

NORTH DAKOTA LEGISLATIVE MANAGEMENT

Minutes of the

EMPLOYEE BENEFITS PROGRAMS COMMITTEE

Tuesday, January 15, 2019
Pioneer Room, State Capitol
Bismarck, North Dakota

Representative Mike Lefor, Chairman, called the meeting to order at 4:00 pm.

Members present: Representatives Mike Lefor, Jason Dockter, Gary Kreidt, Vernon Laning, Alisa Mitskog, Mark S. Owens, Matthew Ruby; Senators Brad Bekkedahl, Dick Dever, Karen K. Krebsbach, Oley Larsen, Tim Mathern

Member absent: Senator Gary A. Lee

Others present: See [Appendix A](#)

It was moved by Representative Dockter, seconded by Representative Kreidt, and carried on a voice vote that the committee approve as distributed the minutes of the December 3, 2018, meeting.

Chairman Lefor reviewed the committee's duties and bill draft review procedure. He said at a future meeting the committee will receive the actuarial report on any bills over which the committee takes jurisdiction at this meeting.

BILL DRAFT REVIEW

The committee considered the following bills to determine whether the bills affect, actuarially or otherwise, the retirement programs of state employees or employees of any political subdivision, and health and retiree health plans of state employees or employees of any political subdivision pursuant to North Dakota Century Code Section 54-35-02.4:

- [Senate Bill No. 2045](#), proposed amendments ([Appendix B](#)), which would clarify an employer may contribute to the 457 plan;
- [Senate Bill No. 2103](#), which would change Highway Patrol temporary patrolmen to probationary patrolmen;
- [Senate Bill No. 2226](#), which would provide for a federal Affordable Care Act nongrandfathered Public Employees Retirement System (PERS) health plan for state employees;
- [Senate Bill No. 2227](#), which would provide for PERS retirement plan recovery measures and funding of the retirement plan from the strategic investment and improvements fund;
- [Senate Bill No. 2233](#), which would provide a health insurance benefit mandate for infertility treatment coverage;
- [House Bill No. 1374](#), which would require the Department of Human Services to provide pharmacy benefits management services for the PERS health plan;
- [House Bill No. 1419](#), which would close the PERS defined benefit plan and provide funding of the retirement plan from the strategic investment and improvements fund;
- [House Bill No. 1469](#), which would limit a pharmacy benefits manager's use of step management;
- [House Bill No. 1500](#), which would restructure the institutions of higher education under the control of the State Board of Higher Education and change administration of higher education teacher retirement benefits; and
- [House Bill No. 1509](#), which would provide for a paid family medical leave program.

The Legislative Council staff summarized each of the bills. She said upon initial review it appeared Senate Bill No. 2103 may affect the PERS retirement system; however, she has since learned the bill does not have a substantive impact on the PERS retirement system.

Chairman Lefor called on Mr. Scott Miller, Executive Director, Public Employees Retirement System, for comments on the bill drafts. He said although the proposed amendments to Senate Bill No. 2045 affect the retirement plan, it is likely the amendments will not have a fiscal impact on the fund.

In response to a question from Senator Mathern, Mr. Miller said with the exception of House Bill No. 1419, the actuarial reports should be available quickly. He said he expects the actuarial reports to be available within 7 to 10 days.

In response to a question from Representative Laning, Mr. Miller said although it appears the retirement system is not the topic of House Bill No. 1500, there are multiple references to the retirement system in the bill. He said although upon initial review it appears the references are restatements of existing law, he has not had an opportunity to review the bill thoroughly.

Chairman Lefor said he suggests the committee err on the side of caution in determining whether to take jurisdiction of a bill.

In response to a question from Senator Dever, Ms. Sharon Schiermeister, Chief Operating Officer, Public Employees Retirement System, said although the PERS health benefit plan does have coverage for fertility, she has not yet determined whether the coverage in the bill is consistent with the coverage in the PERS policy.

Chairman Lefor said if there are no requests to consider a bill separately, the committee can take jurisdiction in a single motion.

It was moved by Representative Ruby, seconded by Representative Dockter, and carried on a roll call vote that the committee take jurisdiction over the proposed amendments to Senate Bill No. 2045, Senate Bill No. 2226, Senate Bill No. 2227, Senate Bill No. 2233, House Bill No. 1374, House Bill No. 1419, House Bill No. 1469, House Bill No. 1500, and House Bill No. 1509, and direct PERS to coordinate having the appropriate agencies prepare an actuarial review. Representatives Lefor, Dockter, Kreidt, Laning, Mitskog, Owens, and Ruby and Senators Bekkedahl, Dever, Krebsbach, Larsen, and Mathern voted "aye." No negative votes were cast.

COMMITTEE WORK

Chairman Lefor said a meeting date will be set to review the actuarial reports. He said in the past, the committee has granted the chairman the authority to determine whether a bill or an amendment affects the retirement system or the PERS health benefits.

It was moved by Senator Dever, seconded by Representative Owens, and carried on a roll call vote that for the duration of the 2019 legislative session the chairman, in consultation with the vice chairman, be granted authority to determine whether a legislative measure affects the retirement system or PERS health benefits. Representatives Lefor, Dockter, Kreidt, Laning, Mitskog, Owens, and Ruby and Senators Bekkedahl, Dever, Krebsbach, Larsen, and Mathern voted "aye." No negative votes were cast.

No further business appearing, Chairman Lefor adjourned the meeting at 4:25 p.m.

Jennifer S. N. Clark
Counsel

ATTACH:2