



MSRS Correctional Plan Eligibility Work Group: Report and Recommended Legislation (LCPR25-003)

Prepared by: Susan Lenczewski, Executive Director

Date: April 16, 2025

Attachments: [Work Group membership list](#)
[Amendment LCPR25-003-1A](#)
[Amendment LCPR25-003-2A](#)
[Bill Draft LCPR25-003](#)

Introduction

A state employee is mandatorily covered by the MSRS Correctional Employees Retirement Plan (Correctional Plan) if the state employee is employed in an employment position listed in the statute. In addition, for all but 9 employment positions, the employee must have “direct contact” with inmates or patients during at least 75% of the employee’s working time. In some form or another, since the establishment of the Correctional Plan in 1973, Minnesota Statutes, Section 352.91, has defined eligibility for the Correctional Plan by reference to employment positions. This way of determining eligibility is unique among the state’s pension plans for public employees.

This approach to determining eligibility, by reference to an employee’s employment position and amount of direct contact, is not working very well. One problem is that titles of employment positions change, and new positions are added and the statute doesn’t keep pace with these changes. Another problem is that the duties of an employment position may change and an employee’s amount of direct contact with patients or incarcerated persons may increase to the extent that the employee has the requisite 75% direct contact and should be transferred to the Correctional Plan. But the work behind the scenes at the responsible agencies is not keeping up with these changes.

A staff review of legislation since 2010 turned up 13 bills that proposed to make changes to the eligibility requirements in Section 352.91, including adding one or more employment positions to the list in the statute at the request of employee organizations, such as AFSCME or MAPE. From this, it has become apparent that procedures required by Section 352.91 for adding Correctional Plan coverage for employment positions or employees are not being consistently followed, which would have reduced the need for legislative involvement. The result is that the list of employment positions in Section 352.91 is out of date and incomplete, employees who may have the requisite 75% direct contact are not being promptly considered for Correctional Plan coverage, and the legislature is too often the only avenue available to employees and employee organizations to fix Correctional Plan coverage problems.

Recognizing this, after hearing three bills amending employment positions in Section 352.91, the Legislative Commission on Pensions and Retirement (LCPR) approved legislation that was eventually enacted in 2024 to require that a work group be convened to recommend legislation to amend and update the statute and address concerns raised by LCPR members.

The Work Group

Mandate in the 2024 session law establishing the Work Group. The session law establishing the work group (Laws 2024, Ch. 102, Art. 5, Sec. 14) states that the work group must consider the following:

1. 75% direct contact requirement. The effectiveness of the current process for certifying that an employee has direct contact with inmates or patients at least 75% of the employee's working time.
2. Reliance on position descriptions and titles. Whether Correctional Plan membership should depend on position descriptions that are not updated frequently enough or titles that may change from time to time.
3. DOC and DHS procedures for adding members. Whether the procedures in Section 352.91 should be reformed to ensure they are effective in evaluating positions and employees entitled to coverage.
4. Service credit transfer. Whether the service credit transfer provisions are effective or should be revised to apply whenever an employee transfers coverage from the MSRS General Plan to the Correctional Plan.
5. Automatic membership vs. membership depending on direct contact. The philosophy behind current law that identifies certain positions as being automatically eligible for plan membership and other positions as being eligible for plan membership only if the direct contact requirement is met.
6. Reducing the need for LCPR involvement. Anything else that will reduce the frequency with which the LCPR is requested to review Correctional Plan membership issues.

Work Group membership. Members of the Work Group included representatives from the Minnesota State Retirement System (MSRS), the Department of Corrections (DOC) and Direct Care and Treatment (DCT; formerly Department of Human Services (DHS)), AFSCME, Minnesota Association of Professional Employees (MAPE), Minnesota Middle Management Association (MMA), and the Minnesota Nurses Association (MNA). See the attachment that provides a complete list of members and interested legislative staff.

Topics considered. The Work Group met five times during July through October 2024, and discussed the topics required by the 2024 session law. For consideration by the Work Group, the representatives from the DOC and DCT compiled extensive lists of employment positions at each of their facilities or programs, noting which employment positions needed to be added to or deleted from the statute or had no incumbents. When the Work Group decided that all the employment positions referred to or listed in subdivisions 2, 2a, and 3c through 3g, in Section 352.91, should be consolidated into one list in alphabetical order, this data compiled by the DOC and DCT representatives was invaluable in compiling the list of employment positions, which now appears in Section 6 of the bill.

In addition to the topics required by the 2024 session law, the Work Group considered the following:

- A report from a subcommittee consisting of representatives from DOC, DCT, MMA, and MAPE that recommended combining the procedures required to be established at DOC and DCT into one set of procedures and establishing a single review committee to consider and approve changes to the list of employment positions and whether an employee satisfies the direct contact requirement;
- A report from a subcommittee consisting of representatives from DOC, DCT, and AFSCME that recommended adding new definitions for common terminology used by the agencies and revising the definition of “direct contact;”
- Whether Correctional Plan coverage should be extended to probation and parole officers (i.e., corrections agents), led by representatives from MAPE; and
- Whether Correctional Plan coverage should be extended to employees of the Anoka Metro Regional Treatment Center (AMRTC) whose employment exposes them to hazards similar to employees currently covered by the Correctional Plan.

Concerns with current statutes. The Work Group identified several concerns with the current statute, Section 352.91, governing eligibility:

First, the Work Group determined that one list of employment positions in alphabetical order would be cleaner than the current law’s allocation of employment positions among several subdivisions with different labels, such as “other correctional personnel” and “additional corrections department personnel.” These subdivision titles are not based on meaningful distinctions but are more likely a reflection of when a new list of employment positions was added. This single list would also eliminate duplication: many employment positions, such as “group supervisor,” “registered nurse,” and “clinical program therapist [2, 3, or 4]” appear in more than one subdivision. The final list in Section 6 of the bill is in alphabetical order but divided into four subdivisions to make them easier to amend in the future.

Second, the Work Group determined that the employment positions listed in current statute do not, in many cases, match the titles of the same employment positions currently used by human resources personnel in the DOC or DCT. In some cases, the title of an employment position in the statute is a generic title that describes a category of employment positions but not specific employment positions. For instance, subdivision 2 uses the single term “maintenance personnel.” The new list in the bill includes 9 different employment positions with the term “maintenance” in them. Subdivision 2 also uses the single phrase “members of trades.” The new list in the bill specifies these trades employees, such as “carpenter,” “electrician,” “mason,” “painter,” among other trades.

Thanks to the work of the agency representatives, the bill’s list of employment positions in Section 6 should now match the employment position of every member of the Correctional Plan. Approximately 55 employment positions that are not currently listed in Section 352.91 now appear in the list of employment positions in the bill. These positions are not new positions but have to be added because employees in these positions are currently covered by the Correctional Plan. Therefore, the bill brings the statute that governs the membership of the Correctional Plan into conformity with its actual membership.

Note from LCPR Staff: The importance in current statute of having the titles of employment positions match the titles of employment positions actually in use cannot be overstated. Under Section 352.91, subdivision 3h, if the title of an employee's employment position changes such that it no longer matches the title listed in Section 352.91, the employee's coverage by the Correctional Plan continues only until the July 1 next following the title change, unless the Commissioner of MMB certifies to the executive directors of MSRS and the LCPR that the duties of the employment position under the new title are substantially identical to the duties of the employment position under the prior title. Since at least 2015, the LCPR executive director has not received such a certification. This means that technically all employees covered by the Correctional Plan whose employment position title does not match the title in current statute should no longer be covered by the Plan. The fact that they are still covered means that the Plan is being administered out of compliance with—that is, in violation of—its governing document. This is a qualification defect under the federal Internal Revenue Code and, therefore, the Plan is technically no longer a qualified plan. The consequences of this are potentially severe for all members of the Plan and the State.

