

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-EIGHTH LEGISLATURE**

**S.F. No. 1518**

(SENATE AUTHORS: CHAMBERLAIN, Housley, Brown and Benson)

DATE	D-PG	OFFICIAL STATUS
04/02/2013	1669	Introduction and first reading Referred to State and Local Government

1.1 A bill for an act  
 1.2 relating to state government; providing that legislators and constitutional officers  
 1.3 do not participate in the state employee group insurance program; amending  
 1.4 Minnesota Statutes 2012, section 43A.24, subdivisions 1, 2.

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

1.6 Section 1. Minnesota Statutes 2012, section 43A.24, subdivision 1, is amended to read:

1.7 Subdivision 1. **General.** Employees, including persons on layoff from a civil  
 1.8 service position, and employees who are employed less than full time, shall be eligible for  
 1.9 state paid life insurance and hospital, medical and dental benefits as provided in collective  
 1.10 bargaining agreements or plans established pursuant to section 43A.18. The governor,  
 1.11 lieutenant governor, attorney general, state auditor, secretary of state, and legislators are  
 1.12 not eligible for state-paid life insurance and hospital, medical, and dental benefits.

1.13 Sec. 2. Minnesota Statutes 2012, section 43A.24, subdivision 2, is amended to read:

1.14 Subd. 2. **Other eligible persons.** The following persons are eligible for state paid  
 1.15 life insurance and hospital, medical, and dental benefits as determined in applicable  
 1.16 collective bargaining agreements or by the commissioner or by plans pursuant to section  
 1.17 43A.18, subdivision 6, or by the Board of Regents for employees of the University of  
 1.18 Minnesota not covered by collective bargaining agreements. Coverages made available,  
 1.19 including optional coverages, are as contained in the plan established pursuant to section  
 1.20 43A.18, subdivision 2:

1.21 ~~(1) a member of the state legislature, provided that changes in benefits resulting~~  
 1.22 ~~in increased costs to the state shall not be effective until expiration of the term of the~~  
 1.23 ~~members of the existing house of representatives. An eligible member of the state~~

2.1 legislature may decline to be enrolled for state paid coverages by filing a written waiver  
 2.2 with the commissioner. The waiver shall not prohibit the member from enrolling the  
 2.3 member or dependents for optional coverages, without cost to the state, as provided for in  
 2.4 section 43A.26. A member of the state legislature who returns from a leave of absence  
 2.5 to a position previously occupied in the civil service shall be eligible to receive the life  
 2.6 insurance and hospital, medical, and dental benefits to which the position is entitled;

2.7 ~~(2)~~ (1) an employee of the legislature or an employee of a permanent study or  
 2.8 interim committee or commission or a state employee on leave of absence to work for the  
 2.9 legislature, during a regular or special legislative session, as determined by the Legislative  
 2.10 Coordinating Commission;

2.11 ~~(3)~~ (2) a judge of the appellate courts or an officer or employee of these courts; a  
 2.12 judge of the district court, a judge of county court, or a judge of county municipal court; a  
 2.13 district court referee, judicial officer, court reporter, or law clerk; a district administrator;  
 2.14 an employee of the Office of the District Administrator that is not in the Second or  
 2.15 Fourth Judicial District; a court administrator or employee of the court administrator in a  
 2.16 judicial district under section 480.181, subdivision 1, paragraph (b), and a guardian ad  
 2.17 litem program employee;

2.18 ~~(4)~~ (3) a salaried employee of the Public Employees Retirement Association;

2.19 ~~(5)~~ (4) a full-time military or civilian officer or employee in the unclassified service  
 2.20 of the Department of Military Affairs whose salary is paid from state funds;

2.21 ~~(6)~~ (5) a salaried employee of the Minnesota Historical Society, whether paid from  
 2.22 state funds or otherwise, who is not a member of the governing board;

2.23 ~~(7)~~ (6) an employee of the regents of the University of Minnesota;

2.24 ~~(8)~~ (7) notwithstanding section 43A.27, subdivision 3, an employee of the state of  
 2.25 Minnesota or the regents of the University of Minnesota who is at least 60 and not yet  
 2.26 65 years of age on July 1, 1982, who is otherwise eligible for employee and dependent  
 2.27 insurance and benefits pursuant to section 43A.18 or other law, who has at least 20  
 2.28 years of service and retires, earlier than required, within 60 days of March 23, 1982; or  
 2.29 an employee who is at least 60 and not yet 65 years of age on July 1, 1982, who has  
 2.30 at least 20 years of state service and retires, earlier than required, from employment at  
 2.31 Rochester state hospital after July 1, 1981; or an employee who is at least 55 and not  
 2.32 yet 65 years of age on July 1, 1982, and is covered by the Minnesota State Retirement  
 2.33 System correctional employee retirement plan or the State Patrol retirement fund, who  
 2.34 has at least 20 years of state service and retires, earlier than required, within 60 days of  
 2.35 March 23, 1982. For purposes of this clause, a person retires when the person terminates  
 2.36 active employment in state or University of Minnesota service and applies for a retirement

3.1 annuity. Eligibility shall cease when the retired employee attains the age of 65, or when  
3.2 the employee chooses not to receive the annuity that the employee has applied for. The  
3.3 retired employee shall be eligible for coverages to which the employee was entitled at the  
3.4 time of retirement, subject to any changes in coverage through collective bargaining or  
3.5 plans established pursuant to section 43A.18, for employees in positions equivalent to that  
3.6 from which retired, provided that the retired employee shall not be eligible for state-paid  
3.7 life insurance. Coverages shall be coordinated with relevant health insurance benefits  
3.8 provided through the federally sponsored Medicare program;

3.9 ~~(9)~~ (8) an employee of an agency of the state of Minnesota identified through  
3.10 the process provided in this paragraph who is eligible to retire prior to age 65. The  
3.11 commissioner and the exclusive representative of state employees shall enter into  
3.12 agreements under section 179A.22 to identify employees whose positions are in programs  
3.13 that are being permanently eliminated or reduced due to federal or state policies or  
3.14 practices. Failure to reach agreement identifying these employees is not subject to impasse  
3.15 procedures provided in chapter 179A. The commissioner must prepare a plan identifying  
3.16 eligible employees not covered by a collective bargaining agreement in accordance  
3.17 with the process outlined in section 43A.18, subdivisions 2 and 3. For purposes of this  
3.18 paragraph, a person retires when the person terminates active employment in state service  
3.19 and applies for a retirement annuity. Eligibility ends as provided in the agreement or  
3.20 plan, but must cease at the end of the month in which the retired employee chooses not  
3.21 to receive an annuity, or the employee is eligible for employer-paid health insurance  
3.22 from a new employer. The retired employees shall be eligible for coverages to which  
3.23 they were entitled at the time of retirement, subject to any changes in coverage through  
3.24 collective bargaining or plans established under section 43A.18 for employees in positions  
3.25 equivalent to that from which they retired, provided that the retired employees shall not be  
3.26 eligible for state-paid life insurance;

3.27 ~~(10)~~ (9) employees of the state Board of Public Defense, with eligibility determined  
3.28 by the state Board of Public Defense in consultation with the commissioner of  
3.29 management and budget; and

3.30 ~~(11)~~ (10) employees of supporting organizations of Enterprise Minnesota, Inc.,  
3.31 established after July 1, 2003, under section 116O.05, subdivision 4, as paid for by the  
3.32 supporting organization.