

FULL NOTICE OF INTENT TO ADOPT, AMEND, AND REPEAL ADMINISTRATIVE
RULES RELATING TO N.D.A.C. ARTICLES 71-02, 71-03, 71-04, 71-05, 71-06, &
71-08 REGARDING THE PUBLIC EMPLOYEES RETIREMENT SYSTEM, UNIFORM
GROUP INSURANCE PROGRAM, DEFERRED COMPENSATION PLAN FOR PUBLIC
EMPLOYEES, HIGHWAY PATROL RETIREMENT SYSTEM, RETIREE HEALTH
INSURANCE CREDIT, AND DEFINED CONTRIBUTION PLAN

TAKE NOTICE that the North Dakota Public Employees Retirement System will hold a public hearing to address proposed adoption of, amendments to, and repeal of administrative rules in N.D. Admin. Code 71-02, 71-03, 71-04, 71-05, 71-06, & 71-08 at 11:00 A.M. on Tuesday, January 20, 2026, at 1600 East Century Avenue Suite 2, Bismarck, North Dakota. The proposed rules and amendments address:

Section 71-02-01-01. Definitions is amended as follows:

- The definition of "correctional officer" is repealed due to the enactment of 2025 HB 1177 allowing correctional officers to be enrolled in the public safety plan upon employment.
- The definition of "normal retirement age" is amended to replace "law enforcement" with the applicable plan names due to the enactment of 2025 HB 1274 and 2025 HB 1419, which renamed the law enforcement retirement plan the public safety retirement plan and expanded eligibility for participation in that plan.
- The definition of "overtime" is amended to remove an incorrect subsection reference.
- The definition of "permanent and total disability" is amended to replace "law enforcement" with the applicable plan names due to the enactment of 2025 HB 1274 and 2025 HB 1419, which renamed the law enforcement retirement plan the public safety retirement plan and expanded eligibility for participation in that plan and to remove an incorrect subdivision reference.

Section 71-02-03-02.2. Payment is amended to clarify when payments for service credit must be received.

Section 71-02-03-06. Conversion of Sick Leave is amended to correct numbering and typographical errors.

Section 71-02-04-07. Amount of early retirement benefit is amended to clarify the amount of early retirement benefit for certain plan members for consistency with N.D.C.C. § 54-52-17(4)(e).

Section 71-02-04-09.1. Dual membership limitations is amended to clarify that dual membership application among defined benefit plans does not include the defined contribution plan.

Section 71-02-05-06. Determination of disability–procedures is amended to replace the reference to the “law enforcement system” due to the enactment of 2025 HB 1274 and 2025 HB 1419, which renamed the law enforcement retirement plan the public safety retirement plan and expanded eligibility for participation in that plan, to clarify the time for appealing an initial board decision, to clarify other language, and to correct statutory references.

Section 71-02-05-07. Optional benefits is amended to replace the reference to “law enforcement retirement plans” due to the enactment of 2025 HB 1274 and 2025 HB 1419, which renamed the law enforcement retirement plan the public safety retirement plan and expanded eligibility for participation in that plan and to correct statutory references.

Section 71-02-05-07.1. Judges’ retirement plan optional benefits is amended to correct a statutory reference.

Section 71-02-06-01. Conditions for return is amended to clarify automatic refund provisions for various plans under NDCC 54-52 consistent with the technical corrections to NDCC § 54-52-17(7) enacted in 2025 SB 2121, § 2.

Section 71-02-06-06. Employer payment of employee contributions is amended to clarify that employees need to be treated by employer in a similar manner based upon class of employee.

Section 71-02-08-02. Withdrawal is amended to clarify defined benefit plan employer withdrawal provisions for compliance with federal requirements.

Section 71-02-08-05. Merger of eligible employer groups is amended to clarify defined benefit plan employer group mergers for compliance with federal requirements.

Section 71-03-03-05. Special enrollment for certain qualifying events is amended to clarify qualifying events for enrollment in uniform group insurance plans, including timeframe to apply and effective date of coverage.

Section 71-03-04-01. Employer contributions is amended to provide guidance on treatment of state employees who transfer employment between participating employers and to provide a definition of termination of employment for administration of uniform group insurance plans.

Section 71-03-05-10. Determining amount of premium overpayments and underpayments is amended to add a subsection regarding treatment of overpayments and underpayments for the employee assistance program.

Section 71-03-07-01. Employer contribution is amended to provide guidance on treatment of political subdivision employees who transfer employment between participating employers and to provide a definition of termination of employment for administration of uniform group insurance plans.

Section 71-04-05-02. Payroll deductions is amended to allow NDPERS and a participating 457 plan employer to agree to a different timeframe for payroll remittances.