Third, the Work Group determined that the requirement in Section 352.91, subdivisions 4a, 4b, and 4c, that DOC and DCT each develop their own procedures and appoint their own standing review committee for the purpose of adding or removing employment positions and adding coverage for employees who satisfy the direct contact requirement was unnecessary duplication and should be combined into a single set of procedures with one standing review committee. A subcommittee of the Work Group met and drafted a proposed generic procedure, which forms the basis for the procedures and review committee set forth in the bill.

Work Plan members also acknowledged that the procedures were not being followed anyway and that meetings of a review committee did not occur as frequently as needed. That appears to be borne out by the fact that, while the procedure in the statute requires that the DOC or DCT make a request for legislation to the LCPR executive director when a determination has been made that an employment position is to be added or removed from the statute, such a request has not been made to the LCPR executive director since at least 2015.

Fourth, members of the Work Group also noted that current law contains out-of-date names of facilities and programs and terminology such as “inmates” and references to DHS that needed to be replaced with references to Direct Care and Treatment (DCT), a new agency created effective July 1, 2025, when the DHS was reorganized into three agencies through legislation enacted in 2023.

Two areas of disagreement. Members of the Work Group did not reach consensus on two topics:

1. Whether to add the Anoka Metro Regional Treatment Center (AMRTC) as a third eligible program, thereby transferring retirement coverage for approximately 1,100 employees and as many as 50 employment positions from the MSRS General Plan to the Correctional Plan. The representatives from MAPE (and maybe other employee organizations) were proponents. The representatives from DCT objected to adding AMRTC because of the cost to the employer of having to contribute employer contributions at the Correctional Plan rate of 18.85% of salary versus MSRS General Plan's employer contribution rate of 6.25% of salary. According to the DCT representative, the DCT would also be required to provide medical insurance coverage to these

new members of the Correctional Plan from the date of retirement, which could as early as age 55 under the Correctional Plan, to age 65.

Amendment LCPR25-003-1A amends the bill to add AMRTC as a third “eligible program” and the position of “behavior modification assistant” to the list of employment positions in subdivision 3 of new Section 352.905.

We have asked DCT to provide a cost estimate for both the increased employer contributions and the anticipated medical insurance coverage.

2. Whether to include employment positions that no longer have incumbents in the list of employment positions. The split of opinion on this topic was between the desire to clean up the statutes and remove employment positions that are no longer in use versus the desire to retain employment positions that may one day be filled and thereby eliminate the need to go through the Correctional Plan Membership Committee for approval of a new employment classification.

Amendment LCPR25-003-2A removes these positions.

Two arguments may be made in favor of the -2A amendment:

First, if an employee is hired into one of these employment classifications, the employee will need to request consideration by the Correctional Plan Membership Committee anyway to determine if the employee has the requisite 75% direct contact with patients, clients, or incarcerated persons. This would be the case even if the employment position were retained in the statute. If the employee has the requisite contact, the new procedure authorizes the Committee to approve the addition of the employment position and the employee for coverage by the Correctional Plan.

Second, the new procedure for adding or removing employment positions set forth as subdivision 4 of section 352.907, in Section 7 of the bill, authorizes an employer to request that the Correctional Plan Membership Committee remove an employment position from the lists in new section 352.905 if the Committee determines that no employee in the employment classification satisfies the direct contact requirement. Since there is no employee at all in the employment classifications identified by the DOC and DCT representatives, it is not possible to assess direct contact and the Committee can approve removal of these positions.

Section- by- Section Summary

Sections 1 and 3: Definition of “Executive Director”

Section 1 adds a new definition for “executive director” of MSRS to the definitions section for Chapter 352, which governs the MSRS General Plan and the Correctional Plan. Section 3 makes changes to Section 352.03 to use the new defined term.

Sections 2, 9, 10, 11: Replacing references to repealed Section 352.91

Section 11 repeals Section 352.91. Sections 2, 9, and 10 replace references to repealed Section 352.91 with references to new statutes, Section 352.905 and 352.907, added by the bill.

Section 4: Policy statement

Section 4 revises Section 352.90, which states the policy reason for establishing the Correctional Plan. The changes update language.

Section 5: New definitions section for Correctional Plan

Section 5 adds new Section 352.901, titled “Definitions applicable to the correctional plan,” a new definitions section for terms used in the statutes governing the Correctional Plan. The new section consists of 15 subdivisions. Notable new terms include:

“Direct contact” and “Direct contact requirement”
“Custody,” “Rehabilitation,” “Supervision,” and “Treatment”
“Eligible facility” and “Eligible program”

Section 6: Covered correctional service

Section 6 adds new Section 352.905, titled “Covered correctional service,” which replaces subdivisions 1, 2, 3c through 3g, and consists of 7 subdivisions, as follows:

Subdivision 1 (“Direct contact not required”): This is the same list as is currently in Section 352.91, subdivision 1, except that “a corrections officer supervisor” is deleted. According to the DOC representatives, the employment position of “Corrections Officer Supervisor” was abolished on June 30, 1997. An employee in one of the 8 remaining positions is covered by the Correctional Plan and does not also have to demonstrate compliance with the requirement that the employee spend at least 75% of the employee’s working time in direct contact with patients, clients, or incarcerated persons.

Subdivision 2 (“Direct contact required”): Subdivision 2 states that an employee is a member of the Correctional Plan for all service in “covered correctional service” but only if the employee satisfies the direct contact requirement. “Covered correctional service” is defined in paragraph (b) as service performed in an eligible facility or in an eligible program in one of the employment positions listed in subdivisions 3 to 6. This means that an employee of DOC or DCT has retirement coverage by the Correctional Plan if (1) the employee is employed in one of the employment positions listed in subdivisions 3 to 6 and (2) spends at least 75% of the employee’s working time in direct contact with patients, clients, or incarcerated persons (the “direct contact requirement”).

Subdivisions 3 to 6: This is a consolidation of all the employment positions listed in subdivisions 2 and 3c through 3g, organized alphabetically and then divided into 4 subdivisions. This will allow an amendment to part of the list, without having to include the entire list in future legislation whenever it is amended.

The list is divided as follows:

Subdivision 3: Employment positions that start with A to C

Subdivision 4: Employment positions that start with D to M

Subdivision 5: Employment positions that start with O to R

Subdivision 6: Employment positions that start with S to W

Subdivision 7 is retained from current law Section 352.91, subdivision 3e, paragraph (c). Retaining this statute is necessary to ensure that employees who were employed by the Minnesota Specialty Health System-Cambridge in 2014 when it was converted to community-based homes will continue to be covered by the Correctional Plan while employed by DHS or DCT in the direct care and treatment of patients.

Section 7: Changes to employment positions and employees in covered correctional service

Section 7 adds new section 352.907, which consists of 6 subdivisions. This new section reorganizes and consolidates subdivisions 3h, 3i, and 4a through 4c, so that there is one committee that will decide whether to add new employment positions to the lists in Section 352.905 and whether an employee satisfies the direct contact requirement. This section also addresses changes in the title of an employment position and transfers to new eligible facilities or eligible programs.

