

OPINION
66-308 (June 24)

June 24, 1966 (OPINION)

General James O. Guthrie

Chairman

State Employee Retirement Board

RE: State - Employees Retirement System - Fee for Services

We acknowledge receipt of your letter of June 24, 1966, in which you request the opinion of this office as to the validity of imposing a service charge on dormant accounts left on deposit with the Retirement Board by terminated state employees and also the propriety of the board's performing deposit and investment services to nonemployees by permitting accounts to be left intact by employees whose services with the state are terminated.

Section 54-52-17 N.D.C.C. permits the board to make provisions deemed advisable and which do not conflict with the terms of Chapter 54-52 N.D.C.C. We find no terms of Chapter 54-52 which would be in conflict with either permitting retirement funds to be left with the plan by a terminated employee nor with a proposed service charge to pay for the administrative and management expenses of the board in processing and handling such funds.

The Retirement Board has been given the powers and privileges of a corporation by the terms of section 54-52-04(1) N.D.C.C. and although this will not justify the board going into the banking business nor providing investment services to the public, it does permit the board to do such things as are necessary to formulate a complete retirement plan and a termination of a participating employee does not terminate the state's interest in providing retirement plan benefits to such individuals.

HELGI JOHANNESON

Attorney General