

**Legislative Coordinating Commission  
Subcommittee on Employee Relations  
Monday, October 19, 2009  
9:00 am  
Room 10, State Office Building**

**Present:**

Rep. Steve Drazkowski  
Rep. Leon Lillie  
Sen. Don Betzold  
Sen. James Metzen  
Sen. Gen Olson  
Sen. Linda Scheid

**Excused:**

Rep. Karla Bigham  
Rep. Debra Hilstrom  
Rep. Morrie Lanning  
Sen. Dan Sparks

Rep. Lillie called the meeting of the Subcommittee on Employee Relations to order at 9:08 am. A quorum was present.

**Approval of the Minutes**

Sen. Metzen moved approval of the June 29, 2009, meeting minutes. **MOTION APPROVED.**

**Review/approve collective bargaining agreements**

Paul Larson, Assistant Commissioner, Minnesota Management and Budget (MMB), gave an overview of the key provisions within the Minnesota Government Engineers Council (MGEC) and Minnesota Law Enforcement Association (MLEA) collective bargaining agreements. Mr. Larson explained there are no across the board increases in either year of the contracts. Additionally, there are no step increases in the first year of the contracts, but step increases are provided in the second year of the contracts for eligible employees.

MMB estimates the cost of the increases provided in the MGEC contract will be 0.59% this biennium and will add 1.55% to the next biennium's base, and the cost of the increases provided in the MLEA agreement will be 1.17% this biennium and will add 2.46% to the next biennium's base. Mr. Larson stood for questions.

Sen. Scheid moved approval of SER 1, the approval resolution for the Minnesota Government Engineers Council and Minnesota Law Enforcement Association collective bargaining agreements. **MOTION APPROVED.**

**Review/approve amendments to Commissioner's Compensation Plan**

Mr. Larson reviewed two amendments to the Commissioner's Compensation Plan. The first amendment is the deletion of the Department of Human Resources No Lay-off provision. The second amendment related to the Legislative Auditor and is a clarification that indicates that terms of employment, other than compensation, are determined by the Commissioner's Plan. Mr. Larson stood for questions.

Sen. Scheid moved SER 2, the approval resolution for amendments to the Commissioner's Plan. **MOTION APPROVED.**

Rep. Lillie announced that this was Paul Larson's last time before the Subcommittee and recognized Mr. Larson for his service to the state of Minnesota.

**Review/approve salary range determination for Unemployment Judges**

Commissioner Tom Hanson, MMB, reviewed the unemployment law judges provision in the 2009 Economic Development appropriations bill that directed the Commissioner of Finance, in consultation with the Deputy Commissioner of the Department of Employment and Economic Development and the Chief Unemployment Law Judge, to determine and implement the appropriate pay level for unemployment law judges. Judy Plante, MMB Assistant Commissioner, reviewed the history and context of the process and compensation for UI judges. Ms. Plante pointed out that MMB was limited by the language in the Economic Development appropriations bill and, therefore, were unable to do a typical range reassignment. Discussion regarding the language and background of the legislation ensued.

Rep. Mike Obermueller spoke to the language in the original House legislation.

Fritz Knaak, spoke to the legislation and reforming the pay level for unemployment law judges.

Frank Villaume, Unemployment Law Judge, testified in favor of the increased salary range for unemployment law judges.

Rep. Lillie laid the issue over.

**Review high deductible/health savings account insurance option**

Nathan Moracco, Manager, State Employee Group Insurance Program, explained that legislation passed in the 2008 session requiring MMB to offer a high deductible plan through the Managerial and Commissioner's Compensation Plans. The option is called the Advantage Consumer Directed Health Plan (ACDHP). Mr. Moracco reviewed the plan design, spoke to the Healthcare Savings Account (HSA) that accompanies the ACDHP and addressed the cost of the ACDHP. Mr. Moracco stood for questions.

**Review performance pay for MnSCU presidents and other administrators**

Lori Lamb, Vice Chancellor for Human Resources at MnSCU, and Jim Lee, Director of Compensation at MnSCU, spoke to performance based incentives for MnSCU presidents and other administrators. Ms. Lamb gave an overview of the legislative history of performance incentive payments and noted that increases are based on a performance evaluation. Ms. Lamb reviewed performance paid incentives paid in FY10. Ms. Lamb and Mr. Lee stood for questions.

There being no further business, Rep. Lillie adjourned the meeting at 10:40 am.