



S.F. 921
(Betzold)

H.F. 1124
(Murphy, M.)

Executive Summary of Commission Staff Materials

Affected Pension Plan(s): MSRS-Correctional
Relevant Provisions of Law: Minnesota Statutes, Section 352.91
General Nature of Proposal: Expansion of retirement plan membership
Date of Summary: March 11, 2009

Specific Proposed Changes

- The bill adds one occupational position, with one incumbent, to the MSRS-Correctional Retirement Plan, and deletes one occupational position, vacant, from the MSRS-Correctional Retirement Plan.

Policy Issues Raised by the Proposed Legislation

1. Adequacy of the assessment/determination process.
2. Extent of actual inmate contact in the recommended inclusions.
3. Extent of compliance with other historic MSRS-Correctional Plan coverage requirements.
4. Actuarial condition of MSRS-Correctional; need for additional contribution increases.
5. Appropriateness of considering MSRS-Correctional expansions in light of recent plan membership reductions recommended by the Governor.

Potential Amendments

Technical Amendment

S0921-1A revises the effective date to reflect the need for retroactivity to the date of hire for the incumbent automotive mechanic proposed for inclusion in MSRS-Correctional.



TO: Members of the Legislative Commission on Pensions and Retirement
FROM: Lawrence A. Martin, Executive Director *lam*
RE: S.F. 921 (Betzold); H.F. 1124 (Murphy, M.): MSRS-Correctional; Addition and Deletion to Plan Membership
DATE: March 11, 2009

Summary of S.F. 921 (Betzold); H.F. 1124 (Murphy, M.)

S.F. 921 (Betzold); H.F. 1124 (Murphy, M.) amends Minnesota Statutes, Section 352.94, the membership specification provision of the Correctional State Employees Retirement Plan of the Minnesota State Retirement System (MSRS-Correctional), by adding to the plan membership the employment position of "automotive mechanic" and by deleting from the plan membership the employment position of "automotive mechanic lead."

Background Information

Relevant background information is set forth in the following attachments:

- A. Attachment A summarizes the information generally available on the correctional facilities operated by the Department of Corrections.
- B. Attachment B contains Minnesota Statutes 2008, Section 352.91, Subdivision 4b, the Department of Corrections procedure for recommending MSRS-Correctional Plan membership changes.
- C. Attachment C contains information on the 2007 MSRS-Correctional coverage change asset transfer and additional payment obligation legislation.

Technical Amendment

Amendment S0921-1A revises the effective date of the proposed legislation to reflect the need for retroactivity to the date of hire for the incumbent automotive mechanic proposed for inclusion in the MSRS Correctional State Employees Retirement Plan (MSRS-Correctional).

Discussion and Analysis

S.F. 921 (Betzold); H.F. 1124 (Murphy, M.) expands the coverage of the Correctional State Employees Retirement Plan of the Minnesota State Retirement System (MSRS-Correctional) by one position, an automotive mechanic, and reduces the MSRS-Correctional Plan coverage by one position, the automotive mechanic lead. The expansion/contraction proposal is a recommendation of the Department of Corrections under the review process provided for in Minnesota Statutes, Section 352.91, Subdivisions 4a and 4b.

The proposed legislation raises numerous pension and related public policy issues for consideration and potential discussion by the Commission, as follows:

1. Adequacy of the Assessment/Determination Process. The policy issue is the adequacy of the process implemented by the Department of Corrections for identifying departmental employment positions for potential inclusion in the Correctional Employees Retirement Plan of the Minnesota State Retirement System (MSRS-Correctional) and its determination of positions for recommendation to the Legislature. Since the MSRS-Correctional Plan was first expanded beyond prison guards and security hospital guards in 1974, both explicit statutory requirements for coverage and historic requirements for coverage have been utilized by the Commission and by the Legislature to decide which occupational positions to include in the plan coverage. If the department has internalized both the statutory and the historic criteria and has seriously and rigorously implemented those criteria in making these recommendations, the Commission and the Legislature can rely on that process without any extensive or intensive scrutiny of the recommendations. This is the fourth year that the department has undertaken these formal reviews with a recommendation of statutory coverage changes, with the internal process still likely to be subject to refinement. The process utilized by the Department of Corrections is governed by Minnesota Statutes, Section 352.91, Subdivision 4b, set forth in Attachment B. The Commission should consider taking sufficient testimony from the department and collective bargaining representatives to gain a

comfort level about the department's seriousness, rigor, and conformity to explicit and historic special retirement plan coverage standards in its process.

