To: Members of the 911 Telecommunicators Pension Benefits Working Group

From: Chad Burkitt, Analyst

Date: November 8, 2021 Revised: November 15, 2021

Policy Statements in Minnesota Statutes Regarding Enhanced Pension Benefits for Public Safety and Correctional Employees

Minnesota statutes, section 353.63, contains a statement of the legislature's policy and reasoning for providing enhanced pension benefits to members of the Public Employees Police and Fire Plan administered by the Public Employees Retirement Association (PERA). Section 353.63 states:

It is the recognized policy of the state that special consideration should be given to employees of governmental subdivisions who devote their time and skills to protecting the property and personal safety of others. Since this work is hazardous, special provisions are hereby made for retirement pensions, disability benefits and survivors benefits based on the particular dangers inherent in these occupations. The benefits provided in sections 353.63 to 353.68 are more costly than similar benefits for other public employees since they are computed on the basis of a shorter working lifetime taking into account experience which has been universally recognized. This extra cost should be borne by the employee and employer alike at the ratio of 40 percent employee contributions and 60 percent employer contributions.

A similar policy statement can also be found in Minnesota Statutes, section 352.90, for the Correctional State Employees Retirement Plan administered by the Minnesota State Retirement Association (MSRS). Section 352.90 states:

It is the policy of the legislature to provide special retirement benefits for and special contributions by certain correctional employees who may be required 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 at state correctional facilities; of patients 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 the Minnesota Sex Offender Program; or of patients in the Minnesota Specialty Health System-Cambridge.

We found no similar policy statements for the PERA Local Government Correctional Service Retirement Plan or the MSRS State Patrol Plan. However, Minnesota Statutes, section 353.031, subdivision 2, states, "[d] is ability determinations for the . . . local government correctional service

retirement plan must be made consistent with the legislative policy and intent set forth in section 353.63."¹

Analysis

Based on the two statutes above, the legislature has highlighted the following factors as important when providing enhanced pension benefits for public safety and correctional employees in the PERA Police and Fire Plan and Correctional State Employees Retirement Plan:

- The work performed protects the property and personal safety of others or maintains the safety, security, discipline, and custody of inmates;
- The work is hazardous;
- The expected working lifetime is shorter;
- Employees may lose the mental or physical capacity to perform the required work and may be required to retire at an early age; and
- The nature of the enhanced benefits is based on the particular dangers inherent in the occupation.

The working group may wish to consider the above factors when deciding whether to recommend that 911 telecommunicators should receive enhanced pension benefits and the nature of such pension benefits.

Legislative Commission on Pensions and Retirement

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¹ This sentence was added on November 15, 2021, after the memo was first published on November 8, 2021. At the time of the revision, a redundant citation was also stricken from a previous paragraph.