

LCPR21-023:
**Revises the requirement for bills drafted by
Commission staff for agencies and pension systems**

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Introduction

- Affected Plan:** Affects the pension systems, the State Auditor, and agencies needing assistance drafting pension legislation
- Laws Amended:** Adds new Sections 356B.01 and 356B.02
Repeals Section 356B.05
- Brief Description:** The bill imposes a November 1 deadline for submission of bill drafting requests to the staff of the Legislative Commission on Pensions and Retirement. This deadline is the same deadline imposed by statute on agencies submitting bill drafting requests to the Revisor's Office. The deadline can be waived.

Background

Commission staff drafts bills upon request of any legislator or legislative staff, in addition to responding to questions on statutes and constituent requests that often result in a bill request. Staff also drafts bills at the request of the executive directors of the pension systems, the State Auditor, and any other agency.

When the legislature is in session, staff prioritizes requests from legislators and legislative staff and turns around requests for bills as quickly as possible. This means that requests from others are not completed as quickly as might be expected, especially when compared to turnaround when the legislature is not in session.

This has increasingly become a concern, since discovering in 2015 that the October 1 deadline in current statute does not apply to most, if not all, requests made to Commission staff to draft bills. Requests from the pension funds and the State Auditor to draft legislation are made sometimes weeks into the legislative session, when legislators need bills drafted to meet deadlines and have them ready for consideration at meetings of the Commission.

As mentioned, Minnesota Statutes, Section 356B.05, was apparently enacted in 2002 in response to a similar concern. Section 356B.05 requires requests for legislation to be submitted by the pension systems and the Minnesota State Colleges and Universities system (Minnesota State) to the Commission and the government operations committees in the House and Senate by October 1. The statute requires

Commission staff to provide written comments on proposed legislation by November 15. The statute, however, has become largely obsolete, in that it applies to legislation relating to matters that are no longer dealt with on a regular basis by legislation, including purchases of past service credit, offsets from disability benefits, earnings by reemployed annuitants, and retroactive effect for retirement annuity applications.

The legislature also recognized this concern in the case of bill requests made to the Revisor's Office by agencies. Section 3C.0135, Subdivision 1 ("Bill drafting for departments and agencies"), states:

***Deadlines.** A department or agency intending to urge the legislature to adopt a bill shall deliver the drafting request for the bill to the revisor of statutes by November 1 before the regular session of the legislature at which adoption will be urged. A commissioner or agency head, however, may deliver a drafting request later by certifying to the revisor, with supporting facts, that the request is an emergency, relates to a matter that could not reasonably have been foreseen before November 1, or for which there is other reasonable justification for delay. The completed bill draft, in a form ready for introduction, must be delivered by the revisor to a senator or representative as directed by the department or agency. If the draft was requested after November 1, it must be accompanied by a copy of the commissioner's certification to the revisor.*

Section by Section Summary

Section 1

Section 1 of the bill provides definitions of terms used in Chapter 356B. Defined terms are "agency," "commission," "pension system," and "volunteer firefighter relief association."

"Agency" refers to the definition of the term used in Chapter 14, which limits the agencies affected to those that make rules or adjudicate cases, the State Auditor, and Minnesota State.

"Commission" means the LCPR.

"Pension system" means the Minnesota State Retirement System (MSRS), Public Employees Retirement Association (PERA), Teachers Retirement Association (TRA), and St. Paul Teachers Retirement Fund Association (SPTRFA).

Section 2

Paragraph (a) of Section 2 states that an agency or pension system intending to urge the legislature to adopt a bill affecting pension plans, volunteer firefighter relief associations, or relating to pensions or retirement must deliver the bill drafting request to the executive director of the Commission by November 1 before the legislative session at which the adoption of the bill will be urged. As noted above, this is the same deadline imposed on agencies making bill drafting requests to the Revisor's Office.

Paragraph (b) of Section 2 authorizes the executive director to accept a bill drafting request after November 1, if the request relates to a matter that could not have been foreseen or there is other reasonable justification for the delay.

Section 3

Section 3 repeals Section 356B.05, which is largely obsolete, in that it applies to legislation relating to matters that are no longer dealt with on a regular basis by legislation, including purchases of past service credit, offsets from disability benefits, earnings by reemployed annuitants, and retroactive effect for retirement annuity applications. (These topics are listed in paragraph (b) of Section 356B.05.) Paragraph (a) of Section 356B.05 requires requests for such legislation to be submitted by the pension systems and Minnesota State to the Commission and the government operations committees in the House and Senate by October 1. Commission staff is required to provide written comments on the proposed legislation by November 15. Paragraph (c) requires the pension plans to present “uniform provisions” relating to the topics listed in paragraph (b) “where possible and desirable.” Since the topics in paragraph (b) no longer require legislation on a regular basis, paragraph (c) is also no longer necessary.

Effective date

The bill is effective the day following final enactment.

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