firefighters and Correction Officers that the State of ND and our employers have our backs if the ultimate price is paid in the line of duty.

Believe it or not, but this topic isn't something we think about often. We train for every type of scenario out there and try to prepare for a positive outcome. But the fact of the matter is, all scenarios don't follow a rule book. Sometimes situations arise that are out of our control and the ultimate price is paid. Thank God this type of tragedy hasn't happened often within our State, but it has.

HB 1435 will give Police Officers, Firefighters and Correction Officers the peace of mind that our families and dependents will be covered if we don't return home at the end of our shift. Words cannot express entirely what that peace of mind would be like? I do know what comes to my mind though: Gratefulness, Relief, Less Anxiety and Peace to name a few. If you could please try to imagine, during one of our families' darkest time, to have HB 1435 in place would take away one of the biggest burdens that they would face as they try to navigate forward after a line of duty death. I pray that this Bill never has to be exercised in the State of ND.

I have recently spoke with a few individuals that hold the same position as I do within their respective states. They dealt with the families of fallen fire fighters first hand and assisted them with navigating through the healing process. One family was afforded this type of coverage and the other two were not. While each of the family dynamics differed, what was evident was that the road to some sort of recovery was made smoother by not having to worry about such a hardship while moving forward after the tragic line of duty death.

Thank you for this opportunity and your hard work. We are requesting your consideration of a Do Pass recommendation of HB 1435 from the Senate Appropriations Committee.

Darren Schimke