

Introduction For Defined Contribution Election Window



GENERAL INFORMATION ABOUT HB 1452

House Bill 1452



- Who is eligible/affected?
- Defined contribution retirement bill provisions.
- Defined benefit hybrid plan provisions.
- What is the difference between the two plans?
- What does this mean to you?

State Employees



- Employees who will be eligible for the Defined Contribution Retirement plan election are those who are a permanent state employee, eligible for benefits under NDCC 54-52, hired after October 1, 2013. This provision expires July 1, 2017.
- Includes:
 - Judges
 - Air National Guard
 - Law Enforcement
 - Main System Employees
 - Higher Education

State Employees



- Does not Include:
 - Highway Patrol
 - Political subdivisions, schools, cities or counties
 - Existing state employees in the Defined Benefit Hybrid Plan before 10/1/2013.

Contribution Rates for Both Plans

Currently:

- Main system
 - Employer – 6.12%
 - Employee – 6.00%
- Judges
 - Employer: 16.52
 - Employee: 7.00
- Law Enforcement
 - Employer: 10.31
 - Employee: 6.00
- Air National Guard
 - Employer: 6.50
 - Employee: 4.00

Effective January 1, 2014:

- Main system
 - Employer – 7.12%
 - Employee – 7.00%
- Judges
 - Employer: 17.52
 - Employee: 8.00
- Law Enforcement
 - Employer: 11.31
 - Employee: 6.0
- Air National Guard
 - Employer: 7.00
 - Employee: 4.50

Contribution Rates Adjustment



Defined Benefit Hybrid Plan

- The increased required contributions will continue until July first of the year following the first valuation showing a ratio of the actuarial value of assets to the actuarial accrued liability that is equal to or greater than 100%
- This also includes the Highway Patrol Plan, political subdivisions, schools, cities and counties.

Defined Contribution Plan

- The increased required contributions will continue until July first of the year following the first valuation showing a ratio of the actuarial value of assets to the actuarial accrued liability that is equal to or greater than 100%

State Employees



- Upon being hired, you must be enrolled in the **Defined Benefit Hybrid Retirement Plan.**
- You will be sent a Defined Contribution Election Information Packet by NDPERS once you have been enrolled.
- The enrollment packet will contain several pieces of vital information. They are
 - A pre-filled enrollment form
 - A Plan Highlights piece
 - A Personalized Benefits Comparison
 - A Choosing Your Investments piece
 - A Plan Performance Report Card

State Employees



- You will be given a six month window to make an election.
 - If no election is received within the six month window, you will remain in the Defined Benefit Retirement Plan.
 - If the Defined Contribution plan is elected, a lump sum amount will be transferred from the DB plan to the DC plan.

State Employees



- Election into the Defined Contribution Retirement Plan is **IRREVOCABLE!**
- However, if an you elect to transfer to the DC Plan, but terminate before the transfer occurs, the election is considered invalid and the transfer will be voided, with your member account staying in the DB Plan.

Where can I go for more information on these plan features

Defined Benefit Hybrid

- Contact NDPERS at **1-800-803-7377**.
(701) 328-3900
ndpers-info@nd.us
(email)
www.nd.gov/ndpers (web address)

Defined Contribution

- Call NDPERS at **1-800-803-7377** or
- TIAA-CREF at **1-800-842-2252** to speak to a TIAA-CREF Retirement Representative, Monday to Friday from 7 a.m. to 9 p.m. and Saturday, from 8 a.m. to 5 p.m. (CT).
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