2. Extent of Actual Inmate Contact in the Recommended Inclusions. The policy issue is whether or not the incumbent in the automotive mechanic position recommended by the department actually engage in the required 75 percent of working time direct inmate contact requirement contained in Minnesota Statutes, Section 352.91. The Commission staff reviewed the job description and assessed the job description percentage attribution elements for inmate contact. The Department of Corrections descriptions have improved since 2007, now including a specific indication of the extent of direct inmate contact for each employment responsibility element. For the automotive mechanic, the job description indicates inmate contact of 79 percent of the employee's work time. While the Commission staff appraisal of the job description is not a substitute for the rigorous process that the department was required to utilize in making its recommendation, the analysis does allow the Commission to focus on a recommendation that might be borderline qualified or actually unqualified. The Commission staff recommends that the Commission take additional testimony or additional appropriate steps to verify the extent of actual contact for the recommended occupational position.
3. Extent of Compliance with Other Historic MSRS-Correctional Plan Coverage Requirements. The policy issue is the extent of compliance in its review by the Department of Corrections with the other coverage transfer requirements that the Commission has historically utilized. Since the Commission first reviewed demands from trades personnel and special teachers to be included in MSRS-Correctional Plan coverage in 1974, the Commission has considered as part of its consideration of potential MSRS-Correctional membership inclusion the questions of:
 - i. Intervention Responsibility. Whether or not the considered occupational position was responsible to intervene in the event of a facility incident;
 - ii. Employment Hazards – Workers Compensation Claim History. Whether or not the extent that workers' compensation claims support the notion that the hazards of the positions approximate that of a public safety position.
 - iii. Employment Hazards – Incumbent Related Time Lost History. Whether or not the extent that the position's duty days lost to incidents or employment hazards are consistent with a public-safety-like position.

The Department of Corrections provided no information on the compliance of the occupational position recommended for MSRS-Correctional Plan inclusion with these historic requirements. The hazards of the employment position should be independently substantiated in some fashion or assessed from other indicators.

4. Actuarial Condition of MSRS-Correctional; Need for Additional Contribution Increases. The policy issue is the actuarial condition of the MSRS-Correctional Retirement Plan and any need for additional contribution increases to support the retirement plan. The following sets forth the July 1, 2006, July 1, 2007, and July 1, 2008, actuarial valuation results for the MSRS-Correctional Plan:

	2006		2007*		2008*	
<u>Membership</u>						
Active Members		3,910		4,332		4,520
Service Retirees		1,101		1,210		1,293
Disabilitants		168		174		184
Survivors		106		118		123
Deferred Retirees		817		851		888
Nonvested Former Members		388		494		548
Total Membership		6,490		7,179		7,556
<u>Funded Status</u>						
Accrued Liability		\$647,480,269		\$708,291,710		\$760,363,000
Current Assets		\$535,356,819		\$559,851,700		\$572,719,000
Unfunded Accrued Liability		\$112,123,450		\$148,440,010		\$187,644,000
Funding Ratio	82.68%		79.04%		75.32%	
<u>Financing Requirements</u>						
Covered Payroll		\$162,744,640		\$187,309,014		\$205,537,000
Benefits Payable		\$26,506,726		\$28,564,915		\$30,932,000
Normal Cost	17.69%	\$28,786,714	17.68%	\$33,124,289	18.24%	\$37,500,000
Administrative Expenses	0.21%	\$341,764	0.22%	\$412,080	0.22%	\$452,000
Normal Cost & Expense	17.90%	\$29,128,478	17.90%	\$33,536,369	18.46%	\$37,952,000
Normal Cost & Expense	17.90%	\$29,128,478	17.90%	\$33,536,369	18.46%	\$37,952,000
Amortization	5.44%	\$8,853,309	6.54%	\$12,250,010	5.20%	\$10,688,000
Total Requirements	23.34%	\$37,981,787	24.44%	\$45,786,379	23.66%	\$48,640,000