Subdivision 1 (“Correctional plan membership committee”) establishes a new “Correctional Plan Membership Committee” (Committee). The Committee will consist of

- the commissioner of the DOC or the commissioner’s designee;
- the chief executive officer of DCT or the officer’s designee;
- the executive director of MSRS or the director’s designee;
- a representative from each employee organization that represents employees of the DOC or DCT who are covered by the Correctional Plan;
- the human resources director or the director’s designee from the DOC; and
- the human resources director of the director’s designee from the DCT.

The MSRS executive director is required to convene the Committee at least once every calendar quarter to consider requests for changes to the employment positions or adding or ceasing Correctional Plan coverage of an employee. No meeting is required if there have been no requests for changes.

Subdivision 2 (“Change in the title of an employment position”) applies to changes made by the DOC or DCT in the title of an employment position. When this happens, the following procedure applies:

- (1) The DOC or DCT, as applicable, must submit the title change to Minnesota Management and Budget (MMB).
- (2) MMB must review and determine whether the responsibilities of the employment position have changed.

- (3) If MMB determines that the responsibilities have not changed or not enough to pull them from the list of covered employment positions, the DOC or DCT must:
 - (a) submit the title change to the LCPR executive director and request legislation to change the title; and
 - (b) notify each employee in the employment position within 30 days after the effective date of the title change that the title change will not affect coverage by the Correctional Plan.
- (4) If MMB determines that the responsibilities have changed and the change results in a loss of coverage, the DOC or DCT must submit a request for confirmation to the Committee and notify each employee in the employment position within 30 days after the effective date that coverage will cease, subject to confirmation by the Committee.

Subdivision 3 (“Transfers to new eligible facility or eligible program”) applies to the transfer of an employee to a new facility or program that has been added to the list of eligible facilities or eligible programs. If the new employee’s employment position is the same at the new facility or program, the employee must continue to be covered by the Correctional Plan.

Subdivision 4 (“Procedures for making employment position changes”) provides the procedure for adding or removing employment positions from the lists in section 352.905 or confirming a change in responsibilities has resulted in loss of coverage under subdivision 2. The procedure is as follows:

- (1) An employee, employee organization, or employer may submit a request to the Committee to add an employment position. The position must be added if the Committee determines that at least one employee in the position satisfies the direct contact requirement.
- (2) An employer may submit a request to the Committee to have an employment position removed from the list or request confirmation of a determination by MMB that a position be removed because no employee in the employment classification satisfies the direct contact requirement.
- (3) The Committee must determine an effective date for either addition or removal of an employment position.
- (4) If the Committee determines that an employment position must be added or removed, the DOC or DCT must:
 - (a) submit the title change to the LCPR executive director and request legislation to change the title; and
 - (b) notify all affected employees of the Committee’s determination within 10 days after the meeting of the Committee at which the determination was made.

Subdivision 5 (“Procedures for adding or ceasing coverage for employees”) provides the procedure for making requests to provide coverage to an employee or cease coverage of an employee. The procedure is as follows:

- (1) An employee, employee organization, or manager may submit a request to the Committee to provide coverage to an employee. The request must include the position description, a statement that the employee satisfies the direct contact requirement, and any additional information regarding the hazards of the position.

- (2) An employer may request to have coverage of an employee cease. The request must include a position description and a statement that the employee no longer satisfies the direct contact requirement.
- (3) The Committee must determine an effective date for either the addition or cessation of coverage.
- (4) The committee must notify the affected employee within 10 days after the meeting of the Committee at which the determination was made.

Subdivision 6 (“Right to appeal”) provides the affected employee the right to appeal a determination of the Committee by filing the appeal with the employee’s human resources manager. The appeal must be decided by the commissioner of the DOC or the chief executive officer of the DCT.

Section 8: Correction of plan coverage errors

Section 8 adds new section 352.908 which is subdivision 6 of section 352.91 in current law. With the repeal of section 352.91, this subdivision is being moved to its own new section. This section states that section 356.637 applies if an employee is erroneously covered by the Correctional Plan when the employee should have been covered by another plan or by another plan when the employee should have been covered by the Correctional Plan. Section 356.637 provides procedures for the transfer of past service credit and related contributions.

Sections 9 and 10

Sections 9 and 10 are explained in Section 2, above. The changes replace the repealed section number with the corresponding new sections.

Section 11: Repeal of Section 352.91

Section 352.91 has been entirely replaced by new Section 352.901, 352.905, 352.907, and 352.908.

Effective date:

The effective date of the bill is January 1, 2026.

Work Group on MSRS Correctional Plan Eligibility

Work Group Members

Work Group Member required by the law	Appointee
1. MSRS executive director or designee	Erin Leonard
2. MSRS second member designated by the executive director	Laura Latterell; Jenkins Vangehn; Nick Anderson
3. Department of Corrections (DOC): Commissioner of Corrections or designee	Assistant Commissioner Paula Graff Deputy Commissioner Connie Jones
4. DOC: Member of the DOC human resources staff	DOC HR Director Laurie Jandro
5. Department of Human Services (DHS)/Direct Care and Treatment (DCT): Commissioner or designee	DHS/DCT Labor Relations Director Teri Hable
6. DHS/DCT: Member of the DHS human resources staff	DHS/DCT HR Director Cindy Jungers
7. American Federation of State, County and Municipal Employees (AFSCME): representative #1	Ethan Vogel
8. AFSCME representative #2	Dan Gorman
9. Minnesota Association of Professional Employees (MAPE) representative #1	Devin Bruce
10. MAPE representative #2	Tabitha Schacht; Angie Halseth
11. Middle Management Association (MMA) representative #1	Nick Witter
12. MMA representative #2	Melissa Scheid
13. Minnesota Nurses Association (MNA) representative	Nick Rea; Ben Baglio

Legislative Commission on Pensions and Retirement (LCPR) Staff

Susan Lenczewski	Executive Director
Aleena Wilson	Analyst
Lisa Diesslin	Commission Assistant

Others Requesting Attendance

Nick Stumo-Langer	LCPR Committee Administrator
John Boehler	Research Consultant – DFL Caucus
Ryan Wiskerchen	Research Consultant – Republican Caucus
Ryan Majerus	Researcher

1.1 moves to amend S.F. No.; H.F. No., document LCPR25-009, as
1.2 follows:

1.3 Page 5, line 21, before the colon, insert "other than active members of the Teachers
1.4 Retirement Association"

1.5 Page 5, after line 21, insert:

1.6 "(4) benefit change for active members of the Teachers Retirement Association: 20
1.7 years;"

1.8 Page 5, line 22, delete "(4)" and insert "(5)"

1.9 Page 5, line 23, delete "(5)" and insert "(6)"

1.10 Page 5, line 25, delete "(6)" and insert "(7)"

1.1 moves to amend S.F. No.; H.F. No., Document LCPR25-003, as
1.2 follows:

