



TO: Members of the Administrative Legislation Subcommittee

FROM: Lawrence A. Martin, Executive Director

RE: Summary of LCPR03-227; Work Product of the Subcommittee through July 29, 2003

DATE: August 5, 2003

Introduction

As the Subcommittee processes portions of the five administrative provisions bills, the Commission staff is engrossing any amendments approved by the Subcommittee and is reformatting the composite proposed administrative legislation in a single document. That composite document, LCPR03-227 (attached), representing the work of the Subcommittee through July 29, 2004, is summarized below.

**Section-By-Section Summary of LCPR03-227**

| Sec.                                       | Page, Lines   | Retirement Plan                                | Source Bill   | Stat. Provision                        | Summary   |
|--|---|--|---|--|---|
| <b><u>Article 1: Membership Issues</u></b> |   |  |   |  |   |
| 1  | Page 1, Lines 6-36;<br>Page 2, Lines 1-36;<br>Page 3, Lines 1-36;<br>Page 4, Lines 1-36;<br>Page 5, Lines 1-36;<br>Page 6, Line 1 | PERA-General;<br>PERA-P&F                      | HF 890 (Smith);<br>SF 676 (Betzold):<br>Section 2             | 353.01,<br>Subdivision 2b              | Removes unnecessary language and moves “temporary position” definition.   |
| 2  | Page 6, Lines 2-23  | PERA-General;<br>PERA-P&F                      | HF 890 (Smith);<br>SF 676 (Betzold):<br>Section 4             | 353.01,<br>Subdivision 12a             | Includes “temporary position” definition language from section 1.   |
| 3  | Page 6, Lines 24-36;<br>Page 7, Lines 1-3   | PERA-General;<br>PERA-P&F                      | HF 890 (Smith);<br>SF 676 (Betzold):<br>Section 5             | 353.01,<br>Subdivision 12b             | Eliminates reference to “business” year.  |
| 4  | Page 7, Lines 4-36;<br>Page 8, Lines 1-35   | TRA  | HF 1474 (Erickson);<br>SF 1420<br>(Pogenmiller)<br>Section 1  | 354.05,<br>Subdivision 2               | Removes obsolete license requirements, removes obsolete technical college references, and eliminates obsolete Comprehensive Employment and Training Act (CETA) exclusion. |
| 5  | Page 8, Line 36;<br>Page 9, Lines 1-12  | MnSCU IRAP                                     | HF 1474 (Erickson);<br>SF 1420<br>(Pogenmiller)<br>Section 7  | 354B.20,<br>Subdivision 4              | Corrects an obsolete reference.   |
| 6  | Page 9, Lines 13-26   | MnSCU IRAP                                     | HF 1474 (Erickson);<br>SF 1420<br>(Pogenmiller)<br>Section 8  | 354B.20,<br>Subdivision 6              | The eligible unclassified administrative position definition is amended to include MnSCU administrators in general rather than “excluded” administrators.                 |
| 7  | Page 9, Lines 27-36;<br>Page 10, Lines 1-15   | MnSCU Higher<br>Education<br>Supplemental Plan | HF 1474 (Erickson);<br>SF 1420<br>(Pogenmiller)<br>Section 11 | 354C.11,<br>Subdivision 2              | The eligibility provision is revised to include unclassified employees of the board, including employees who have confidential status.                                    |
| 8  | Page 10, Lines 16-18  | MSRS Unclassified<br>Program                   | HF 1430 (Smith);<br>SF 1460 (Betzold)<br>Article 8, Section 4 | Repealer;<br>352D.02,<br>Subdivision 5 | Repeals exclusion of TRA Basic members from MSRS Unclassified Program coverage.   |
| 9  | Page 10, Lines 19-24  | --   | --  | Effective Date                         | Generally effective on July 1, 2004. Section 6 is effective retroactive to the affected person’s date of hire and Section 7 is effective retroactively to July 1, 2001.   |

| Sec.   | Page, Lines   | Retirement Plan                    | Source Bill   | Stat. Provision               | Summary  |
|--|---|------------------------------------|---|-------------------------------|--|
| <b><u>Article 2: Covered Salary Definition</u></b> |   |                                    |   |                               |  |
| 1  | Page 10, Lines 27-36;<br>Page 11, Lines 1-15                        | MSRS-General;<br>MSRS-Correctional | HF 1430 (Smith);<br>SF 1460 (Betzold)<br>Article 2, Section 2 | 352.01,<br>Subdivision 13     | Includes grievance or legal settlement payments in covered salary definition if reviewed by the MSRS Executive Director and determined as consistent with the salary definition and with prior determinations.                             |
| 2  | Page 11, Lines 16-36;<br>Page 12, Lines 1-11                        | State Patrol                       | HF 1430 (Smith);<br>SF 1460 (Betzold)<br>Article 2, Section 4 | 352B.01,<br>Subdivision 11    | Revises the average salary definitions to tie covered salary to salary on which member contributions were made or on which prior service credit purchases were made and defines "salary" in the same manner as applicable to MSRS-General. |
| 3  | Page 12, Lines 12-36;<br>Page 13, Lines 1-32                        | PERA-General;<br>PERA-P&F          | HF 890 (Smith);<br>SF 676 (Betzold);<br>Section 3             | 353.01,<br>Subdivision 10     | Excludes from covered salary amounts in excess of Minnesota Statutes, Section 356.611 limitation.  |
| 4  | Page 13, Lines 33-36;<br>Page 14, Lines 1-12                        | Retirement<br>Generally            | HF 1086 (Smith);<br>SF 806 (Betzold)<br>Section 6             | 356.611,<br>Subdivision 2     | Revises maximum salary amount to conform with federal Internal Revenue Code.   |
| 5  | Page 14, Lines 13-25  | Retirement<br>Generally            | HF 1086 (Smith);<br>SF 806 (Betzold)<br>Section 7             | 356.611, New<br>Subdivision 3 | Requires reduction of benefit to comply with federal Internal Revenue Code.  |
| 6  | Page 14, Lines 26-27  | --                                 | --  | Effective Date                | Effective July 1, 2004.  |
| <b><u>Article 3: Allowable Service Credit</u></b>  |   |                                    |   |                               |  |
| 1  | Page 14, Lines 30-36;<br>Page 15, Lines 1-36;<br>Page 16, Lines 1-3 | TRA                                | HF 1474 (Erickson);<br>SF 1420<br>(Pogemiller)<br>Section 4   | 354.091                       | Sets full and fractional service credit rules for MnSCU employees based on full-time and part-time service definitions in the applicable collective bargaining agreements.   |
| 2  | Page 16, Lines 4-5  | --                                 | --  | Effective Date                | Effective July 1, 2004.  |