



Subcommittee on Employee Relations

72 State Office Building | St. Paul, MN 55155 | Phone: 651-296-9002 | www.ser.leg.mn

Memorandum

DATE: January 7, 2022
TO: Members of the Subcommittee on Employee Relations
FROM: Michelle Weber, Legislative Coordinating Commission
RE: FY 2022-2023 MMA and SRSEA Contracts Summary and Staffing MOUs

This memo summarizes the FY 2022-2023 collective bargaining agreements with the Minnesota Management Association (MMA) and the State Residential Schools Education Association (SRSEA). MMB submitted these two contracts to the Subcommittee on Employee Relations (SER) on December 29, 2021. Under M.S. 3.855, subdivision 2, paragraph c, the Subcommittee may meet by January 28, 2022, to provide interim approval or to disapprove the contracts. If the Subcommittee does not meet by then, or does not affirmatively reject the contracts, the contracts will go into interim effect and will be submitted to the legislature for ratification.

MMB has negotiated several Memorandums of Understanding (MOUs) with state bargaining units that provide agencies with greater flexibility in meeting staffing needs, as well as other contract issues. These MOUs have been submitted to the Subcommittee for consideration under M.S. 3.855, Subd. 2, paragraph c.

Middle Management Association Contract

The tentative settlement with the Middle Management Association covers 3,227 supervisors.

The contract, in legislative format, is available at:

<https://www.ser.mn.gov/contracts/22-23/MMA-2021-2023-Redline-Tentative-Contract.pdf>

Financial Provisions

1. 2.5% across the board increases effective July 1, 2021.
2. 2.5% across the board increases effective July 1, 2022.
3. Step increases in each year for employees who are eligible. Step increases represent approximately a 3.6% increase. About 37% of employees are below the maximum of their salary ranges and are eligible to receive these increases.

Other Provisions

1. Health, dental and life insurance provisions are the same as those negotiated in other state labor contracts.
2. Adds Juneteenth as a state paid holiday.
3. Extends eligibility for supervisors to convert vacation leave to deferred compensation.
4. Increases holiday pay to supervisors required to work on a holiday in several agencies.
5. Increases maximum allowance for reimbursement of meals while in travel status.
6. Provides Department of Corrections supervisors in the Corrections Lieutenant and Captain classifications a \$1,500 lump sum payment on January 1, 2022 and 2023.

Continuing Provisions

1. Provides achievement awards of \$1,600, or one step, to supervisors who demonstrate outstanding performance. Up to 40% of the employees may receive such an award. Provides team achievement awards where team members may receive awards up to \$1,000. No more than 40% of the supervisors in an agency may receive a team award, although a supervisor may receive both a team and an individual award.
2. Permits agencies to offer student loan reimbursements, not to exceed \$5,000 per calendar year, or \$25,000 over five years. Participating employees must have 18 months' tenure and remain employed for one year after receiving a reimbursement payment.
3. Allows agencies to offer a recruiting incentive up to \$5,000 to new employees who accept a hard-to-fill position. Agencies may also offer referral incentives up to \$1,000 for hard to fill positions. MMB will determine which positions are hard-to-fill.

Pay Equity

Minnesota Management and Budget is required by Minnesota Statutes 43A.05 to report any employee classes that it has found to have inequities in compensation. The December 2020 report by the Department identified one female-dominated class with 16 employees represented by MMA. There is no specific provision in the proposed contract dealing with these positions.

Settlement Cost Sheet

MMB estimates that the cost of the increases (across the board increases, steps, insurance, FICA, retirement contributions) provided in the MMA contract will be 4.73% this biennium. The cost of these increases will add 7.40% to the next biennium's base. (This figure captures the tails – those obligations made during this biennium whose full costs are not realized until the next biennium.) These costs are included in the settlement tracking sheet.

State Residential Schools Education Association Contract

The State Residential Schools Education Association (SRSEA) represents 173 teachers employed at the Minnesota Academies for the Deaf and Blind, the Perpich Center for Arts Education, the Department of Human Services, and the Department of Corrections. A copy of this contract, in legislative format reflecting changes, can be found at:

<https://www.ser.mn.gov/contracts/22-23/SRSEA-2021-23-Redline-Tentative-Contract.pdf>

Financial Provisions

1. 2.5% across the board increases effective July 1, 2021 and July 1, 2022.
2. Continues step increases in each year for employees who are eligible. Step increases represent approximately a 3.4% increase. About 38% of these employees are eligible to receive these increases. Adds provisions for lane change for teachers who earn a doctoral degree. Clarifies that acceptable license for lanes 6-10 includes licensure in applicable fields for positions covered by 179A.03 Subd. 18.
3. Increases the employer's matching contribution to the employee's deferred compensation account from \$300 per year to \$400 per year.