1.3 Page 5, delete line 28

1.4 Page 5, line 29, delete "(2)" and insert "(1)"

1.5 Page 5, delete line 30

1.6 Page 6, delete lines 1 to 3

1.7 Page 6, line 4, delete "(7)" and insert "(2)"

1.8 Page 6, delete line 5

1.9 Page 6, line 6, delete "(9)" and insert "(3)"

1.10 Page 6, line 7, delete "(10)" and insert "(4)"

1.11 Page 6, line 8, delete "(11)" and insert "(5)"

1.12 Page 6, line 9, delete "(12)" and insert "(6)"

1.13 Page 6, line 10, delete "(13)" and insert "(7)"

1.14 Page 6, line 11, delete "(14)" and insert "(8)"

1.15 Page 6, line 12, delete "(15)" and insert "(9)"

1.16 Page 6, line 13, delete "(16)" and insert "(10)"

1.17 Page 6, line 14, delete "(17)" and insert "(11)"

1.18 Page 6, line 15, delete "(18)" and insert "(12)"

1.19 Page 6, line 16, delete "(19)" and insert "(13)"

1.20 Page 6, line 17, delete "(20)" and insert "(14)"

1.21 Page 6, line 18, delete "(21)" and insert "(15)"

1.22 Page 6, line 19, delete "(22)" and insert "(16)"

1.23 Page 6, line 20, delete "(23)" and insert "(17)"

1.24 Page 6, line 21, delete "(24)" and insert "(18)"

1.25 Page 6, line 22, delete "(25)" and insert "(19)"

1.26 Page 6, line 23, delete "(26)" and insert "(20)"

1.27 Page 6, line 24, delete "(27)" and insert "(21)"

- 2.1 Page 6, line 25, delete "(28)" and insert "(22)"
- 2.2 Page 6, line 26, delete "(29)" and insert "(23)"
- 2.3 Page 6, line 27, delete "(30)" and insert "(24)"
- 2.4 Page 7, line 1, delete "(31)" and insert "(25)"
- 2.5 Page 7, line 2, delete "(32)" and insert "(26)"
- 2.6 Page 7, line 3, delete "(33)" and insert "(27)"
- 2.7 Page 7, line 4, delete "(34)" and insert "(29)"
- 2.8 Page 7, line 5, delete "(35)" and insert "(30)"
- 2.9 Page 7, line 6, delete "(36)" and insert "(31)"
- 2.10 Page 7, line 7, delete "(37)" and insert "(32)"
- 2.11 Page 7, line 8, delete "(38)" and insert "(33)"
- 2.12 Page 7, line 9, delete "(39)" and insert "(34)"
- 2.13 Page 7, line 10, delete "(40)" and insert "(35)"
- 2.14 Page 7, line 11, delete "(41)" and insert "(36)"
- 2.15 Page 7, line 12, delete "(42)" and insert "(37)"
- 2.16 Page 7, line 13, delete "(43)" and insert "(38)"
- 2.17 Page 7, line 14, delete "(44)" and insert "(39)"
- 2.18 Page 7, delete line 17
- 2.19 Page 7, line 18, delete "(2)" and insert "(1)"
- 2.20 Page 7, line 19, delete "(3)" and insert "(2)"
- 2.21 Page 7, line 20, delete "(4)" and insert "(3)"
- 2.22 Page 7, line 21, delete "(5)" and insert "(4)"
- 2.23 Page 7, line 22, delete "(6)" and insert "(5)"
- 2.24 Page 7, line 23, delete "(7)" and insert "(6)"
- 2.25 Page 7, line 24, delete "(8)" and insert "(7)"
- 2.26 Page 7, delete line 25
- 2.27 Page 7, line 26, delete "(10)" and insert "(8)"

- 3.1 Page 7, line 27, delete "(11)" and insert "(9)"
- 3.2 Page 8, line 1, delete "(12)" and insert "(10)"
- 3.3 Page 8, line 2, delete "(13)" and insert "(11)"
- 3.4 Page 8, line 3, delete "(14)" and insert "(12)"
- 3.5 Page 8, line 4, delete "(15)" and insert "(13)"
- 3.6 Page 8, line 5, delete "(16)" and insert "(14)"
- 3.7 Page 8, line 6, delete "(17)" and insert "(15)"
- 3.8 Page 8, line 7, delete "(18)" and insert "(16)"
- 3.9 Page 8, line 8, delete "(19)" and insert "(17)"
- 3.10 Page 8, line 9, delete "(20)" and insert "(18)"
- 3.11 Page 8, line 10, delete "(21)" and insert "(19)"
- 3.12 Page 8, line 11, delete "(22)" and insert "(20)"
- 3.13 Page 8, line 12, delete "(23)" and insert "(21)"
- 3.14 Page 8, line 13, delete "(24)" and insert "(22)"
- 3.15 Page 8, line 14, delete "(25)" and insert "(23)"
- 3.16 Page 8, line 15, delete "(26)" and insert "(24)"
- 3.17 Page 8, line 16, delete "(27)" and insert "(25)"
- 3.18 Page 8, delete line 17
- 3.19 Page 8, line 18, delete "(29)" and insert "(26)"
- 3.20 Page 8, line 19, delete "(30)" and insert "(27)"
- 3.21 Page 8, line 20, delete "(31)" and insert "(28)"
- 3.22 Page 9, delete line 13
- 3.23 Page 9, line 14, delete "(19)" and insert "(18)"
- 3.24 Page 9, line 15, delete "(20)" and insert "(19)"
- 3.25 Page 9, line 16, delete "(21)" and insert "(20)"
- 3.26 Page 9, line 17, delete "(22)" and insert "(21)"
- 3.27 Page 9, line 18, delete "(23)" and insert "(22)"

- 4.1 Page 9, line 19, delete "(24)" and insert "(23)"
- 4.2 Page 9, line 20, delete "(25)" and insert "(24)"
- 4.3 Page 9, line 21, delete "(26)" and insert "(25)"
- 4.4 Page 10, delete lines 1 to 3
- 4.5 Page 10, line 4, delete "(8)" and insert "(5)"
- 4.6 Page 10, line 5, delete "(9)" and insert "(6)"
- 4.7 Page 10, line 6, delete "(10)" and insert "(7)"
- 4.8 Page 10, line 7, delete "(11)" and insert "(8)"
- 4.9 Page 10, line 8, delete "(12)" and insert "(9)"
- 4.10 Page 10, line 9, delete "(13)" and insert "(10)"
- 4.11 Page 10, line 10, delete "(14)" and insert "(11)"
- 4.12 Page 10, line 11, delete "(15)" and insert "(12)"
- 4.13 Page 10, line 12, delete "(16)" and insert "(13)"
- 4.14 Page 10, line 13, delete "(17)" and insert "(14)"
- 4.15 Page 10, line 14, delete "(18)" and insert "(15)"
- 4.16 Page 10, line 15, delete "(19)" and insert "(16)"
- 4.17 Page 10, line 16, delete "(20)" and insert "(17)"
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- 4.24 Page 10, line 25, delete "(27)" and insert "(24)"
- 4.25 Page 10, line 27, delete "(28)" and insert "(25)"
- 4.26 Page 10, delete line 28
- 4.27 Page 11, line 1, delete "(30)" and insert "(26)"

- 5.1 Page 11, line 2, delete "(31)" and insert "(27)"
- 5.2 Page 11, line 3, delete "(32)" and insert "(28)"
- 5.3 Page 11, line 4, delete "(33)" and insert "(29)"

