

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of various state
2 retirement and investment agencies; to provide an exemption; to provide various transfers; to
3 amend and reenact sections 15-39.1-08, 21-10-01, and 54-52-03 of the North Dakota Century
4 Code, relating to the per day compensation rates for the board of trustees of the teachers' fund
5 for retirement, state investment board, and retirement board; and to declare an emergency.

6 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

7 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
8 as may be necessary, are appropriated out of any moneys from special funds derived from
9 income, to the retirement and investment agencies listed in this section for the purpose of
10 defraying their expenses, for the biennium beginning July 1, 2011, and ending June 30, 2013,
11 as follows:

12 Subdivision 1.

13 RETIREMENT AND INVESTMENT OFFICE

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
14				
15				
16	Salaries and wages	\$2,674,080	\$529,034	\$3,203,114
17	Operating expenses	949,570	(1,730)	947,840
18	Contingencies	<u>82,000</u>	<u>0</u>	<u>82,000</u>
19	Total special funds	\$3,705,650	\$527,304	\$4,232,954
20	Full-time equivalent positions	17.00	1.00	18.00

21 Subdivision 2.

22 PUBLIC EMPLOYEES RETIREMENT SYSTEM

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
1			
2			
3	Salaries and wages	\$327,018	\$4,563,507
4	Operating expenses	303,384	1,963,383
5	Contingencies	<u>0</u>	<u>250,000</u>
6	Total all funds	\$630,402	\$6,776,890
7	Less estimated income	<u>643,402</u>	<u>6,776,890</u>
8	Total general fund	(\$13,000)	\$0
9	Full-time equivalent positions	0.00	33.00

10 Subdivision 3.

11 BILL TOTAL

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
12			
13			
14	Grand total general fund	(\$13,000)	\$0
15	Grand total special funds	<u>1,170,706</u>	<u>11,009,844</u>
16	Grand total all funds	\$1,157,706	\$11,009,844
17	Full-time equivalent positions	1.00	51.00

18 **SECTION 2. EXEMPTION.** The amount appropriated for the PERSLINK system, and
 19 approved for carryover to the 2009-11 biennium is not subject to the provisions of section
 20 54-44.1-11. Any unexpended funds carried over pursuant to this section are available for the
 21 completion of the PERSLINK system during the biennium beginning July 1, 2011, and ending
 22 June 30, 2013.

23 **SECTION 3. APPROPRIATION LINE ITEM TRANSFERS.** Upon approval of the respective
 24 boards, the retirement and investment office and the public employees retirement system may
 25 transfer from their respective contingencies line items in subdivisions 1 and 2 of section 1 of this
 26 Act to all other line items. The agencies shall notify the office of management and budget of
 27 each transfer made pursuant to this section.

28 **SECTION 4. AMENDMENT.** Section 15-39.1-08 of the North Dakota Century Code is
 29 amended and reenacted as follows:

1 **15-39.1-08. Compensation of members.**

2 Members of the board, excluding ex officio members, are entitled to receive ~~sixty-two~~one
3 hundred forty-eight dollars ~~and fifty cents~~ as compensation per day and necessary mileage and
4 travel expenses as provided in sections 44-08-04 and 54-06-09 for attending meetings of the
5 board. No member of the board may lose regular salary, vacation pay, vacation or any personal
6 leave, or be denied right of attendance by the state or political subdivision thereof while serving
7 on official business of the fund.