	2006		2007*		2008*	
Employee Contributions	5.69%	\$9,260,170	6.40%	\$11,987,777	7.00%	\$14,388,000
Employer Contributions	7.98%	\$12,987,022	9.10%	\$17,045,120	10.10%	\$20,759,000
Employer Add'l Cont.	0.00%	\$0	0.00%	\$0	0.00%	\$0
Direct State Funding	0.00%	\$0	0.00%	\$0	0.00%	\$0
Other Govt. Funding	0.00%	\$0	0.00%	\$0	0.00%	\$0
Administrative Assessment	0.00%	\$0	0.00%	\$0	0.00%	\$0
Total Contributions	13.67%	\$22,247,192	15.50%	\$29,032,897	17.10%	\$35,147,000
Total Requirements	23.34%	\$37,981,787	24.44%	\$45,786,379	23.66%	\$48,640,000
Total Contributions	<u>13.67%</u>	<u>\$22,247,192</u>	<u>15.50%</u>	<u>\$29,032,897</u>	<u>17.10%</u>	<u>\$35,147,000</u>
Deficiency (Surplus)	9.67%	\$15,734,595	8.94%	\$16,753,482	6.56%	\$13,493,000

* Reflects 2007 Asset Valuation Method change

A phase-in of increased member and employer contributions was imposed over the period 2007-2010, but even with the contribution increases fully phased in, the plan has a contribution deficiency of some magnitude, as follows:

Normal Cost & Expense	18.46%	\$37,952,000
Amortization	<u>5.20%</u>	<u>\$10,688,000</u>
Total Requirements	23.66%	\$48,640,000
Employee Contributions	8.60%	\$17,676,182
Employer Contributions	<u>12.10%</u>	<u>\$24,869,977</u>
Total Contributions	20.70%	\$42,546,159
Total Requirements	23.66%	\$48,640,000
Total Contributions	<u>20.70%</u>	<u>\$42,546,159</u>
Deficiency (Surplus)	2.96%	\$6,098,841

To gain contribution equilibrium for the retirement plan, additional increases will be needed in the member and employer contribution rates to the retirement plan.

5. Appropriateness of Considering MSRS-Correctional Expansions in Light of Recent Plan Membership Reductions Recommended by the Governor. The policy issue is the appropriateness of the Department of Corrections recommending an expansion in the membership of the Correctional State Employees Retirement Plan of the Minnesota State Retirement System (MSRS-Correctional) when the Governor is recommending a dramatic reduction in the plan membership, including the elimination of all other similar "non-security" positions from the MSRS-Correctional Retirement Plan, and when the Department has testified publicly before the Legislature in favor of that recommended plan membership reduction. The appropriateness of the Legislative Commission on Pensions and Retirement and the Legislature processing both diametrically opposed MSRS-General membership change recommendations is also questionable.

Attachment A

Background Information on Department of Corrections Correctional Facilities in General

The Minnesota Department of Corrections was created in 1959 to consolidate state correctional functions into one agency. A service and regulatory agency, the department has a broad scope of activities and responsibilities.

The department currently operates ten correctional facilities, including eight for adults and two for juveniles. For adult offenders, a five-level classification system reflects the necessary level of control for offenders classified in each designation. Adult prison populations total approximately 9,200 inmates and juvenile residents number around 175. Department agents supervise nearly 20,000 adult and juvenile offenders on probation, supervised release, and parole. Through the state Community Corrections Act, the department also administers subsidy funds to units of local government for corrections program. The department is organized into three divisions:

- 1) The Facility Services Division, which oversees Health Services, MINNCOR Industries, Safety, Special Investigations, Government Relations, and Finance Services.
- 2) The Community Services Division, which oversees Administrative Services, Field Services, Information & Technology, and Policy & Legal Services.
- 3) The Support Services Division, which oversees the Office of Diversity, Strategic Planning, Restorative Justice, Best Practices, Employee Development, and Human Resource Management.

The department has 4,182 employees working in facilities, field offices, the central office, and MINNCOR Industries.

All of the department's correctional institutions meet standards established by the American Correctional Association (ACA). The standards relate to all aspects of institutional operation. The department's central office, adult and juvenile release functions, and adult and juvenile field services also meet ACA standards.

Inmates in state facilities have access to a variety of work, education, and other program activities. MINNCOR Industries provides positive activities for inmates while they are incarcerated and develops work skills they can use in productive employment after release. Education programs focus on basic literacy instruction. Programs are also provided for sex offenders and chemically dependent inmates.

