SF 2485 (Bigham, Rosen, Pappas): 911 Telecommunicators; Establishing a working group to consider changes to pension benefits and requiring a report to the LCPR.

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Introduction

Laws Amended: None; the bill will become a new session law.

Brief Description: The bill requires the Commission's Executive Director to establish a working group

to recommend to the Commission whether the pension benefits of 911 Telecommunicators should be changed and, if so, recommend changes.

Background

This bill, SF 2485, arose out of an amendment to SF 970 (Limmer), offered by Senator Bigham during debate on SF 970 on the Senate floor. SF 970 (Limmer), the omnibus judiciary and public safety policy and finance bill, contains a provision establishing a working group to study issues related to 911 telecommunicators (911 emergency operators). The amendment would have expanded the topics to be studied by the working group to require the working group to recommend changes to the pension benefits of 911 telecommunicators. During the debate, Chair Rosen indicated that this issue would be better addressed through the Commission, which led to Senator Bigham withdrawing her amendment. This bill directs the Commission's Executive Director to establish a new working group to study whether changes to the pension benefits for 911 telecommunicators are appropriate and, if so, to recommend changes.

Public employees who work as 911 telecommunicators are covered by the Public Employees Retirement Association (PERA) General Plan or the Minnesota State Retirement System (MSRS) General Plan, depending on whether they are employed by a local government or the state. The issue of whether to provide these employees with enhanced 911 telecommunicator pension benefits has been raised several times during the last 20 years. Bills to improve their pension benefits were introduced in 2021, 2013, 2006, 2002, and 2001. The 2021 bill is SF 2198 (Bigham) / HF 2585 (Berg), which, if enacted, would cause 911 telecommunicators who are employed by a local government to be covered by the local government correctional service retirement plan administered by (PERA).

The Commission mandated a study of this issue in 2003, when it directed the creation of the Correctional Coverage Advisory Committee. The Committee produced a report which analyzed whether 911 telecommunicators should receive enhanced pension benefits. The Committee was unable to arrive

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at a consensus on whether or not 911 telecommunicators should receive enhanced pension benefits. The Committee's primary concerns were whether "the demands of the job merited enhanced benefits" and the cost to local and state governments of providing enhanced benefits.

Section by Section Summary

The bill is a single uncoded section divided into six subdivisions and an effective date, as follows:

<u>Subdivision 1</u> mandates that the executive director of the Legislative Commission on Pensions and Retirement convene a working group and lists the following 11 categories of members that are required to participate:

- A representative from the Association of Minnesota Counties;
- A representative from the League of Minnesota Cities;
- A representative from the Minnesota Inter-County Association;
- A representative from the Department of Public Safety;
- A representative from the Minnesota Association of Public Safety Communications Officials (MN APCO) or the National Emergency Number Association of Minnesota (NENA of MN);
- The executive director of the Minnesota State Retirement System (MSRS) or a designee;
- The executive director of PERA or a designee;
- A 911 telecommunicator who works for a county or municipality;
- A 911 telecommunicator who works for the state;
- A member of the public employees local government correctional service retirement plan; and
- A member of the state correctional employees retirement plan.

The Commission's executive director is also granted authority to invite any other individuals to participate in the working group as needed and requires the organizations listed to designate a member by June 15, 2021.

<u>Subdivision 2</u> requires the working group to report to the Commission by January 15, 2022. The report must contain a recommendation on whether to change the 911 pension coverage and, if the group recommends a change, to recommend how best to change the pension coverage. The subdivision specifically lists the option of moving 911 pension coverage to the MSRS and PERA correctional plans.

<u>Subdivision 3</u> requires the executive director to convene the first meeting of the working group by August 1, 2021, and requires the group to elect a chair at its first meeting.

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<u>Subdivision 4</u> clarifies that service on the working group does not come with additional compensation and is not lobbying. Employers and associations are prohibited from retaliating against members of the working group because of their participation.

<u>Subdivision 5</u> requires Commission staff to provide administrative support for the working group.

<u>Subdivision 6</u> states that the working group will expire on June 30, 2022.

Effective date: The section is effective the day following final enactment.

Analysis

The Department of Public Safety has estimated that there are about 1,200 911 telecommunicators in the state. Currently most of those employees are covered by either the PERA General Plan or the MSRS General Plan. There are many different ways that 911 telecommunicators could be granted enhanced pension benefits, such as by establishing a new plan, transferring them to a different plan or existing plans, or creating enhanced benefits within their current plans. A working group could help narrow down the options and recommend whether a particular approach would work best. In addition, Commission staff currently lack the specific demographic data needed to determine the cost of any such change. At a minimum, data is needed regarding the precise number of 911 telecommunicators and which entities employ them.

The proposed working group would have the expertise and resources to address the many issues and complications involved in moving a group of public employees from one benefit structure to another, including:

- Whether 911 telecommunicators should have enhanced pension benefits, and why;
- Whether transferring pension coverage for 911 telecommunicators to the PERA Correctional Plan, as set forth in SF 2198 (Bigham) / HF 2585 (Berg), is the best approach to providing enhanced pension benefits or if a different approach makes more sense;
- How to address pension coverage for 911 telecommunicators who are state employees as opposed to those employed by local governments;
- Whether past service should be eligible for enhanced pension benefits or only future service; and
- What would be the costs to employers, 911 telecommunicators, and affected plans of the alternatives for providing enhanced benefits.

Legislative Commission on Pensions and Retirement

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