Other Provisions

1. Health, dental and life insurance provisions are the same as those negotiated in other state labor contracts.
2. Add Juneteenth as a state paid holiday.
3. Permits the agency to deduct up to three days of vacation leave in lieu of an unpaid suspension.

Continuing Provisions

1. State's contribution of \$400 per year to the employee's Health Care Savings Account.
2. Early retirement incentive for employees covered under the Correctional Retirement Plan. These employees who retire before age 55 receive a fixed percentage of the employer contribution for health insurance until age 65. For employees who retire after age 55 and who meet specified service requirements, the employer contribution is equal to the employer contribution for insurance for active employees. This benefit is provided until the employee is age 65.

Settlement Cost Sheet

MMB estimates that the cost of the increases (across the board increases, steps, insurance, FICA, retirement contributions) provided in the State Residential Schools Association agreement will be 3.95% this biennium. The cost of these increases will add 5.92% to the next biennium's base. (This figure captures the tails – those obligations made during this biennium whose full costs are not realized until the next biennium.)

Agency Specific Compensation Cost Data

Effective July 1, 2019, MMB is required to provide compensation cost data by agency. The report is to include base costs, the costs provided under the proposed contract or plan, and a breakdown of the costs by agency by fund. Copies of the reports for the two contracts are attached.

Memorandums of Understanding

Minnesota Management and Budget (MMB) has submitted a number of negotiated Memorandums of Understanding (MOUs) with several of the state bargaining units. MMB has submitted the MOUs for consideration under M.S. 3.855, Subd. 2, paragraph c. Under that

statute, failure of the subcommittee to disapprove a collective bargaining agreement within 30 days of submission to the Subcommittee constitutes approval.

A brief synopsis of these MOUs is outlined below. Copies of the MOUs are available at:
<https://www.ser.mn.gov/contracts/22-23/MOUs-12-29-21.pdf>

AFSCME: Department of Human Services: Moose Lake Sex Offender Program

AFSCME: Department of Human Services: St. Peter Sex Offender Program

Adds additional job classifications to positions that are eligible for \$50 voluntary shift bonus.

MMA: Department of Corrections

MAPE: Department of Corrections

SRSEA: Department of Corrections

Permits employees who work an approved and designated FLSA non-exempt overtime assignment shall be eligible to earn one and a half times their hourly rate, and earn shift differential, if applicable.

AFSCME: Department of Human Services

MNA: Department of Corrections

AFSCME: Department of Veterans Affairs

Permits agencies to offer lump sums, and referral, recruitment and retention incentives to meet staffing needs.

SRSEA: State of Minnesota

MMA: State of Minnesota

Permits employees to use their sick leave to care for minor children who are required to be quarantined, similar to MOUs sent over December 10, 2021.

MAPE: State of Minnesota

Provides for reimbursement up to \$175 for employees who are required to have safety footwear.

Please feel free to contact me at michelle.weber@lcc.mn.gov or (651) 296-2963 if you have any questions.

Attachments: MMB Submitted Statutory Data on Funding Sources
 SER Settlement Sheet

**ESTIMATED COST OF THE COLLECTIVE BARGAINING AGREEMENT BETWEEN
THE STATE OF MINNESOTA AND MMA**

July 1, 2021 – June 30, 2023

I. Bargaining Unit Composition

Total Number of Employees: 3,227

II. Biennial Summary of Costs (All Agencies and All Funds)

Employee Costs	Biennial Base	Biennial New Money
Salaries	585,343,612	29,428,467
FICA and Retirement	86,960,130	4,371,968
Insurance	126,560,988	3,959,690
TOTAL	798,864,730	37,760,125

The Hubinger Number is **4.73%**, which represents the Biennial New Money as a percentage of the Biennial Base at the beginning of Fiscal Year 2022.

The Merriam Number is **7.40%**, which represents the growth in the Biennial Base over the term of the contract.

III. Biennial Base and New Costs (By Agency and Funding Source)

Agency	Biennial Base	Biennial Base + New Costs
Administration Dept	\$10,754,736	\$11,263,083
General	\$1,112,716	\$1,165,311
Other	\$9,642,020	\$10,097,772
Administrative Hearings	\$865,094	\$905,985
General	\$11,992	\$12,559
Other	\$853,102	\$893,426
Agriculture Dept	\$16,220,190	\$16,986,873
General	\$5,638,940	\$5,905,477
Other	\$10,581,250	\$11,081,396
Animal Health Board	\$1,689,066	\$1,768,903
General	\$1,689,066	\$1,768,903
Architecture, Engineering Bd	\$174,950	\$183,219
General	\$174,950	\$183,219