The adult inmate profile of the Department of Corrections as of June 2006, June 2007, and June 2008 was as follows:

	2006		2007		2008	
<u>Population</u>						
Males	8,466	93.96%	8,639	93.8%	8,630	96.6%
Females	544	6.04%	575	6.2%	594	6.4%
Total	9,010		9,214		9,224	
<u>Types of Offenses</u>						
Offense to Person	4,370	48.5%	4,486	48.7%	4,581	49.7%
Drugs	2,039	22.6%	1,887	20.5%	1,841	20.0%
Property	1,164	12.9%	1,186	12.9%	1,075	11.6%
Weapons	412	4.6%	443	4.8%	456	4.9%
DWI	525	5.8%	624	6.8%	663	7.2%
Other/Not Reported	500	5.5%	588	6.3%	608	6.6%
Total	9,010		9,214		9,224	
Average Age (in Years)	35.13		35.14		35.7	
Current Inmates Age 50 or Older	796	8.8%	866	9.4%	971	10.5%
Current Inmates Under Age 18	11	0.1%	11	0.1%	13	0.1%
MINNCOR Industry-Inmates Employed	1,218	13.5%	1,378	15.0%	1,229	13.3%
<u>Race</u>						
White	5,211	57.8%	5,250	57.0%	5,190	56.3%
Black	2,891	32.1%	3,004	32.6%	3,096	33.5%
Indian	704	7.8%	740	8.0%	719	7.8%
Asian	202	2.2%	215	2.3%	219	2.4%
Unknown	2	0.0%	5	< 0.1%	0	0.0%
Total	9,010		9,214		9,224	

Note: 625 of Hispanic ethnicity in 2006, 653 of Hispanic ethnicity in 2007, and 671 of Hispanic ethnicity in 2008

	2006		2007		2008	
<u>Education Level</u>						
Grades 0-8	439	4.9%	455	4.9%	935	10.1%
Grades 9-11	2,175	24.1%	2,144	23.3%	2,230	24.2%
High School Graduate	1,563	17.3%	1,487	16.1%	2,433	26.4%
GED	2,234	24.8%	2,069	22.5%	1,824	19.8%
College and Up	783	8.7%	807	8.8%	796	8.6%
Other/Unknown	1,816	20.2%	2,252	24.4%	1,006	10.9%
Total	9,010		9,214		9,224	
<u>Marital Status</u>						
Single	6,248	69.3%	6,497	70.5%	6,592	71.5%
Married	1,278	14.2%	1,282	13.9%	1,258	13.6%
Divorced/Separated	1,240	13.8%	1,226	13.3%	1,166	12.6%
Other/Unknown	244	2.7%	209	2.3%	208	2.3%
Total	9,010		9,214		9,224	
<u>County of Commitment</u>						
Hennepin	2,177	24.2%	2,285	24.8%	2,266	24.6%
Ramsey	1,435	15.9%	1,391	15.1%	1,447	15.7%
Dakota	397	4.4%	436	4.7%	445	4.8%
St. Louis	838	4.3%	406	4.4%	392	4.2%
Olmsted	323	3.6%	340	3.7%	358	3.9%
Anoka	348	3.9%	362	3.9%	380	4.1%
Other	3,947	43.8%	3,994	43.3%	3,936	42.7%
Total	9,465		9,214		9,224	

Background Information: MCF-Red Wing

The Minnesota Correctional Facility-Red Wing was constructed in 1889 and provides treatment, education, and transition services for approximately 150 serious and chronic male juvenile offenders placed at the facility either as a condition of court-ordered probation or as the result of having been committed to the commissioner of corrections. The facility also provides 90- and 120-day short-term programming, detention and predisposition evaluation services as requested by the courts. In addition, the facility provides a separate community re-entry program for 30 minimum-security adult male offenders.

The MCF-Oak Park Heights warden is Otis Zanders.

Attachment B
Minnesota Statutes 2008,
Section 352.91, Subdivision 4b

Subd. 4b. **Department of Corrections; procedure for coverage change considerations.** (a) The commissioner of corrections shall appoint a standing review committee to review and determine positions that should be included in legislative requests for correctional employees retirement plan coverage under subdivision 4a.