8 **SECTION 5. AMENDMENT.** Section 21-10-01 of the North Dakota Century Code is
9 amended and reenacted as follows:

10 **21-10-01. State investment board - Membership - Term - Compensation - Advisory**
11 **council.**

12 1. The North Dakota state investment board consists of the governor, the state treasurer,
13 the commissioner of university and school lands, the director of workforce safety and
14 insurance, the insurance commissioner, three members of the teachers' fund for
15 retirement board or the board's designees who need not be members of the fund as
16 selected by that board, two of the elected members of the public employees retirement
17 system board as selected by that board, and one member of the public employees
18 retirement system board as selected by that board. The director of workforce safety
19 and insurance may appoint a designee, subject to approval by the workforce safety
20 and insurance board of directors, to attend the meetings, participate, and vote when
21 the director is unable to attend. The teachers' fund for retirement board may appoint
22 an alternate designee with full voting privileges to attend meetings of the state
23 investment board when a selected member is unable to attend. The public employees
24 retirement system board may appoint an alternate designee with full voting privileges
25 from the public employees retirement system board to attend meetings of the state
26 investment board when a selected member is unable to attend. The members of the
27 state investment board, except elected and appointed officials and the director of
28 workforce safety and insurance or the director's designee, are entitled to receive as
29 compensation ~~sixty-two~~one hundred forty-eight dollars ~~and fifty cents~~ per day and
30 necessary mileage and travel expenses as provided in sections 44-08-04 and
31 54-06-09 for attending meetings of the state investment board.

1 2. The state investment board may establish an advisory council composed of individuals
2 who are experienced and knowledgeable in the field of investments. The state
3 investment board shall determine the responsibilities of the advisory council. Members
4 of the advisory council are entitled to receive the same compensation as provided the
5 members of the advisory board of the Bank of North Dakota and necessary mileage
6 and travel expenses as provided in sections 44-08-04 and 54-06-09.

7 **SECTION 6. AMENDMENT.** Section 54-52-03 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **54-52-03. Governing authority.**

10 A state agency is hereby created to constitute the governing authority of the system to
11 consist of a board of seven persons known as the retirement board. No more than one elected
12 member of the board may be in the employ of a single department, institution, or agency of the
13 state or in the employ of a political subdivision. No employee of the public employees retirement
14 system or the state retirement and investment office may serve on the board.

15 1. One member of the board must be appointed by the governor to serve a term of five
16 years. The appointee must be a North Dakota citizen who is not a state or political
17 subdivision employee and who by experience is familiar with money management.

18 The citizen member is chairman of the board.

19 2. One member of the board must be appointed by the attorney general from the
20 attorney general's legal staff and shall serve a term of five years.

21 3. The state health officer appointed under section 23-01-05 is a member of the board.

22 4. Three board members must be elected by and from among the active participating
23 members, members of the retirement plan established under chapter 54-52.6,
24 members of the retirement plan established under chapter 39-03.1, and members of
25 the job service North Dakota retirement plan. Employees who have terminated their
26 employment for whatever reason are not eligible to serve as elected members of the
27 board under this subsection. Board members must be elected to a five-year term
28 pursuant to an election called by the board. Notice of board elections must be given to
29 all active participating members. The time spent in performing duties as a board
30 member may not be charged against any employee's accumulated annual or any
31 other type of leave.

- 1 5. One board member must be elected by and from among those persons who are
2 receiving retirement benefits or who are eligible to receive deferred vested retirement
3 benefits under this chapter. The board shall call the election and must give prior notice
4 of the election to the persons eligible to participate in the election pursuant to this
5 subsection. The board member shall serve a term of five years.
- 6 6. The members of the board are entitled to receive ~~sixty-two~~one hundred forty-eight
7 dollars ~~and fifty cents~~ per day compensation and necessary mileage and travel
8 expenses as provided in sections 44-08-04 and 54-06-09. This is in addition to any
9 other pay or allowance due the chairman or a member, plus an allowance for
10 expenses they may incur through service on the board.
- 11 7. A board member shall serve a five-year term and until the board member's successor
12 qualifies. Each board member is entitled to one vote, and four of the seven board
13 members constitute a quorum. Four votes are necessary for resolution or action by the
14 board at any meeting.

15 **SECTION 7. OASIS FUND TRANSFER.** The office of management and budget shall
16 transfer any balance remaining in the oasis retirement fund to the general fund on or before
17 June 30, 2011.

18 **SECTION 8. EMERGENCY.** Section ~~4~~7 of this Act is declared to be an emergency
19 measure.