- 1.1 A bill for an act
- 1.2 relating to retirement; Minnesota State Retirement System correctional state
- 1.3 employees retirement plan; implementing the recommendations of the MSRS
- 1.4 correctional plan eligibility work group; modifying the eligibility requirements;
- 1.5 updating the employment positions eligible for the plan if the direct contact
- 1.6 requirement is met; adding a definitions section that includes definitions for "direct
- 1.7 contact," "eligible facility," "eligible program," and "working time;" modifying
- 1.8 the procedures for adding or removing plan coverage for an employment position
- 1.9 or an employee; adding a right to appeal; making conforming changes; amending
- 1.10 Minnesota Statutes 2024, sections 352.01, by adding a subdivision; 352.029,
- 1.11 subdivision 3; 352.03, subdivision 5; 352.90; 352.93, subdivision 1; 352.955,
- 1.12 subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 352;
- 1.13 repealing Minnesota Statutes 2024, section 352.91, subdivisions 1, 2, 2a, 3c, 3d,
- 1.14 3e, 3f, 3g, 3h, 3i, 3j, 4a, 4b, 4c, 6.
- 1.15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.16 Section 1. Minnesota Statutes 2024, section 352.01, is amended by adding a subdivision
- 1.17 to read:
- 1.18 Subd. 28. **Executive director.** "Executive director" or "director" means the executive
- 1.19 director of the system, appointed under section 352.03, subdivision 5, with the duties and
- 1.20 powers under section 352.03, subdivision 6.
- 1.21 Sec. 2. Minnesota Statutes 2024, section 352.029, subdivision 3, is amended to read:
- 1.22 Subd. 3. **Contributions.** The employee and employer contributions required by section
- 1.23 352.04, or by section 352.92 for employees covered by section ~~352.91~~ 352.905, are the
- 1.24 obligation of the employee who is a member under section 352.01, subdivision 2a, paragraph
- 1.25 (a), or who chooses coverage under this section. However, the employing labor organization
- 1.26 may pay the employer contributions. Contributions made by the employee must be made

by salary deduction. The employing labor organization shall pay all contributions to the system as required by section 352.04, or by section 352.92 for employees covered by section ~~352.91~~ 352.905.

Sec. 3. Minnesota Statutes 2024, section 352.03, subdivision 5, is amended to read:

Subd. 5. **Executive director, deputy director, and assistant director.** (a) The board shall appoint an executive director, ~~in this chapter called the director~~, on the basis of education, experience in the retirement field, ability to manage and lead system staff, and ability to assist the board in setting a vision for the system. The executive director must have had at least five years' experience in either an executive level management position or in a position with responsibility for the governance, management, or administration of a retirement plan.

(b) The executive director, deputy director, and assistant director must be in the unclassified service but appointees may be selected from civil service lists if desired. Notwithstanding any law to the contrary, the board must set the salary of the executive director. The board must review the performance of the executive director on an annual basis and may grant salary adjustments as a result of the review. The salary of the deputy director and assistant director must be set in accordance with section 43A.18, subdivision 3.

Sec. 4. Minnesota Statutes 2024, section 352.90, is amended to read:

352.90 POLICY.

It is the policy of the legislature to provide special retirement benefits for and special contributions by certain correctional employees who may ~~be required~~ need to retire at an early age because they lose the mental or physical capacity required to maintain the safety, security, discipline, and custody of ~~inmates~~ incarcerated persons at state correctional facilities; ~~of or patients and clients in the state-operated Forensic Services Program, which is comprised of the Minnesota Security Hospital, the forensic nursing home, the forensic transition service, and the competency restoration program; of patients in or the Minnesota Sex Offender Program; or of patients in the Minnesota Specialty Health System-Cambridge.~~

Sec. 5. **[352.901] DEFINITIONS APPLICABLE TO THE CORRECTIONAL PLAN.**

Subdivision 1. **Terms.** Unless the language or context clearly indicates that a different meaning is intended, the terms defined in this section, for the purposes of this chapter, have

the meanings given to them. The definitions in this section apply only to the correctional employees retirement plan and supplement the definitions in section 352.01.

Subd. 2. Chief executive officer. "Chief executive officer" means the Direct Care and Treatment chief executive officer appointed under section 246C.08 or a person to whom the chief executive officer has delegated responsibilities under sections 352.90 to 352.955, including the duty to certify direct contact under section 352.905, subdivision 2.

Subd. 3. Commissioner. "Commissioner" means the commissioner of corrections appointed under section 241.01, subdivision 1, or a person to whom the commissioner has delegated responsibilities under sections 352.90 to 352.955, including the duty to certify direct contact under section 352.905, subdivision 2.

Subd. 4. Custody. "Custody" means an employee's exercise of legal and physical control over an incarcerated person, patient, or client who is detained, confined, or otherwise restricted from freedom of movement.

Subd. 5. Direct Care and Treatment. "Direct Care and Treatment" means the agency established under section 246C.02

Subd. 6. Direct contact. "Direct contact" means interactions between an employee and one or more patients, clients, or incarcerated persons in which the employee is physically present and engaged with patients, clients, or incarcerated persons as part of the employee's normal duties, as defined in section 352.01, subdivision 17d, which must include regular involvement in rehabilitation, treatment, custody, or supervision of patients, clients, or incarcerated persons, while maintaining safety, security, and order.

Subd. 7. Direct contact requirement. "Direct contact requirement" means the requirement that the employee spend at least 75 percent of the employee's working time in direct contact.

Subd. 8. Eligible facility. "Eligible facility" means:

(1) Minnesota Correctional Facility-Faribault;

(2) Minnesota Correctional Facility-Lino Lakes;

(3) Minnesota Correctional Facility-Moose Lake;

(4) Minnesota Correctional Facility-Oak Park Heights;

(5) Minnesota Correctional Facility-Red Wing;

(6) Minnesota Correctional Facility-Rush City;

4.1 (7) Minnesota Correctional Facility-Shakopee;

4.2 (8) Minnesota Correctional Facility-St. Cloud;

4.3 (9) Minnesota Correctional Facility-Stillwater;

4.4 (10) Minnesota Correctional Facility-Togo; or

4.5 (11) Minnesota Correctional Facility-Willow River.

4.6 Subd. 9. **Eligible program.** "Eligible program" means:

4.7 (1) the Forensic Services Program; or

4.8 (2) the Minnesota Sex Offender Program.

4.9 Subd. 10. **Employee organization** "Employee organization" has the meaning given in
4.10 section 179A.03, subdivision 6.

4.11 Subd. 11. **Employer.** "Employer" means the commissioner for employees of the
4.12 Department of Corrections or the chief executive officer for employees of Direct Care and
4.13 Treatment.

4.14 Subd. 12. **Rehabilitation.** "Rehabilitation" means the process of providing treatment,
4.15 education, or other interventions designed to improve the mental, physical, or behavioral
4.16 condition of a patient, client, or incarcerated person with the goal of facilitating the
4.17 reintegration into society or improving the quality of life of the patient, client, or incarcerated
4.18 person.

4.19 Subd. 13. **Supervision.** "Supervision" means the oversight and management of patients,
4.20 clients, or incarcerated persons by an employee at an eligible facility or eligible program
4.21 to ensure compliance with rules, regulations, and treatment plans, monitor behavior, enforce
4.22 discipline, and provide guidance or direction.

4.23 Subd. 14. **Treatment.** "Treatment" means the broad range of services, including medical,
4.24 psychological, or therapeutic interventions, aimed at addressing the health, mental health,
4.25 or behavioral needs and overall condition of patients, clients, or incarcerated persons, by
4.26 or under the supervision of employees at a eligible facility or eligible program.

4.27 Subd. 15. **Working time.** "Working time" means time spent performing the normal
4.28 duties of an employee's employment position, not including time spent in training or on a
4.29 leave of absence for vacation, illness, or other reasons as authorized in the human resources
4.30 policies applicable to the employee.