(b) Periodically, the Department of Corrections will convene meetings of the review committee. The review committee must review all requests and the supporting documentation for coverage by the correctional employees retirement plan and must determine which classes or positions meet the statutory requirements for coverage. The review committee also must determine if incumbents of and recent retirees from classes or positions determined for inclusion in correctional employees retirement plan coverage have prior Department of Corrections employment which also qualified as correctional service and which should be transferred from the general state employees retirement plan to the plan and the initial date for each potential service credit transfer.

(c) The review committee must evaluate and determine the eligibility date for initial plan participation and all periods of eligibility in the correctional employees retirement plan.

(d) The department must provide a notice of each determination and of the employee's right to appeal from the review committee to each employee who requested inclusion. Appeals must be filed with the agency human resource manager within 30 days of the date of the notice of determination.

(e) The commissioner of corrections shall appoint a standing appeals committee to hear appeals of determinations for coverage. The appeal committee must include relevant department employees and employee representatives. Appeal committee determinations are final.

(f) All positions approved for inclusion must be forwarded to the commissioner of corrections for the preparation of legislation to implement the coverage change and submission. The commissioner will submit a written recommendation documenting classes or positions that should or should not be covered by the correctional employees retirement plan. Documentation of each request and the final determination must be retained in the Department of Corrections' Office of Human Resource Management.

Attachment C

Background and Historical Information on the 2007 Asset Transfer and Additional Payment Procedure for Correctional State Employees Retirement Plan of the Minnesota State Retirement System (MSRS-Correctional) Coverage Transfers

For State of Minnesota Department of Corrections and Department of Human Services employees who were newly included in coverage by the Correctional State Employees Retirement Plan of the Minnesota State Retirement System (MSRS-Correctional) and had prior state employment covered by the General State Employees Retirement Plan of the Minnesota State Retirement System (MSRS-General) that was eligible for transfer to the MSRS-Correctional Retirement Plan in 2006 or 2007 and thereafter, an ongoing procedure was specified for the transfer of previously accumulated assets and for the funding of the additional actuarial liability created in the MSRS-Correctional Retirement Plan by virtue of the prior service credit transfer.

Before 2007, prior service credit was sometimes transferred and MSRS-Correctional Retirement Plan coverage was sometimes prospective only. In recent years before 2007, the accumulated MSRS-General Retirement Plan assets attributable to the prior service credit were transferred to the MSRS-Correctional Retirement Plan and the transferred members were required to pay the differential between the MSRS-General member contribution rate and the MSRS-Correctional member contribution rate applied to the actual salaries earned during the period, plus 8.5 percent compounded interest, with the balance of any MSRS-Correctional unfunded actuarial accrued liability attributable to the transfer left to be funded by the ongoing funding of the plan. Until very recently, MSRS-Correctional was more than fully funded (i.e., assets in excess of actuarial accrued liability) and had a contribution sufficiency.

Since MSRS-Correctional is no longer a fully funded (82.4 percent funded, with a \$125.0 million unfunded actuarial accrued liability as of July 1, 2007) and has a contribution deficiency (total actuarial requirement of 23.41 percent of covered salary with total contributions of 15.50 percent of covered salary, leaving a 7.91 percent of covered salary (\$14.8 million) deficiency as of July 1, 2007), additional unfunded actuarial accrued liabilities attributable to retirement plan coverage changes and past service credit transfers clearly needed to be addressed and the 2007 legislation (Laws 2007, Chapter 134, Article 3, Section 5) was enacted to do so. The 2007 procedures differentiated between transfers that had just occurred (2006) or were occurring (2007) and all future transfers, as follows:

- If the employee was transferred to MSRS-Correctional before July 1, 2007, for the applicable past service, the applicable member was required to pay the member contribution rate differential (the difference between the MSRS-General employee contribution that was paid and the employee contribution that would have been made to MSRS-Correctional if that plan had covered that past service), plus 8.5 percent compound interest. If that payment is made, the employer must pay the equivalent employer contribution rate differential, plus 8.5 percent compound interest. In addition to these employee and employer payments, assets were transferred from MSRS-General in an amount equal to the funded portion of the present value of benefits earned for that service in MSRS-General.
- For transfers that occur on or after July 1, 2007, the payment of the full actuarial value of the additional benefit obtained by the transfer is required. To transfer the past service credit, MSRS will compute the full actuarial value of the service credit transfer in MSRS-Correctional. From this amount, MSRS will subtract the employee and employer contribution differential payment, with interest, and the asset transfer from MSRS-General as required for the pre-July 1, 2007, transfer procedure. The remainder of the full actuarial value, if positive, must be paid to MSRS-Correctional through additional payments by the member and the employer, to be shared on a 40 percent employee/60 percent employer basis.

