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# **MEMO 2025-11**

To: County Employers participating in NDPERS Retirement

From: NDPERS

Date: December 15, 2025

Subject: NDPERS Participation Requirements for County Elected Officials

As a reminder, the NDPERS Board adopted <u>two new policies</u> in May 2025 to clarify participation requirements for existing and newly elected county officials in the NDPERS retirement plan. Reference N.D. Administrative Code for the <u>Defined Benefit Plan</u> and <u>Defined Contribution Plan</u>.

Employers must follow the participation requirements outlined in each policy and ensure all elected county officials are reported accurately in Employer Self Service (ESS).

### **NEWLY** ELECTED COUNTY OFFICIALS – FIRST ELECTED AFTER MAY 13, 2025

It is important to distinguish between **Mandatory** and **Optional Participation** when enrolling newly elected county officials for the first time in ESS.

#### MANDATORY PARTICIPATION

Officials must be enrolled under Mandatory Participation if they:

- Are 18 years or older
- Work 20 or more hours per week for 20 or more weeks per year
- Hold a permanent, regularly funded position
- Fill a new position after May 13, 2025

Your organization must enroll these officials in ESS as eligible contributing "Elected Official" employees and report them to NDPERS under Mandatory Participation.

#### **OPTIONAL PARTICIPATION**

Officials who do not meet Mandatory Participation requirements are considered Optional Participants and must:

- Elect to participate within 180 days of employment or status change
- Contribute at their own expense (after-tax)
- Decline participation if contributing to another employer-sponsored retirement plan (private or public)

Employers must offer optional participants the opportunity to enroll and <u>contribute</u> <u>after-tax at their own expense</u>. Your organization must enroll these officials in ESS as non-contributing "Temporary" employees unless the employee elects to contribute within an eligible 180-day period.

## **EXISTING** ELECTED COUNTY OFFICIALS – SERVING BEFORE MAY 13, 2025

#### **POLICY RECAP & SUNSET PROVISIONS**

- County elected officials serving <u>before May 13, 2025</u>, who meet normal retirement are eligible for in-service distributions.
- These officials may waive participation and either begin or continue receiving NDPERS retirement benefits while serving in their elected role.
- Retirees who are **under age 59½** without a bona fide break in service may be subject to a **10% early distribution penalty**.
- This policy is retroactive to January 1, 2007, and will sunset on August 1, 2027.

**Questions?** Message us through Employer Self Service (ESS) or call the NDPERS office at 701.328.2900.

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