

**SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION**

S.F. No. 4464

(SENATE AUTHORS: BAHR)

DATE
03/04/2024

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Introduction and first reading
Referred to State and Local Government and Veterans

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to retirement; Public Employees Retirement Association; adding a member
1.3 to the board of trustees who is a member of the local government correctional
1.4 service retirement plan; amending Minnesota Statutes 2022, section 353.03,
1.5 subdivision 1.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2022, section 353.03, subdivision 1, is amended to read:

1.8 Subdivision 1. **Management; composition; election.** (a) The management of the Public
1.9 Employees Retirement Association is vested in ~~an 11-member~~ a 12-member board of trustees
1.10 consisting of ~~ten~~ 11 members and the state auditor.

1.11 (1) The state auditor may designate a deputy auditor with expertise in pension matters
1.12 as the auditor's representative on the board.

1.13 (2) The governor shall appoint five trustees to four-year terms, one of whom shall be
1.14 designated to represent school boards, one to represent cities, one to represent counties, one
1.15 who is a retired annuitant, and one who is a public member knowledgeable in pension
1.16 matters.

1.17 (3) The membership of the association, including recipients of retirement annuities and
1.18 disability and survivor benefits, shall elect ~~five~~ six trustees for terms of four years. Of the
1.19 six trustees elected by the membership, one of whom must be a member of the police and
1.20 fire fund plan, one must be a member of the local government correctional service retirement
1.21 plan, and one of whom must be a former member who met the definition of public employee
1.22 under section 353.01, subdivisions 2 and 2a, for at least five years prior to terminating
1.23 membership and who is receiving a retirement annuity or a member who receives a disability

2.1 benefit. ~~Terms expire~~ Except as provided in this subdivision, the trustees elected by the
2.2 membership must be public employees and members of the association.

2.3 (b) The term of each member of the board of trustees expires on January 31 of the fourth
2.4 year, and positions are vacant until newly elected members are seated. ~~Except as provided~~
2.5 ~~in this subdivision, trustees elected by the membership of the association must be public~~
2.6 ~~employees and members of the association.~~

2.7 ~~(b)~~ (c) For seven days beginning October 1 of each year preceding a year in which an
2.8 election is held, the association shall accept filings of candidates for the board of trustees.
2.9 A candidate shall submit at the time of filing a nominating petition signed by 25 or more
2.10 members of the association. No name may be withdrawn from nomination by the nominee
2.11 after October 15. At the request of a candidate for an elected position on the board of trustees,
2.12 the board shall provide a statement of up to 300 words prepared by the candidate to all
2.13 persons eligible to vote in the election of the candidate. The board may adopt policies and
2.14 procedures to govern the form and length of these statements and the timing and deadlines
2.15 for submitting materials to be distributed to the eligible voters.

2.16 ~~(c)~~ (d) By January 10 of each year in which elections are to be held, the board shall
2.17 distribute to the eligible voters the instructions and materials necessary to vote for the
2.18 candidates seeking terms on the board of trustees. Eligible voters are the members, retirees,
2.19 and other benefit recipients. No voter may vote for more than one candidate for each board
2.20 position to be filled. A vote for more than one person for any position is void. No special
2.21 marking may be used to indicate incumbents. Votes cast by using paper ballots mailed to
2.22 the association must be postmarked no later than January 31. Votes cast by using telephone
2.23 or other electronic means authorized under the board's procedures must be entered by the
2.24 end of the day on January 31. The design of the voting response media must ensure that
2.25 each voter's vote is secret.

2.26 ~~(d)~~ (e) A candidate who receives contributions, who makes expenditures in excess of
2.27 \$100, or who has given implicit or explicit consent for any other person to receive
2.28 contributions or make expenditures in excess of \$100 for the purpose of bringing about the
2.29 candidate's election shall file a report with the campaign finance and public disclosure board
2.30 disclosing the source and amount of all contributions to the candidate's campaign. The
2.31 campaign finance and public disclosure board shall prescribe forms governing these
2.32 disclosures. Expenditures and contributions have the meaning defined in section 10A.01.
2.33 These terms do not include any distribution made by the association board on behalf of the
2.34 candidate. A candidate shall file a report within 30 days from the day that the results of the
2.35 election are announced. The Campaign Finance and Public Disclosure Board shall maintain

3.1 these reports and make them available for public inspection in the same manner as the board
3.2 maintains and makes available other reports filed with it.

3.3 ~~(e)~~ (f) The secretary of state shall review and comment on the procedures defined by
3.4 the board of trustees for conducting the elections specified in this subdivision, including
3.5 board policies adopted under paragraph ~~(b)~~ (c).

3.6 ~~(f)~~ (g) The board of trustees and the executive director shall undertake their activities
3.7 consistent with chapter 356A.

3.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.