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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH
SESSION

HOUSE FILE No. 3020

February 16, 2010

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The bill was read for the first time and referred to the Committee on State and Local Government Operations Reform,
Technology and Elections

1.1 A bill for an act
1.2 relating to state benefits; authorizing the Metropolitan Council to participate in
1.3 state paid insurance and benefits; amending Minnesota Statutes 2008, sections
1.4 43A.24, subdivision 2; 43A.26; 43A.30, subdivision 1; Minnesota Statutes 2009
1.5 Supplement, section 43A.27, subdivision 2.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2008, section 43A.24, subdivision 2, is amended to read:

1.8 Subd. 2. **Other eligible persons.** The following persons are eligible for state paid
1.9 life insurance and hospital, medical, and dental benefits as determined in applicable
1.10 collective bargaining agreements or by the commissioner or by plans pursuant to section
1.11 43A.18, subdivision 6, or by the Board of Regents for employees of the University of
1.12 Minnesota not covered by collective bargaining agreements or by the governing body of
1.13 the Metropolitan Council established under section 473.123, subdivision 1, for employees
1.14 of the Metropolitan Council not covered by collective bargaining agreements. Coverages
1.15 made available, including optional coverages, are as contained in the plan established
1.16 pursuant to section 43A.18, subdivision 2:

1.17 (a) a member of the state legislature, provided that changes in benefits resulting
1.18 in increased costs to the state shall not be effective until expiration of the term of the
1.19 members of the existing house of representatives. An eligible member of the state
1.20 legislature may decline to be enrolled for state paid coverages by filing a written waiver
1.21 with the commissioner. The waiver shall not prohibit the member from enrolling the
1.22 member or dependents for optional coverages, without cost to the state, as provided for in
1.23 section 43A.26. A member of the state legislature who returns from a leave of absence
1.24 to a position previously occupied in the civil service shall be eligible to receive the life
1.25 insurance and hospital, medical, and dental benefits to which the position is entitled;

2.1 (b) an employee of the legislature or an employee of a permanent study or interim
2.2 committee or commission or a state employee on leave of absence to work for the
2.3 legislature, during a regular or special legislative session, as determined by the Legislative
2.4 Coordinating Commission;

2.5 (c) a judge of the appellate courts or an officer or employee of these courts; a judge
2.6 of the district court, a judge of county court, or a judge of county municipal court; a
2.7 district court referee, judicial officer, court reporter, or law clerk; a district administrator;
2.8 an employee of the Office of the District Administrator that is not in the Second or
2.9 Fourth Judicial District; a court administrator or employee of the court administrator in a
2.10 judicial district under section 480.181, subdivision 1, paragraph (b), and a guardian ad
2.11 litem program employee;

2.12 (d) a salaried employee of the Public Employees Retirement Association;

2.13 (e) a full-time military or civilian officer or employee in the unclassified service of
2.14 the Department of Military Affairs whose salary is paid from state funds;

2.15 (f) a salaried employee of the Minnesota Historical Society, whether paid from state
2.16 funds or otherwise, who is not a member of the governing board;

2.17 (g) an employee of the regents of the University of Minnesota;

2.18 (h) notwithstanding section 43A.27, subdivision 3, an employee of the state of
2.19 Minnesota or the regents of the University of Minnesota who is at least 60 and not yet
2.20 65 years of age on July 1, 1982, who is otherwise eligible for employee and dependent
2.21 insurance and benefits pursuant to section 43A.18 or other law, who has at least 20
2.22 years of service and retires, earlier than required, within 60 days of March 23, 1982; or
2.23 an employee who is at least 60 and not yet 65 years of age on July 1, 1982, who has
2.24 at least 20 years of state service and retires, earlier than required, from employment at
2.25 Rochester state hospital after July 1, 1981; or an employee who is at least 55 and not
2.26 yet 65 years of age on July 1, 1982, and is covered by the Minnesota State Retirement
2.27 System correctional employee retirement plan or the State Patrol retirement fund, who
2.28 has at least 20 years of state service and retires, earlier than required, within 60 days of
2.29 March 23, 1982. For purposes of this clause, a person retires when the person terminates
2.30 active employment in state or University of Minnesota service and applies for a retirement
2.31 annuity. Eligibility shall cease when the retired employee attains the age of 65, or when
2.32 the employee chooses not to receive the annuity that the employee has applied for. The
2.33 retired employee shall be eligible for coverages to which the employee was entitled at the
2.34 time of retirement, subject to any changes in coverage through collective bargaining or
2.35 plans established pursuant to section 43A.18, for employees in positions equivalent to that
2.36 from which retired, provided that the retired employee shall not be eligible for state-paid

3.1 life insurance. Coverages shall be coordinated with relevant health insurance benefits
 3.2 provided through the federally sponsored Medicare program;

