

### 2013 PROPOSED LEGISLATION

#### SB 2061 - TFFR Administrative Changes (Sponsor: TFFR Board)

- Updates definitions, incorporates federal law changes to comply with federal statutes, and adds a savings clause.

#### Other Bills Affecting TFFR:

#### SB 2331 - Retiree Benefit Adjusted Based on Re-employed Member Contributions Paid

- Requires a retired member's benefit to be actuarially adjusted to provide an increase in benefit based on the total amount of retired member contributions paid to TFFR during a period of re-employment. The retiree's benefit will be adjusted when the retiree re-retires.

#### HB 1203 - Member Contributions Discontinued on Salary Earned by Re-employed Retirees

- Removes the requirement for TFFR member contributions to be paid on salary earned by re-employed retirees effective July 1, 2013. (Exception: Member contributions must be paid once a re-employed retiree exceeds the annual hour limit under the General Rule and has their TFFR benefit suspended and recalculated upon re-retirement.) Employer contributions continue to be required on all salary earned by re-employed retirees.

#### HB 1230 - Expiration of the Increase in TFFR Contribution Rates

- Maintains the TFFR member and employer contribution rates approved by the 2011 Legislature until the Fund reaches 100% funded ratio (not 90% as provided in current law) at which time

contribution rates would be reduced to 7.75% for member and 7.75% for employer.

Note: TFFR cannot predict the outcome of any legislative proposal. There is no guarantee that legislation passed will have the results as the proposals described above. Additional legislative information can be obtained from the TFFR website at [www.nd.gov/rio](http://www.nd.gov/rio) or ND Legislative Council website [www.legis.nd.gov](http://www.legis.nd.gov).

### SALARY VERIFICATION-PENDING RETIREE FORM

To assist TFFR in the retirement process, please complete a [Salary Verification-Pending Retiree form](#) prior to a teacher retiring from your employment. We would like employers to complete and submit this form by March 1 for each TFFR member retiring. This form provides TFFR with salary detail for the current fiscal year and is used to estimate the teacher's final salary. This estimated salary is used to calculate the initial retirement benefit. Once the employer has reported all salary for the retiree, the retirement benefit is recalculated and corrected, if needed.



## RE-EMPLOYED RETIREE REPORTING REQUIREMENTS

If you have reported re-employed TFFR retirees in fiscal year 2012-13 and have not submitted the [TFFR Retired Member Employment Notification form](#) you must do so immediately. The form is required within 30 days of employment. Employers can be billed a \$250 late reporting penalty if the forms are not submitted on time.

## TAX TREATMENT OF TFFR CONTRIBUTIONS

Employers may report TFFR contributions on the W-2 form. TFFR is a 401(a) defined benefit plan and its contributions are mandatory, not elective. Under all models, the amount of TFFR contributions withheld or paid by the district is not required on the W-2 form. However, if the district wishes to place this information on the W-2, it belongs in Box 14.



## 2012 ANNUAL FINANCIAL REPORT AVAILABLE

For a complete review of the financial, investment, and actuarial conditions of the State Investment Board (SIB) and the Teachers' Fund for Retirement (TFFR), please view the Retirement and Investment Office (RIO) [2012 Comprehensive Annual Financial Report](#) (CAFR).

## VESTED INTEREST HIGHLIGHTS

Please view the [December 2012 Your Vested Interest newsletter](#) that was recently published. The newsletter contains updates on the following:

- Investment Performance Update
- Status on the search for an Executive Director/CIO

## SOCIAL SECURITY NUMBER REMINDER

To avoid creating multiple TFFR accounts for the same person, please contact the TFFR office before you change the social security number of a teacher in your payroll system. We need to verify that the number is correct and change our database before we post your TFFR report that contains the corrected social security number.

## ATTENTION: EMPLOYERS USING FLOPPY DISKS AND CDS

If you are currently using a floppy disk or a CD to submit your monthly TFFR report, we encourage you to make the switch to **TFFR Employer Online Services**. This application allows you to electronically submit your monthly TFFR contribution report directly to TFFR. You can also use this site to update your TFFR employer contact information.

To keep up with technology and hardware changes, within the next year TFFR plans to no longer accept monthly employer reports on floppy disks or CDs. Please contact us at [rio@nd.gov](mailto:rio@nd.gov) to help you make the switch today!

Reporting TFFR information using TFFR Employer Online Services is secure, fast and easy!