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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. **1410**

03/11/2013 Authored by Nelson

The bill was read for the first time and referred to the Committee on Government Operations

1.1 A bill for an act  
1.2 relating to retirement; Minnesota State Retirement System; permitting deferred  
1.3 members from the general employees retirement plan, correctional employees  
1.4 retirement plan, and the State Patrol retirement plan to vote in board elections;  
1.5 amending Minnesota Statutes 2012, section 352.03, subdivisions 1, 1a.

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

1.7 Section 1. Minnesota Statutes 2012, section 352.03, subdivision 1, is amended to read:

1.8 Subdivision 1. **Membership of board; election; term.** (a) The policy-making  
1.9 function of the system is vested in a board of 11 members known as the board of directors.

1.10 This board shall consist of:

1.11 (1) three members appointed by the governor, one of whom must be a constitutional  
1.12 officer or appointed state official and two of whom must be public members knowledgeable  
1.13 in pension matters;

1.14 (2) four state employees elected by ~~state employees covered by the system~~ active  
1.15 members and former members eligible for a deferred annuity from the general state  
1.16 employees retirement plan, excluding employees in categories specifically authorized  
1.17 to designate or elect a member by this subdivision, and deferred annuitants for whom  
1.18 a board member is designated;

1.19 (3) one employee of the Metropolitan Council's transit operations or its successor  
1.20 agency designated by the executive committee of the labor organization that is the  
1.21 exclusive bargaining agent representing employees of the transit division;

1.22 (4) one employee who is a member of the State Patrol retirement ~~fund~~ plan elected  
1.23 by active members of ~~and former members eligible for a deferred annuity from that fund~~  
1.24 ~~at a time and in a manner fixed by the board,~~ plan;

2.1 (5) one employee covered by who is a member of the correctional state employees  
 2.2 retirement plan established under this chapter elected by employees covered by active  
 2.3 members and former members eligible for a deferred annuity from that plan; and

2.4 (6) one retired employee of a plan included in the system, elected by disabled and  
 2.5 retired employees of all the plans administered by the system at a time and in a manner to  
 2.6 be fixed determined by the board.

2.7 (b) The terms of the four elected state employees under paragraph (a), clause (2),  
 2.8 must be staggered, with two of the state employee members board positions elected  
 2.9 each biennium, whose terms of office begin on the first Monday in May after their  
 2.10 election, must be elected biennially. Elected members and the appointed member of the  
 2.11 Metropolitan Council's transit operations hold office for a term of four years and until their  
 2.12 successors are elected or appointed, and have qualified.

2.13 (c) An employee or former employee of the system is not eligible for membership  
 2.14 on the board of directors. A state employee on leave of absence is not eligible for election  
 2.15 or reelection to membership on the board of directors.

2.16 (d) The term of any board member who is on leave for more than six months  
 2.17 automatically ends on expiration of the term of office.

2.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.19 Sec. 2. Minnesota Statutes 2012, section 352.03, subdivision 1a, is amended to read:

2.20 Subd. 1a. **Membership voting limitations.** Active members and former members  
 2.21 eligible for a deferred annuity from a plan under this chapter or chapter 352B are eligible  
 2.22 to vote in board elections as further specified and restricted in this section. Retired  
 2.23 members and disabilitants from a plan in the system may vote only for the retired member  
 2.24 position under subdivision 1, paragraph (a), clause (6). If a former member eligible for a  
 2.25 deferred annuity from a plan under this chapter or chapter 352B is a deferred annuitant  
 2.26 from more than one plan covered by the system, that person is eligible to vote only in  
 2.27 elections applicable for deferred annuitants from the plan in the system from which the  
 2.28 person last received allowable service. If a person is an active member of a plan in the  
 2.29 system and is a deferred annuitant or a retiree from another plan or plans in the system,  
 2.30 the person is only eligible to vote in board elections applicable due to the active member  
 2.31 plan membership. If a person is a deferred annuitant from a plan in the system and is also  
 2.32 a retiree from another plan in the system, the person is only eligible to vote in elections  
 2.33 applicable due to the retiree status.

3.1            Subd. 1b. Terms; compensation; removal; vacancies; public members. The  
3.2 membership terms, compensation, removal of members, and filling of vacancies for the  
3.3 public members on the board are as provided in section 15.0575.

3.4            **EFFECTIVE DATE.** This section is effective the day following final enactment.