



H.F. 1912
(Murphy, M.)

S.F. 423
(Betzold)

Executive Summary of Commission Staff Materials

Affected Pension Plan(s): MSRS-Correctional
Relevant Provisions of Law: Minnesota Statutes, Section 352.91, Subdivisions 3a and 3f
General Nature of Proposal: Inclusion of additional Department of Human Services employees in plan coverage
Date of Summary: April 23, 2007

Specific Proposed Changes

- Adds nine occupational titles, involving 30 current employees of the State Department of Human Services, to the MSRS-Correctional Plan.

Policy Issues Raised by the Proposed Legislation

1. Adequacy of the assessment/determination process.
2. Extent of actual inmate/patient/client contact in the recommended inclusions.
3. Extent of compliance with other historic MSRS-Correctional coverage requirements.
4. Appropriateness in light of lack of transfer recommendations in 1996, 1998, 1999, and 2006.
5. Actuarial condition of MSRS-Correctional.
6. Budget impact on department from coverage transfers.
7. Appropriateness of adding positions without incumbents to Minnesota Statutes, Section 352.91, Subdivision 3e.
8. Undressed issue of retroactive coverage for past position service.

Potential Amendments

H1912-1A (substantive) addresses MSRS-Correctional contribution deficiency with contribution increases over current phase-in period.

H1912-2A (substantive) addresses MSRS-Correctional contribution deficiency with additional two-year extension to the current phase-in period.

H1912-3A (substantive) eliminates from coverage a position proposed for inclusion but lacks any incumbents.

H1912-4A (substantive) allows transfer of prior correctional service credit to MSRS-Correctional from MSRS-General with additional member contribution payment.

H1912-5A (substantive) adds additional employer contributions to prior service credit transfer payment obligation.