To provide a sense of the potential member and employer payments that can be involved in service credit transfers under the 2007 procedure, the following are calculations under the procedure prepared by the consulting actuary retained by the Minnesota State Retirement System (MSRS) during the 2007 Legislative Session for transfers of service credit to MSRS-Correctional for various ages and service lengths:

ID	Age	Service	Transferred Assets	Employee Contribution Difference + Interest	Employer Contribution Difference + Interest	Total Assets and Additional Contribution Amounts	Remaining Full Actuarial Value	Member Full Actuarial Value Share	Employer Full Actuarial Value Share
A	23.67	0.61	684	209	493	1,386	1,539	616	923
B	25.33	1.75	3,508	942	2,218	6,668	7,352	2,941	4,411
C	26.75	3.50	6,883	1,565	3,685	12,133	14,372	5,749	8,623
D	28.58	4.00	10,797	2,434	5,732	18,963	23,122	9,249	13,873

ID	Age	Service	Transferred Assets	Employee Contribution Difference + Interest	Employer Contribution Difference + Interest	Total Assets and Additional Contribution Amounts	Remaining Full Actuarial Value	Member Full Actuarial Value Share	Employer Full Actuarial Value Share
E	30.42	0.83	4,492	1,029	2,423	7,944	10,160	4,064	6,096
F	30.83	6.00	17,983	3,856	9,081	30,920	41,883	16,753	25,130
G	34.75	0.17	24	0	0	24	14	6	8
H	34.75	2.17	7,744	1,433	3,376	12,553	17,552	7,021	10,531
I	35.17	1.00	2,980	577	1,359	4,916	7,015	2,806	4,209
J	35.33	1.83	7,921	1,568	3,693	13,182	18,506	7,402	11,104
K	35.50	4.27	9,257	1,641	3,864	14,762	21,963	8,785	13,178
L	38.92	12.00	69,827	13,206	31,102	114,135	159,505	63,802	95,703
M	39.92	5.00	23,261	4,062	9,565	36,888	52,056	20,822	31,234
N	40.17	0.92	3,732	645	1,518	5,895	8,969	3,588	5,381
O	40.25	0.33	4,528	1,313	3,093	8,934	10,832	4,333	6,499
P	41.08	1.92	7,081	1,162	2,735	10,978	15,236	6,094	9,142
Q	45.00	1.83	11,636	1,795	4,227	17,658	24,493	9,797	14,696
R	45.08	1.00	5,015	813	1,916	7,744	11,298	4,519	6,779
S	45.08	19.34	139,965	22,188	52,254	214,407	265,507	106,203	159,304
T	45.33	2.00	9,770	1,423	3,351	14,544	21,517	8,607	12,910
U	45.58	21.00	174,605	25,654	60,416	260,675	328,110	131,244	196,866
V	50.50	2.93	20,301	2,585	6,089	28,975	41,092	16,437	24,655
W	50.50	21.83	129,278	18,961	44,653	192,892	247,998	99,199	148,799
X	50.17	27.36	174,320	25,827	60,823	260,970	288,597	115,439	173,158
Y	55.08	2.08	12,253	1,472	3,466	17,191	22,867	9,147	13,720
Z	55.08	18.67	65,721	9,171	21,597	96,489	142,270	56,908	85,362
AA	55.50	27.67	266,000	38,469	90,595	395,064	428,691	171,476	257,215
BB	55.58	18.33	75,082	5,101	12,013	92,196	87,932	35,173	52,759
CC	60.17	25.42	166,812	25,403	59,826	252,041	253,255	101,302	151,953
DD	60.83	6.78	32,829	3,861	9,092	45,782	50,539	20,216	30,323
EE	60.92	19.00	117,948	15,911	37,471	171,330	188,113	75,245	112,868

1.1 moves to amend S.F. No. 921; H.F. No. 1124, as follows:

1.2 Page 2, delete lines 32 and 33 and insert:

1.3 "(a) Section 1 is effective retroactively from May 29, 2007.