3.3 (i) an employee of an agency of the state of Minnesota identified through the process
 3.4 provided in this paragraph who is eligible to retire prior to age 65. The commissioner
 3.5 and the exclusive representative of state employees shall enter into agreements under
 3.6 section 179A.22 to identify employees whose positions are in programs that are being
 3.7 permanently eliminated or reduced due to federal or state policies or practices. Failure
 3.8 to reach agreement identifying these employees is not subject to impasse procedures
 3.9 provided in chapter 179A. The commissioner must prepare a plan identifying eligible
 3.10 employees not covered by a collective bargaining agreement in accordance with the
 3.11 process outlined in section 43A.18, subdivisions 2 and 3. For purposes of this paragraph,
 3.12 a person retires when the person terminates active employment in state service and
 3.13 applies for a retirement annuity. Eligibility ends as provided in the agreement or plan,
 3.14 but must cease at the end of the month in which the retired employee chooses not to
 3.15 receive an annuity, or the employee is eligible for employer-paid health insurance from
 3.16 a new employer. The retired employees shall be eligible for coverages to which they
 3.17 were entitled at the time of retirement, subject to any changes in coverage through
 3.18 collective bargaining or plans established under section 43A.18 for employees in positions
 3.19 equivalent to that from which they retired, provided that the retired employees shall not be
 3.20 eligible for state-paid life insurance;

3.21 (j) employees of the state Board of Public Defense, with eligibility determined by
 3.22 the state Board of Public Defense in consultation with the commissioner of management
 3.23 and budget; ~~and~~

3.24 (k) employees of supporting organizations of Enterprise Minnesota, Inc., established
 3.25 after July 1, 2003, under section 116O.05, subdivision 4, as paid for by the supporting
 3.26 organization; and

3.27 (l) an employee of the Metropolitan Council, with eligibility determined by the
 3.28 Metropolitan Council in consultation with the commissioner of management and budget.

3.29 Sec. 2. Minnesota Statutes 2008, section 43A.26, is amended to read:

3.30 **43A.26 OPTIONAL COVERAGES.**

3.31 The commissioner may make available to eligible persons and their dependents
 3.32 certain optional coverages provided by carriers selected by the commissioner. Eligible
 3.33 employees and other eligible persons may elect to purchase optional coverages at their
 3.34 own expense.

4.1 Sec. 3. Minnesota Statutes 2009 Supplement, section 43A.27, subdivision 2, is
 4.2 amended to read:

4.3 Subd. 2. **Elective eligibility.** The following persons, if not otherwise covered
 4.4 by section 43A.24, may elect coverage for themselves or their dependents at their own
 4.5 expense:

4.6 (a) a state employee, including persons on layoff from a civil service position as
 4.7 provided in collective bargaining agreements or a plan established pursuant to section
 4.8 43A.18;

4.9 (b) an employee of the Board of Regents of the University of Minnesota, including
 4.10 persons on layoff, as provided in collective bargaining agreements or by the Board of
 4.11 Regents;

4.12 (c) an officer or employee of the State Agricultural Society, State Horticultural
 4.13 Society, Sibley House Association, Minnesota Humanities Center, Minnesota Area
 4.14 Industry Labor Management Councils, Minnesota International Center, Minnesota
 4.15 Academy of Science, Science Museum of Minnesota, Minnesota Safety Council, state
 4.16 Office of Disabled American Veterans, state Office of the American Legion and its
 4.17 auxiliary, state Office of Veterans of Foreign Wars and its auxiliary, or state Office of the
 4.18 Military Order of the Purple Heart;

4.19 (d) a civilian employee of the adjutant general who is paid from federal funds and
 4.20 who is not eligible for benefits from any federal civilian employee group life insurance
 4.21 or health benefits program; ~~and~~

4.22 (e) an officer or employee of the State Capitol Credit Union or the Highway Credit
 4.23 Union; and

4.24 (f) the chair and members of the Metropolitan Council and an employee of the
 4.25 Metropolitan Council, including persons on layoff, as provided in collective bargaining
 4.26 agreements or by the Metropolitan Council.

4.27 Sec. 4. Minnesota Statutes 2008, section 43A.30, subdivision 1, is amended to read:

4.28 Subdivision 1. **Payments from agency revenues.** Each agency shall pay the
 4.29 amounts due for state paid life insurance and hospital, medical and dental benefits
 4.30 coverage authorized for eligible employees pursuant to this chapter.

4.31 Each agency shall pay the amounts from accounts and funds from which the agency
 4.32 receives its revenues, including appropriations from the general fund and from any other
 4.33 fund, now or hereafter existing for the payment of salaries and in the same proportion
 4.34 as it pays therefrom the amounts of salaries. In order to enable the commissioner of
 4.35 management and budget to maintain proper records covering the appropriations pursuant

5.1 to this section, the commissioner of management and budget may require certifications
5.2 in connection with payments as the commissioner of management and budget deems
5.3 necessary from the Minnesota Historical Society, the University of Minnesota, the
5.4 Metropolitan Council, or any agency whose employees receive benefits pursuant to this
5.5 chapter. The accounts and funds from which agencies receive appropriations under the
5.6 terms of this section are a source of revenue for the purposes of any other law or statutory
5.7 enactment.

5.8 Sec. 5. **APPLICATION.**

5.9 Sections 1 to 4 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey,
5.10 Scott, and Washington.

5.11 Sec. 6. **EFFECTIVE DATE.**

5.12 Sections 1 to 4 are effective the day following final enactment.