NEWS RELEASE

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ND United Statement on Closing of Defined-Benefit Retirement Plan for Public Employees

BISMARCK – The North Dakota Legislature today voted to pass HB 1040, a bill that will close the defined-benefit retirement plan offered to state, county, city and other political subdivision employees since 1977. It will now go to Gov. Doug Burgum for signature. The following statement can be attributed to North Dakota United President Nick Archuleta:

“At the start of the 68th North Dakota Legislative Assembly, our elected leaders promised us that workforce development was among their top priorities. The passage of House Bill 1040 today marks a betrayal of that promise, as it will undoubtedly have devastating effects on our state’s ability to recruit and retain workers into our public workforce. From the beginning of this session, and long before it, lawmakers have heard hours of testimony in favor of defined-benefit retirement plans from actuaries, pensions experts, and former and current public employees. A handful of states have made this same move, from DB to DC, and representatives from two – Oklahoma and Alaska – shared the consequences of making this switch with the interim committee. Both states have seen legislative efforts to return to defined benefit. All of this advice, and just as pertinent, data showing that this move will cost North Dakota taxpayers over $5 billion, has been ignored and summarily dismissed.

“North Dakota’s public employees provide the essential services we all have come to depend upon and rightfully deserve. They do this important work both out of loyalty and a call to duty for the state, counties and local communities that they call home. To help retain this world-class workforce, the State of North Dakota has offered a secure, modest but dependable retirement plan. This arrangement has worked exactly as intended for more than a generation. We are disappointed to see this important tool for recruitment and retention come to an end.”

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North Dakota United is the largest professional union of public educators and employees in the state, representing more than 11,000 public school teachers, school staff, university faculty and staff, and city, county and state employees. Our association represents members in the state Capitol, the Legislature, in schools, on college campuses and at worksites across the state, and in our communities, promoting the great public education and great public services that the citizens of North Dakota deserve.