1.4 "(b) Section 2 is effective the day following final enactment."

Senator Betzold introduced-

S.F. No. 921: Referred to the Committee on State and Local Government Operations and Oversight.

1.1 A bill for an act
1.2 relating to retirement; modifying correctional state employees retirement plan
1.3 membership; amending Minnesota Statutes 2008, section 352.91, subdivision 3d.

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

1.5 Section 1. Minnesota Statutes 2008, section 352.91, subdivision 3d, is amended to read:

1.6 Subd. 3d. **Other correctional personnel.** (a) "Covered correctional service" means
1.7 service by a state employee in one of the employment positions at a correctional facility or
1.8 at the Minnesota Security Hospital specified in paragraph (b) if at least 75 percent of the
1.9 employee's working time is spent in direct contact with inmates or patients and the fact of
1.10 this direct contact is certified to the executive director by the appropriate commissioner.

1.11 (b) The employment positions are:

1.12 (1) automotive mechanic;

1.13 ~~(2)~~ baker;

1.14 ~~(2)~~ (3) central services administrative specialist, intermediate;

1.15 ~~(3)~~ (4) central services administrative specialist, principal;

1.16 ~~(4)~~ (5) chaplain;

1.17 ~~(5)~~ (6) chief cook;

1.18 ~~(6)~~ (7) cook;

1.19 ~~(7)~~ (8) cook coordinator;

1.20 ~~(8)~~ (9) corrections program therapist 1;

1.21 ~~(9)~~ (10) corrections program therapist 2;

1.22 ~~(10)~~ (11) corrections program therapist 3;

1.23 ~~(11)~~ (12) corrections program therapist 4;

1.24 ~~(12)~~ (13) corrections inmate program coordinator;

- 2.1 ~~(13)~~ (14) corrections transitions program coordinator;
- 2.2 ~~(14)~~ (15) corrections security caseworker;
- 2.3 ~~(15)~~ (16) corrections security caseworker career;
- 2.4 ~~(16)~~ (17) corrections teaching assistant;
- 2.5 ~~(17)~~ (18) delivery van driver;
- 2.6 ~~(18)~~ (19) dentist;
- 2.7 ~~(19)~~ (20) electrician supervisor;
- 2.8 ~~(20)~~ (21) general maintenance worker lead;
- 2.9 ~~(21)~~ (22) general repair worker;
- 2.10 ~~(22)~~ (23) library/information research services specialist;
- 2.11 ~~(23)~~ (24) library/information research services specialist senior;
- 2.12 ~~(24)~~ (25) library technician;
- 2.13 ~~(25)~~ (26) painter lead;
- 2.14 ~~(26)~~ (27) plant maintenance engineer lead;
- 2.15 ~~(27)~~ (28) plumber supervisor;
- 2.16 ~~(28)~~ (29) psychologist 1;
- 2.17 ~~(29)~~ (30) psychologist 3;
- 2.18 ~~(30)~~ (31) recreation therapist;
- 2.19 ~~(31)~~ (32) recreation therapist coordinator;
- 2.20 ~~(32)~~ (33) recreation program assistant;
- 2.21 ~~(33)~~ (34) recreation therapist senior;
- 2.22 ~~(34)~~ (35) sports medicine specialist;
- 2.23 ~~(35)~~ (36) work therapy assistant;
- 2.24 ~~(36)~~ (37) work therapy program coordinator; and
- 2.25 ~~(37)~~ (38) work therapy technician.

2.26 Sec. 2. **MSRS-CORRECTIONAL; ELIMINATION OF CERTAIN POSITION**
 2.27 **FROM COVERAGE.**

2.28 Notwithstanding any provision of Minnesota Statutes, section 352.91, to the contrary,
 2.29 including Minnesota Statutes, section 352.91, subdivision 2, "covered correctional service"
 2.30 does not mean service rendered by a state employee as an automotive mechanic lead.

2.31 Sec. 3. **EFFECTIVE DATE.**

2.32 Sections 1 and 2 are effective on the first day of the first payroll occurring after the
 2.33 date of enactment.