Section 71-05-01-01. Definitions – is amended to clarify that the definitions apply in NDAC art. 71-05 and as follows:

- The definition of “overtime” is amended to remove an incorrect subsection reference.
- The definition of “plan administrator” is amended to clarify that the plan administrator of Highway Patrol Plan includes a person or committee appointed by the NDPERS Board consistent with the definition of plan administrator in the main plan definitions (NDAC §71-02-01-01).

Section 71-05-02-02. Determination of disability – Procedures is amended to clarify the time for appealing an initial board decision and to correct a statutory reference.

Section 71-05-04-03. Repurchase of service credit and purchase of additional service credit is amended to add language to the Highway Patrol Plan rule regarding purchasing service credit for previous public employment that mirrors the rule for main plan (NDAC § 71-02-03-02.1).

Section 71-05-04-04.1. Costs is amended to add language to the Highway Patrol Plan rule regarding purchase of service costs that mirrors the rule for the main plan (NDAC § 71-02-03-02.5).

Section 71-05-04-06. Crediting purchased or repurchased service is amended to add language to the Highway Patrol Plan rule regarding crediting of purchased service that mirrors the rule for the main plan (NDAC § 71-02-03-02.4).

Section 71-05-04-08. Conversion of sick leave is amended to add language to the Highway Patrol Plan rule regarding conversion of sick leave that mirrors the rule for the main plan (NDAC § 71-02-03-06).

Section 71-05-05-08. Retirement–Dual membership is amended to clarify that dual membership application among defined benefit plans does not include the defined contribution plan.

Section 71-06-01-11. Erroneous payment of benefits–Overpayments, Underpayments, and Appeals is adopted to address retiree health insurance credit overpayments, underpayments, and appeals.

Section 71-08-02-01. Membership of individuals who become covered under the judges retirement plan, the highway patrol retirement plan, the teachers' fund for retirement plan, or the alternate retirement plan of the state board of higher education is amended to clarify that dual membership application among defined benefit plans does not include the defined contribution plan.

Section 71-08-03-01. Disability distribution is amended to correct a statutory reference.

Section 71-08-10-01. Permanent employee participation is amended to replace references to the "law enforcement plan" due to the enactment of 2025 HB 1274 and 2025 HB 1419, which renamed the law enforcement retirement plan the public safety retirement plan and expanded eligibility for participation in that plan.

Section 71-08-11-03. Employer payment of employee contributions is amended to clarify that employees need to be treated by employer in a similar manner based upon class of employee.

Section 71-08-11-08. Forfeiture of rights upon distribution is amended to clarify forfeiture of rights upon distribution within the defined contribution plan.

Section 71-08-12-01. Participation is adopted to establish requirements for political subdivisions to join the defined contribution plan as permitted by the enactment of 2025 HB 1146, which allowed political subdivision employers not already participating in NDPERS to join the defined contribution plan.

Section 71-08-12-02. Withdrawal is adopted to establish requirements for a political subdivision to terminate participation in the defined contribution retirement plan that are consistent with the requirements of 2025 HB 1602 relating to political subdivision participation in the defined contribution plan and comply with federal requirements.

Section 71-08-12-03. Merger of eligible employer groups is adopted to establish requirements regarding mergers of eligible employers that comply with federal requirements.

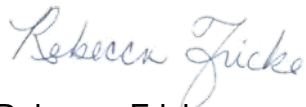
The proposed rules and amendments are not expected to have an impact on the regulated community in excess of \$50,000.

The proposed rules may be reviewed on the website of the North Dakota Public Employees Retirement System (www.ndpers.nd.gov) or at the office of the North Dakota Public Employees Retirement System, 1600 East Century Avenue Suite 2, Bismarck, North Dakota. A copy of the proposed rules and/or a regulatory analysis may be obtained by writing to PO Box 1657, Bismarck, ND 58502, e-mailing NDPERS-info@nd.gov, or calling 701-328-3900. Written comments on the proposed rules can be mailed to PO Box

1657, Bismarck, ND 58502 or emailed to NDPERS-info@nd.gov. Oral comments can be submitted by calling 701-328-3900. Comments received by no later than 5:00 p.m. on February 2, 2026, will be fully considered.

If you plan to attend the public hearing and will need special facilities or assistance relating to a disability, please contact the North Dakota Public Employees Retirement System at the above telephone number or address at least seven days prior to the public hearing.

Dated this 9th day of December, 2025.

A handwritten signature in blue ink that reads "Rebecca Fricke". The signature is written in a cursive, flowing style.

Rebecca Fricke
Executive Director