5.1 Sec. 6. **[352.905] COVERED CORRECTIONAL SERVICE.**

5.2 Subdivision 1. **Direct contact not required.** (a) For all periods of service that an
5.3 employee is performing covered correctional service as defined in this subdivision, the
5.4 employee is a member of the correctional employees retirement plan, whether or not the
5.5 employee has any direct contact.

5.6 (b) "Covered correctional service" under this subdivision means service performed by
5.7 a state employee employed at an eligible facility or in an eligible program in one of the
5.8 following employment positions:

- 5.9 (1) a corrections officer 1;
5.10 (2) a corrections officer 2;
5.11 (3) a corrections officer 3;
5.12 (4) a corrections lieutenant;
5.13 (5) a corrections captain;
5.14 (6) a security counselor;
5.15 (7) a security counselor lead; or
5.16 (8) a corrections canine officer.

5.17 Subd. 2. **Direct contact required.** (a) For all periods of service that an employee is
5.18 performing covered correctional service as defined in this subdivision, the employee is a
5.19 member of the correctional employees retirement plan, but only if the employee satisfies
5.20 the direct contact requirement and the employee's employer has certified to the executive
5.21 director, in the manner prescribed by the executive director, that the employee satisfies the
5.22 direct contact requirement.

5.23 (b) "Covered correctional service" under this subdivision means service performed by
5.24 a state employee employed at an eligible facility or in an eligible program in one of the
5.25 employment positions specified in subdivisions 3 to 6.

5.26 Subd. 3. **Employment positions A to C.** Employment positions with a title that begins
5.27 with the letters "A" to "C":

- 5.28 (1) automotive mechanic;
5.29 (2) baker;
5.30 (3) behavior analyst 1;

- 6.1 (4) behavior analyst 2;
- 6.2 (5) behavior analyst 3;
- 6.3 (6) building maintenance coordinator;
- 6.4 (7) building maintenance lead worker;
- 6.5 (8) building maintenance supervisor 2;
- 6.6 (9) building utilities mechanic;
- 6.7 (10) carpenter;
- 6.8 (11) carpenter lead;
- 6.9 (12) central services administrative specialist intermediate;
- 6.10 (13) central services administrative specialist principal;
- 6.11 (14) central services administrative specialist senior;
- 6.12 (15) certified occupational therapy assistant 1;
- 6.13 (16) certified occupational therapy assistant 2;
- 6.14 (17) chaplain;
- 6.15 (18) client advocate;
- 6.16 (19) clinical program therapist 1;
- 6.17 (20) clinical program therapist 2;
- 6.18 (21) clinical program therapist 3;
- 6.19 (22) clinical program therapist 4;
- 6.20 (23) cook;
- 6.21 (24) cook coordinator;
- 6.22 (25) corrections chief cook;
- 6.23 (26) corrections discipline unit supervisor;
- 6.24 (27) corrections food services supervisor;
- 6.25 (28) corrections industries production supervisor;
- 6.26 (29) corrections inmate program coordinator;
- 6.27 (30) corrections manufacturing specialist-tool and die;

- 7.1 (31) corrections manufacturing specialist-engraving and drafting;
- 7.2 (32) corrections manufacturing specialist-graphics;
- 7.3 (33) corrections manufacturing specialist-light assembly;
- 7.4 (34) corrections manufacturing specialist-light manufacturing;
- 7.5 (35) corrections manufacturing specialist-mechanical;
- 7.6 (36) corrections manufacturing specialist-sales and service;
- 7.7 (37) corrections manufacturing specialist-transportation and warehouse;
- 7.8 (38) corrections manufacturing specialist-wood;
- 7.9 (39) corrections security caseworker;
- 7.10 (40) corrections security caseworker career;
- 7.11 (41) corrections teaching assistant;
- 7.12 (42) corrections transitions program coordinator;
- 7.13 (43) culinary supervisor; and
- 7.14 (44) customer services specialist principal.
- 7.15 Subd. 4. **Employment positions D to M.** Employment positions with a title that begins
- 7.16 with the letters "D" to "M":
- 7.17 (1) delivery van driver;
- 7.18 (2) dental assistant;
- 7.19 (3) dental hygienist;
- 7.20 (4) dentist;
- 7.21 (5) electrical/electronics specialist;
- 7.22 (6) electrician;
- 7.23 (7) electrician lead;
- 7.24 (8) electrician master of record;
- 7.25 (9) electrician supervisor;
- 7.26 (10) food service supervisor;
- 7.27 (11) food service worker;

- 8.1 (12) general maintenance worker;
- 8.2 (13) general maintenance worker lead;
- 8.3 (14) general repair worker;
- 8.4 (15) groundskeeper senior;
- 8.5 (16) group supervisor;
- 8.6 (17) group supervisor assistant;
- 8.7 (18) human services support specialist;
- 8.8 (19) institution maintenance lead worker;
- 8.9 (20) laborer trades and equipment;
- 8.10 (21) library technician;
- 8.11 (22) library/information resource services specialist;
- 8.12 (23) library/information resource services specialist supervisor;
- 8.13 (24) licensed alcohol/drug counselor;
- 8.14 (25) licensed practical nurse;
- 8.15 (26) machinery repair worker;
- 8.16 (27) maintenance machinist;
- 8.17 (28) management analyst 3;
- 8.18 (29) mason;
- 8.19 (30) medical assistant, certified; and
- 8.20 (31) music therapist.
- 8.21 Subd. 5. **Employment positions O to R.** Employment positions with a title that begins
- 8.22 with the letters "O" to "R":
- 8.23 (1) occupational therapist;
- 8.24 (2) occupational therapist senior;
- 8.25 (3) painter;
- 8.26 (4) painter lead;
- 8.27 (5) physical therapist;

- 9.1 (6) plant maintenance engineer;
- 9.2 (7) plant maintenance engineer lead;
- 9.3 (8) plumber;
- 9.4 (9) plumber chief;
- 9.5 (10) plumber master in charge;
- 9.6 (11) plumber supervisor;
- 9.7 (12) psychiatric advanced practice registered nurse;
- 9.8 (13) psychologist 1;
- 9.9 (14) psychologist 2;
- 9.10 (15) psychologist 3;
- 9.11 (16) recreation program assistant;
- 9.12 (17) recreation therapist;
- 9.13 (18) recreation therapist coordinator;
- 9.14 (19) recreation therapist senior;
- 9.15 (20) refrigeration mechanic;
- 9.16 (21) registered nurse;
- 9.17 (22) registered nurse advanced practice;
- 9.18 (23) registered nurse principal;
- 9.19 (24) registered nurse senior;
- 9.20 (25) rehabilitation counselor senior; and
- 9.21 (26) residential program lead.
- 9.22 Subd. 6. **Employment positions S to W.** Employment positions with a title that begins
- 9.23 with the letters "S" to "W":
- 9.24 (1) security supervisor;
- 9.25 (2) sentencing to service crew leader, institution community work crews;
- 9.26 (3) skills development specialist;
- 9.27 (4) social work specialist;

