

In the Matter of the Proposed
Amendment of the Minnesota Rules.
Parts 7900.0200 and 7900.0400,
Allowing Mailing of Election Ballots
Directly To Each Employee's Residence.

STATEMENT OF NEED
AND REASONABLENESS

The Minnesota State Retirement System (MSRS) is proposing to amend Minnesota Rules, Parts 7900.0200 and 7900.0400 to allow mailing of election ballots directly to an employee's residence. Currently, election ballots must be distributed through the various agencies, and we depend on their delivery system. The rule change will allow MSRS to continue distribution through agencies when appropriate, but add flexibility to directly mail ballots if deemed to be more efficient.

The main reason for the rule change is to ensure distribution of election ballots to all eligible voters. In the past, some agencies have been unable to distribute ballots efficiently and in a timely manner. During the last election, an agency did not distribute ballots until after the election. If large numbers of ballots are not distributed, election results could be contested and the entire election invalidated.

We estimate the cost of directly mailing ballots to all current employees would be about \$10,000 more than the current system. The additional cost might be less if some of the ballots are distributed through agencies where we have some assurances that the ballots will be given to the eligible voters on time. The cost of an invalidated election would greatly exceed the additional cost of mailing ballots.

The mailing of ballots directly to employees will remove the burden from employers unable to easily disseminate the information. Large agencies, for example, might have to manually sort ballots for delivery to different locations. We have received several complaints from agencies about the amount of staff time required to complete this task. The additional burden of distributing the ballots will be even greater as some agencies have suffered serious budget reductions.

The proposed rule amendment also allows more flexibility to change the election ballot design and format. The current rule specifies in detail the ballot design. The proposed rule change eliminates many of the specific references. This change will allow us to be flexible and explore various alternative formats to produce a ballot that may allow us to more efficiently complete the election. We will be researching options that will allow for automated counting of election results. We might not be able to accommodate improved formats if the details are too strictly specified in the rule.

The proposed amendment also makes minor adjustments to clarify the timing of the retiree election. These changes are not substantive, and makes the timing of the retiree election consistent with the election cycle of the other elected members. While not critical, the changes help us administer the elections.

In summary, the proposed amendment to Minnesota Rules, Parts 7900.0200 and 7900.0400 ensure that we will be able to send election ballots to all eligible voters, which should virtually eliminate the possibility of having the election results invalidated. Furthermore, larger agencies will not have to struggle with the current cumbersome process of distributing election ballots.