

**Public Employees Retirement System
Budget No. 192
Senate Bill No. 2022, House Bill No. 1364**

	FTE Positions	General Fund	Other Funds	Total
2011-13 executive budget (bills as introduced)	33.00	\$0	\$6,776,890	\$6,776,890
2011-13 legislative appropriations	33.00	0	6,867,890	6,867,890
Legislative increase (decrease) to executive budget	0.00	\$0	\$91,000	\$91,000
Legislative increase (decrease) to 2009-11 appropriations	0.00	(\$13,000)	\$734,402	\$721,402

ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2009-11 legislative appropriations	\$13,000	\$0	\$13,000
2011-13 legislative appropriations	0	0	0
2011-13 legislative increase (decrease) to 2009-11 appropriations	(\$13,000)	\$0	(\$13,000)
Percentage increase (decrease) to 2009-11 appropriations	(100.0%)	N/A	(100.0%)
2011-13 legislative increase (decrease) to executive budget	\$0	\$0	\$0
Percentage increase (decrease) to executive budget	N/A	N/A	N/A

SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET AND MAJOR FUNDING ITEMS

Salaries and Wages

The legislative action affecting the recommended appropriation for the Public Employees Retirement System (PERS) is in accordance with legislative salary and fringe benefits guidelines as contained in Senate Bill No. 2015.

	Major Items			
	FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Provided funding from health insurance premium collections received under North Dakota Century Code Chapter 54-52.1 for implementing a high-deductible health plan alternative with a health savings account option to be available to state employees by January 1, 2012 (House Bill No. 1364).			\$91,000	\$91,000
Total	0.00	\$0	\$91,000	\$91,000

FTE Changes

The Legislative Assembly did not change the executive recommendation which included funding for 33 FTE positions, the same as the 2009-11 biennium.

Other Sections in Bill

PERSLink system carryover authority - Section 2 provides that any unexpended funds related to amounts appropriated for the PERSLink system in the 2009-11 biennium are available for the completion of the PERSLink system during the 2011-13 biennium.

Appropriation line item transfers - Section 3 provides that the Retirement and Investment Office may transfer funds from the contingencies line items in subdivision 2 of Section 1 of the bill to all other line items and provides that the agency notify the Office of Management and Budget (OMB) of each transfer made.

Board member compensation rate increases - Section 6 amends Section 54-52-03 relating to the per day compensation rate of retirement board members to increase the rate from \$62.50 per day to \$148 per day.

OASIS fund transfer - Section 7 provides that OMB transfer any balance remaining in the OASIS retirement fund to the general fund on or before June 30, 2011. As of May 2011, the agency estimates the transfer to be \$2,408. Section 8 is an emergency clause permitting the transfer to occur in the 2009-11 biennium.

Related Legislation

House Bill No. 1051 provides for up to two years of workers' compensation disability and rehabilitation benefits to an employee who is injured within the two years preceding the employee's presumed retirement age.

House Bill No. 1364 requires PERS to develop and implement a high-deductible health plan with a health savings account as an alternative to the regular PERS health plan. The bill provides funding from health insurance premium collections received under Chapter 54-52.1 for implementing the high-deductible health plan alternative with a health savings account to be available to state employees by January 1, 2012.

Senate Bill No. 2108 increases employer and employee contributions under the Highway Patrolmen's retirement plan and the PERS retirement plan by 4 percent--2 percent employee increase and 2 percent employer increase--phased in annually in January 2012 and January 2013.

Senate Bill No. 2109 provides for administrative changes to the PERS retirement plan and the Highway Patrolmen's retirement plan. The bill permits PERS defined contribution plan members to transfer to the higher education retirement plan. The bill also updates Internal Revenue Service compliance requirements.

Senate Bill No. 2110 provides an alternative health coverage option for pre-Medicare retirees, a new target range for contingency reserve funds, and authorizes the PERS Board to receive separate bids for prescription drug coverage and to consider self-insurance for prescription drug coverage.