- 10.1 (5) social work specialist senior-human services;
- 10.2 (6) social worker senior;
- 10.3 (7) special education program assistant;
- 10.4 (8) special teacher: bachelor of arts/bachelor of science+teachers license+10 credits;
- 10.5 (9) special teacher: bachelor of arts/bachelor of science+teachers license+30 credits;
- 10.6 (10) special teacher master of arts/master of science+teachers license+10 graduate credits;
- 10.7 (11) special teacher: doctoral;
- 10.8 (12) special teacher: master of arts/master of science/5 year+teachers license;
- 10.9 (13) special teacher: 5 year career technical credential;
- 10.10 (14) special teacher: 5 year career technical credential+10 credits;
- 10.11 (15) special teacher: 5 year career technical credential+20 credits;
- 10.12 (16) special teacher: 5 year career technical credential+30 credits;
- 10.13 (17) special teacher: 5 year career technical credential+40 credits;
- 10.14 (18) special teacher: 5 year career technical credential+50 credits;
- 10.15 (19) special teacher: bachelor of arts/bachelor of science+teachers license;
- 10.16 (20) special teacher: bachelor of arts/bachelor of science+teachers license+10 credits;
- 10.17 (21) special teacher: bachelor of arts/bachelor of science+teachers license+20 credits;
- 10.18 (22) special teacher: bachelor of arts/bachelor of science+teachers license+30 credits;
- 10.19 (23) special teacher: bachelor of arts/bachelor of science+teachers license+40 credits;
- 10.20 (24) special teacher: career technical credential;
- 10.21 (25) special teacher: master of arts/master of science+teachers license+10 graduate
- 10.22 credits;
- 10.23 (26) special teacher: master of arts/master of science+teachers license+20 graduate
- 10.24 credits;
- 10.25 (27) special teacher: master of arts/master of science+teachers license+30 graduate
- 10.26 credits;
- 10.27 (28) special teacher: no degree/teachers license;
- 10.28 (29) speech pathology clinician;

- 11.1 (30) sports medicine specialist;
- 11.2 (31) work therapy assistant;
- 11.3 (32) work therapy program coordinator; and
- 11.4 (33) work therapy technician.

11.5 Subd. 7. **Former employees of Minnesota Specialty Health System-Cambridge.** A
11.6 Department of Human Services or Direct Care and Treatment employee who was employed
11.7 at the Minnesota Specialty Health System-Cambridge immediately preceding the 2014
11.8 conversion to the community-based homes and was in covered correctional service at the
11.9 time of the transition shall continue to be covered by the correctional employees retirement
11.10 plan while employed in the direct care and treatment of patients by and without a break in
11.11 service with the Department of Human Services or Direct Care and Treatment.

11.12 Sec. 7. **[352.907] CHANGES TO EMPLOYMENT POSITIONS AND EMPLOYEES**
11.13 **IN COVERED CORRECTIONAL SERVICE.**

11.14 Subdivision 1. **Correctional plan membership committee.** (a) A correctional plan
11.15 membership committee is established to make determinations regarding changes to
11.16 employment positions and employees covered by the correctional employees retirement
11.17 plan.

11.18 (b) The members of the correctional plan membership committee are:

11.19 (1) the commissioner or the commissioner's designee;

11.20 (2) the chief executive officer or the chief executive officer's designee;

11.21 (3) the executive director or the executive director's designee;

11.22 (4) the commissioner of management and budget or the commissioner's designee;

11.23 (5) one representative from each employee organization that represents one or more
11.24 employees of the Department of Corrections or Direct Care and Treatment and who are
11.25 covered by the correctional employees retirement plan;

11.26 (6) the human resources director or the director's designee from the Department of
11.27 Corrections; and

11.28 (7) the human resources director or the director's designee from Direct Care and
11.29 Treatment.

11.30 (c) A member of the correctional plan membership committee under paragraph (b),
11.31 clause (5), need not attend a meeting of the committee if none of the employees represented

12.1 by the employee organization will be impacted by any action to be taken by the committee
12.2 at the meeting.

12.3 (d) The executive director must convene the correctional plan membership committee
12.4 at least as frequently as once every calendar quarter to consider requests for changes to the
12.5 title of an employment position, the addition or removal of an employment position from
12.6 the lists in section 352.905, or the commencement or cessation of coverage of an employee
12.7 by the correctional employees retirement plan. If the executive director has not received
12.8 any requests during a calendar quarter, the executive director is not required to convene a
12.9 meeting.

12.10 (e) The human resources directors of the Department of Corrections and Direct Care
12.11 and Treatment must retain each request to the correctional plan membership committee and
12.12 the related documentation and final determination for an employee of or employment position
12.13 in their respective department or agency.

12.14 Subd. 2. **Change in the title of an employment position.** (a) No later than 60 days
12.15 before the effective date of a change in the title of an employment position listed in section
12.16 352.905, the Department of Corrections or Direct Care and Treatment, as applicable, must
12.17 submit a request to the commissioner of management and budget to review the title change
12.18 and determine whether the responsibilities of the employment position have changed. The
12.19 commissioner of management and budget must provide a response to the Department of
12.20 Corrections or Direct Care and Treatment, as applicable, by the effective date of the change.

12.21 (b) If the commissioner of management and budget determines that the responsibilities
12.22 of the employment position have not changed or the responsibilities of the employment
12.23 position have changed but the changes do not affect the eligibility of the employment position
12.24 for coverage by the correctional employees retirement plan, the department or agency, as
12.25 applicable, must:

12.26 (1) submit the title change to the executive director of the Legislative Commission on
12.27 Pensions and Retirement before the start of the next legislative session and request legislation
12.28 to replace the title in section 352.905 with the new title; and

12.29 (2) notify each employee in the employment position no later than 30 days after the
12.30 effective date of the title change that the title change will not affect the continued coverage
12.31 of the employee by the correctional employees retirement plan and that the department or
12.32 agency, as applicable, has submitted a request to the legislature to change the title in section
12.33 352.905.

13.1 (c) If the commissioner of management and budget determines that the responsibilities
13.2 of the employment position have changed and that the changes result in the employment
13.3 position no longer being qualified for coverage by the correctional employees retirement
13.4 plan, the employer must:

13.5 (1) submit a request to the correctional plan membership committee for confirmation
13.6 that the employment position must be removed from the lists of employment positions in
13.7 section 352.905; and

13.8 (2) notify each employee in the employment position no later than 30 days after the
13.9 effective date of the title change that a determination was made by the commissioner of
13.10 management and budget that, because the responsibilities of the employment position have
13.11 changed, the employment position and all employees in the employment position are no
13.12 longer eligible for coverage by the correctional employees retirement plan subject to
13.13 confirmation by the correctional plan membership committee.

13.14 Subd. 3. **Transfers to new eligible facility or eligible program.** (a) If the Department
13.15 of Corrections or Direct Care and Treatment adds a facility to the list of eligible facilities
13.16 under section 352.901, subdivision 8, or a program to the list of eligible programs under
13.17 section 352.901, subdivision 9, and the department or agency, as applicable, responsible
13.18 for the new facility or program transfers a state employee who was rendering covered
13.19 correctional service under section 352.905 to the new facility or program, the state employee
13.20 must continue to be covered by the correctional employees retirement plan if the employee
13.21 is employed in the same employment position at the new facility or in the new program.

13.22 (b) The employee continues to be covered by the correctional employees retirement plan
13.23 unless the department or agency, as applicable, completes the process under subdivision 5
13.24 and the correctional plan membership committee has determined that the employee no
13.25 longer qualifies for coverage.

13.26 Subd. 4. **Procedures for making employment position changes.** (a) The correctional
13.27 plan membership committee must consider requests to add or remove an employment
13.28 position listed in section 352.905, subdivisions 3 to 6, or to confirm a determination, under
13.29 subdivision 2, by the commissioner of management and budget that, because the
13.30 responsibilities of the employment position have changed, the employment position and all
13.31 employees in the employment position are no longer eligible for coverage by the correctional
13.32 employees retirement plan.

