

MINUTES

**North Dakota Public Employees Retirement System
Special Meeting
VIA TELECONFERENCE
Wednesday, March 24, 2021
3:00 P.M.**

Members Via Phone: Chairperson Mona Rindy
 Senator Tim Mathern
 Representative Jason Dockter
 Mr. Adam Miller
 Ms. Casey Goodhouse
 Mr. Dirk Wilke
 Ms. Kim Wassim
 Mr. Troy Seibel
 Ms. Yvonne Smith

Others Via Phone: Mr. Scott Miller, NDPERS
 Ms. Rebecca Fricke, NDPERS

Chairperson Mona Rindy called the meeting to order at 3:00 P.M. The meeting was held by teleconference; roll call was taken, and a quorum was present.

AMERICAN RESCUE PLAN ACT

The American Rescue Plan was signed in March by President Biden. Ms. Rebecca Fricke briefed the Board on two provisions of the Act that has an impact to benefits administered by NDPERS. Staff is working with our federal compliance consultant, Ice Miller, and with legal counsel to determine the potential impact on NDPERS.

The first provision discussed is a COBRA premium subsidy (health, dental, vision) available to individuals who experienced an involuntary termination of employment or a reduction in hours. The subsidy is 100 percent of their COBRA premium for the period of April 1, 2021 through September 30, 2021. Staff is reviewing processes, forms, and notices that were utilized in a similar subsidy provided by the 2009 Recovery Act. The review is to determine whether the process can be revised and used as part of the new subsidy offering. Ms. Fricke updated the Board on progress by staff to identify individuals who became eligible due to termination of employment or reduction in hours, excluding events such as death, disability, divorce or dependents who are no longer eligible. She reviewed the process and 60-day window to apply for the subsidy, the method for employer verification, the approval and notification process by NDPERS.

The intent is for the employer to pay the premium and receive reimbursement in the way of a tax credit against their quarterly payment of Medicare taxes; this is how it was handled in 2009.

The second provision discussed is an optional change to the FlexComp Plan for the 2021 plan year where the dependent care spending account balance limit can be increased from \$5,000 to \$10,500. North Dakota Statute, Administrative Rules, and the plan document were reviewed, and it was determined there is no restriction to allowing the increase. Staff drafted four options for the Board's consideration. Ms. Fricke reviewed each option and provided information about a special election to allow the changes.

Discussion followed.

SENATOR MATHERN MOVED TO ACCEPT THE STAFF RECOMMENDATION TO ADOPT OPTION #1 THAT WOULD ALLOW AN INCREASE FROM \$5,000 TO \$10,500 TO ANYONE WHO IS ELIGIBLE. THE MOTION WAS SECONDED BY MS. WASSIM.

Ayes: Mr. Wilke, Ms. Wassim, Senator Mathern, Mr. Seibel, Mr. Adam Miller, Ms. Goodhouse, Representative Dockter, Ms. Smith, and Chairperson Rindy

Nays: None

Absent: None

MOTION PASSED

LEGISLATION

Mr. Scott Miller asked for direction from the Board on five of the remaining bills. The Board discussed strategy and options for testimony for HB 1209, HB 1233, HB 1245, SB 2043, and SB 2046.

MS. WASSIM MOVED TO DIRECT STAFF TO PROVIDE TESTIMONY IN OPPOSITION TO SB 2046 IF THERE IS ANYTHING BUT AN INCREASE TO THE 1 & 1 PERCENT CONTRIBUTION. THE MOTION WAS SECONDED BY SENATOR MATHERN.

Following discussion on the motion, Ms. Wassim wished to amend her motion. Senator Mathern agreed and the second to the motion as amended stands.

MS. WASSIM MOVED TO GIVE THE EXECUTIVE DIRECTOR DISCRETION TO OPPOSE, SUPPORT, OR REMAIN NEUTRAL ON SB 2046. THE MOTION WAS SECONDED BY SENATOR MATHERN.

Ayes: Ms. Wassim, Senator Mathern, Ms. Goodhouse, Ms. Smith, and Chairperson Rindy

Nays: Representative Dockter, Mr. Seibel, and Mr. Wilke

Absent: Mr. Adam Miller

MOTION PASSED

Chairperson Rindy called for any other business or comments. Hearing none, the meeting was adjourned at 3:55 P.M.

Prepared by,

Jan Lund
Assistant to the Board