

FISCAL NOTE
Requested by Legislative Council
04/25/2013

Amendment to: Engrossed HB 1452

- 1 A. **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.*

	2011-2013 Biennium		2013-2015 Biennium		2015-2017 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$4,638,000	\$4,059,000	\$6,183,000	\$5,400,000
Appropriations	\$0	\$0				

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

	2011-2013 Biennium	2013-2015 Biennium	2015-2017 Biennium
Counties	\$0	\$2,406,000	\$3,201,000
Cities	\$0	\$1,221,000	\$1,625,000
School Districts	\$0	\$2,285,000	\$3,040,000
Townships	\$0	\$0	\$0

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

This bill provides for an optional defined contribution plan for state employees until the middle of 2017. The bill also adjusts the employer and employee contributions to the state retirement plans to implement one year of the remaining two years of the recovery plan.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

The bill increases member and employer contributions for the NDPERS Main (Sections 5,6,7), Judges (Section 8), Highway Patrol (Section 1 & 2), and Defined Contribution (Section 13 & 15) systems by 1% each in January of 2014. The Law Enforcement Plans (Section 10) and National Guard Plan (Section 9), increase by 1/2% for the member over the same period of time. As proposed the contribution increase will increase the funded status of the Main system to approximately 80% less the cost of the DC option. Section 17 provides a \$22,000 appropriation to the Public Employees Retirement System for implementation of the provisions of this bill. Sections 3 and 11 provide that if when the main plan reaches 100% funded status the contribution increases in this bill will be eliminated.

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.*

- 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.*

See 2B above.

- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation is also included in the executive budget or relates to a continuing appropriation.*

See 2B above, the appropriation is included in the individual agency budgets.

Name: Sparb Collins

Agency: NDPERS

Telephone: 701-328-3900

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