13.33 (b) An employee, employee organization, or employer may submit a request to the
13.34 correctional plan membership committee to add an employment position to section 352.905,

14.1 subdivisions 3 to 6. The correctional plan membership committee may determine that an
14.2 employment position must be added if the committee determines that at least one employee
14.3 in the employment position satisfies the direct contact requirement.

14.4 (c) The correctional plan membership committee may, at the request of an employer,
14.5 determine under this subdivision or confirm a determination under subdivision 2, clause
14.6 (2), that an employment position must be removed from the lists in section 352.905,
14.7 subdivisions 3 to 6, if the committee determines that no employee in the employment
14.8 classification satisfies the direct contact requirement.

14.9 (d) The correctional plan membership committee must include an effective date in any
14.10 determination to add or remove an employment position from the lists in section 352.905,
14.11 subdivisions 3 to 6. The effective date may be retroactive for a determination to add an
14.12 employment position.

14.13 (e) If the determination by the correctional plan membership committee is that an
14.14 employment position must be added to or removed from the lists of employment positions
14.15 in section 352.905, subdivisions 3 to 6, the department or agency affected by the
14.16 determination must submit the employment position change to the executive director of the
14.17 Legislative Commission on Pensions and Retirement before the start of the next legislative
14.18 session and request legislation to make the change.

14.19 (f) After making a determination that an employment position must be added to or
14.20 removed from the lists of employment positions in section 352.905, subdivisions 3 to 6, the
14.21 correctional plan membership committee must designate a member of the committee to
14.22 communicate the committee's determination to all affected employees no later than ten days
14.23 after the date of the meeting at which the determination was made and inform the employees
14.24 of the right to appeal the determination under subdivision 6.

14.25 Subd. 5. **Procedures for adding or ceasing coverage for employees.** (a) The correctional
14.26 plan membership committee must consider requests to provide coverage by the correctional
14.27 employees retirement plan to an employee in an employment position listed in section
14.28 352.905, subdivisions 3 to 6, or to cease coverage of an employee.

14.29 (b) An employee, an employee's employee organization, or an employee's manager may
14.30 submit a request to the correctional plan membership committee to provide coverage to an
14.31 employee in an employment position listed in section 352.905, subdivisions 3 to 6. The
14.32 request must include:

14.33 (1) a signed and dated position description for the employee's position; and

15.1 (2) a statement signed by the employer's human resources director or the director's
15.2 designee and the commissioner or the chief executive officer, as applicable, that the employee
15.3 satisfies the direct contact requirement.

15.4 The request may include a description of the extent of the physical hazard that the
15.5 employee is routinely subjected to in the course of employment, the extent of intervention
15.6 routinely expected of the employee in the event of a facility incident, and the extent with
15.7 which the employee is routinely involved in the rehabilitation, treatment, custody, or
15.8 supervision of patients, clients, or incarcerated persons.

15.9 (c) An employer may submit a request to the correctional plan membership committee
15.10 to cease coverage of an employee. The request must include:

15.11 (1) a signed and dated position description for the employee's position; and

15.12 (2) a statement signed by the employee's employer that the employee no longer satisfies
15.13 the direct contact requirement.

15.14 (d) The correctional plan membership committee must include an effective date in any
15.15 determination that an employee must begin to receive coverage by the correctional employees
15.16 retirement plan or that coverage must cease. The effective date may be retroactive to the
15.17 date as of which the coverage requirements were first satisfied or were no longer met.

15.18 (e) After making a determination of coverage or no coverage for an employee, the
15.19 correctional plan membership committee must designate a member of the committee to
15.20 communicate the committee's determination to the affected employee no later than ten days
15.21 after the date of the meeting at which the determination was made and inform the employee
15.22 of the right to appeal the determination under subdivision 6.

15.23 Subd. 6. **Right to appeal.** (a) No later than 30 days after receiving a determination under
15.24 subdivision 4 or 5, the affected employee may appeal a determination of the correctional
15.25 plan membership committee by filing an appeal with the human resources manager of the
15.26 department or agency, as applicable, in which the employee is employed. The appeal must
15.27 include:

15.28 (1) the reasons for the appeal and rationale for a determination that the employee be
15.29 covered by the correctional employees retirement plan; and

15.30 (2) new or additional information, if any, not previously submitted or considered by the
15.31 correctional plan membership committee, which information may include a new or revised
15.32 position description and samples of work product.

(b) The appeal must be decided by the commissioner of corrections if the employee is an employee of the Department of Corrections or by the chief executive officer of Direct Care and Treatment if the employee is an employee of Direct Care and Treatment. The decision of the commissioner or chief executive officer, as applicable, is final.

(c) A determination not timely appealed under paragraph (a) is not entitled to further administrative or judicial review. A determination under subdivision 4 or 5 or an appeal decided under paragraph (b) may not be appealed under section 356.96.

Sec. 8. **[352.908] CORRECTION OF PLAN COVERAGE ERRORS.**

Section 356.637 applies if an employee is erroneously covered by:

(1) the correctional employees retirement plan when the employee should have been covered by one of the other plans specified in section 356.637; or

(2) a plan specified in section 356.637, other than the correctional employees retirement plan, when the employee should have been covered by the correctional employees retirement plan.

Sec. 9. Minnesota Statutes 2024, section 352.93, subdivision 1, is amended to read:

Subdivision 1. **Basis of annuity; when to apply.** After separation from state service, an employee covered under section ~~352.94~~ 352.905 who has reached age 55 years and is vested under section 352.925, is entitled upon application to a retirement annuity under this section, based only on covered correctional employees' service. Application may be made no earlier than 60 days before the date the employee is eligible to retire by reason of both age and service requirements.

Sec. 10. Minnesota Statutes 2024, section 352.955, subdivision 1, is amended to read:

Subdivision 1. **Election to transfer prior MSRS-general service credit.** (a) An eligible employee described in paragraph (b) may elect to transfer service credit in the general state employees retirement plan of the Minnesota State Retirement System to the correctional state employees retirement plan for eligible prior correctional employment.

(b) An eligible employee is a person who ~~is covered by legislation implementing the recommendations under section 352.91, subdivision 4a~~ the correctional plan membership committee determines is entitled to coverage by the correctional employees retirement plan under section 352.907.

17.1 (c) Eligible prior correctional employment is employment covered by the general state
17.2 employees retirement plan of the Minnesota State Retirement System, is continuous service,
17.3 and is certified by the commissioner of corrections and the Direct Care and Treatment
17.4 executive board, whichever applies, and by the commissioner of management and budget
17.5 to the executive director of the Minnesota State Retirement System as service that would
17.6 qualify for correctional state employees retirement plan coverage under section ~~352.91~~
17.7 352.905, if the service had been rendered after the date of coverage transfer.

17.8 (d) The election to transfer past service credit under this section must be made in writing
17.9 by the applicable person on a form prescribed by the executive director of the Minnesota
17.10 State Retirement System and must be filed with the executive director of the Minnesota
17.11 State Retirement System on or before the one year anniversary of the coverage transfer or
17.12 the date of the eligible employee's termination of state employment, whichever is earlier.

17.13 Sec. 11. **REPEALER.**

17.14 Minnesota Statutes 2024, section 352.91, subdivisions 1, 2, 2a, 3c, 3d, 3e, 3f, 3g, 3h,
17.15 3i, 3j, 4a, 4b, 4c, and 6, are repealed.

17.16 Sec. 12. **EFFECTIVE DATE.**

17.17 Sections 1 to 11 are effective January 1, 2026.