

HOUSE RESEARCH

Bill Summary

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Overview

This legislation would require the replacement by any state agency of the net amount of salary lost by any state government employee, who is also a National Guard member or other military reservist, as a result of that person's mobilization to active military service on or after September 11, 2001 and before June 30, 2005. The bill also requires a state employer to pay any benefit to which the member was entitled when ordered to active service. The bill specifically does not apply to any judge, legislator, or constitutional officer. The bill also clarifies the existing authority of local units of government to take similar actions, at their discretion.

Section

- 1 **State employees.** This section is modeled (generally) after a 1991 enactment that was repealed in 1997, which applied to the activation of national guard members and reservists for the Persian Gulf War. It applies to certain *state* government employees.
 - (a) Requires that the employing agency continue the pay of an eligible person at a rate equal to the difference between the person's basic active duty military salary and the salary the person would be paid as an active state employee, provided that the military salary is less than the state salary (i.e., as compensation for any loss of pay upon reporting for active duty). Such payments must be at the regular intervals and may not extend beyond four years. The bill also requires a state employer to pay any benefit to which the member was entitled at the time of reporting for active service.

Section

- (b) Defines "eligible member" as a United States Armed Forces reservist or National Guard member who was a state employee when reporting for active military service on or after September 11, 2001, and who continues to be required to serve in active service.
- (c) Defines "employee of the state" as an employee of the executive, judicial or legislative branch of state government (including MNSCU but not the university of Minnesota), or an employee of the MSRS, PERA or TRA retirement associations.
- (d) Defines "active service" to include "state active service," "federally funded state active service," and "federal active service." However, it specifically excludes service performed exclusively for training purposes, whether initial or periodic, as well as any mobilization for service in the full-time administration of the Department of Military Affairs.
- (e) Specifies that each state agency must continue an eligible employee's benefits, including any benefits applying to the employee's dependents, as well as any optional benefits that the employee had elected for self or dependents at the time of reporting for active duty. Such benefits might include health and dental insurance, short and long-term disability insurance, accidental death and dismemberment insurance, life insurance, and pre-tax accounts. [An MSRS spokesperson has indicated that the state's retirement contribution would also be continued on a pro-rated basis; however, the bill itself is mute on this point.]
- (f) Requires the commissioners of employee relations and finance to adopt procedures to implement this section, and exempts them from rulemaking.
- (g) Provides a sunset date, by specifying that this section does not apply to persons mobilized after June 30, 2005.
- (h) Explicitly states that this section does not apply to judges, legislators, and constitutional officers.

2 Political subdivisions; local government employees. This section amends existing statute that was also enacted in 1991 in response to the Persian Gulf War but which, unlike the provision for *state* employees, has not since been repealed.

This section applies to employees of political subdivisions who are called to active military service on or after September 11, 2001. Under current law, political subdivisions may, at their discretion, pay a salary differential and/or continue benefits to compensate an employee who is an eligible member of the United States Armed Forces who is a reservist or National Guard member who was mobilized to active service for the Persian Gulf War and related operations.

The amendments in this second section of the bill are aimed at ensuring consistency with the provisions in section 1 of the bill dealing with state employees. (But this section remains at the discretion of the political subdivision.)

3 Effective date. The day following enactment, retroactive to September 11, 2001.