**SUMMARY OF WAGE AND INSURANCE PROVISIONS IN THE AGREEMENT BETWEEN
THE STATE OF MINNESOTA AND MMA**

July 1, 2021 – June 30, 2023

Arts Board	\$421,998	\$441,945
General	\$73,694	\$77,177
Other	\$348,304	\$364,767
Commerce Dept	\$8,134,334	\$8,518,821
General	\$3,466,212	\$3,630,050
Other	\$4,668,122	\$4,888,771
Corrections Dept	\$86,183,510	\$90,257,166
General	\$81,980,400	\$85,855,387
Other	\$4,203,110	\$4,401,779
Cosmetologist Exam Board	\$1,026,456	\$1,074,974
General	\$1,026,456	\$1,074,974
Dentistry Board	\$207,216	\$217,011
Other	\$207,216	\$217,011
Disability Council	\$183,608	\$192,287
General	\$183,608	\$192,287
Education Department	\$9,628,008	\$10,083,097
General	\$3,492,196	\$3,657,262
Other	\$6,135,812	\$6,425,835
Emergency Medical Services Bd	\$180,224	\$188,743
General	\$180,224	\$188,743
Employ & Econ Development Dept	\$22,483,648	\$23,546,388
General	\$1,527,136	\$1,599,319
Other	\$20,956,512	\$21,947,068
Exec for LT Svcs & Supports Bd	\$201,784	\$211,322
Other	\$201,784	\$211,322
Explore Minnesota Tourism	\$751,942	\$787,484
General	\$751,942	\$787,484
Gambling Control Board	\$1,067,240	\$1,117,685
Other	\$1,067,240	\$1,117,685
Health Department	\$47,483,676	\$49,728,098
General	\$4,959,140	\$5,193,545
Other	\$42,524,536	\$44,534,553
Housing Finance Agency	\$5,784,648	\$6,058,072
Other	\$5,784,648	\$6,058,072
Human Rights Dept	\$955,804	\$1,000,982
General	\$955,804	\$1,000,982
Human Services Dept	\$117,840,688	\$123,410,691
General	\$72,108,952	\$75,517,343
Other	\$45,731,736	\$47,893,349
Investment Board	\$340,662	\$356,764
Other	\$340,662	\$356,764

**SUMMARY OF WAGE AND INSURANCE PROVISIONS IN THE AGREEMENT BETWEEN
THE STATE OF MINNESOTA AND MMA**

July 1, 2021 – June 30, 2023

Iron Range Resources & Rehab	\$1,547,786	\$1,620,946
Other	\$1,547,786	\$1,620,946
Labor & Industry Dept	\$9,501,732	\$9,950,853
General	\$531,264	\$556,375
Other	\$8,970,468	\$9,394,477
Lottery	\$5,285,702	\$5,535,543
Other	\$5,285,702	\$5,535,543
Medical Practice Board	\$822,416	\$861,289
Other	\$822,416	\$861,289
Military Affairs Dept	\$7,986,318	\$8,363,809
General	\$533,552	\$558,772
Other	\$7,452,766	\$7,805,038
Minnesota Zoological Garden	\$2,337,586	\$2,448,077
General	\$1,414,670	\$1,481,538
Other	\$922,916	\$966,540
Mn Management & Budget	\$2,144,038	\$2,245,381
General	\$1,310,130	\$1,372,056
Other	\$833,908	\$873,325
MN St Colleges & Universities	\$70,011,370	\$73,320,614
Other	\$70,011,370	\$73,320,614
Mn State Academies	\$2,202,938	\$2,307,065
General	\$1,995,404	\$2,089,721
Other	\$207,534	\$217,344
MN State Retirement System	\$3,118,056	\$3,265,438
Other	\$3,118,056	\$3,265,438
MN.IT Services Office	\$77,908,398	\$81,590,912
General	\$1,281,894	\$1,342,486
Other	\$76,626,504	\$80,248,427
MNsure	\$1,475,398	\$1,545,136
Other	\$1,475,398	\$1,545,136
Natural Resources Dept	\$81,273,964	\$85,115,559
General	\$14,303,104	\$14,979,172
Other	\$66,970,860	\$70,136,387
Nursing Board	\$239,720	\$251,051
Other	\$239,720	\$251,051
Office of Higher Education	\$475,302	\$497,768
General	\$185,308	\$194,067
Other	\$289,994	\$303,701
Ombud Mental Hlth & Dev Dis	\$687,252	\$719,737
General	\$687,252	\$719,737
Peace Officers Board (POST)	\$415,526	\$435,167
General	\$415,526	\$435,167

**SUMMARY OF WAGE AND INSURANCE PROVISIONS IN THE AGREEMENT BETWEEN
THE STATE OF MINNESOTA AND MMA**

July 1, 2021 – June 30, 2023

Perpich Ctr For Arts Education	\$990,006	\$1,036,801
General	\$512,038	\$536,241
Other	\$477,968	\$500,560
Pharmacy Board	\$190,600	\$199,609
Other	\$190,600	\$199,609
Pollution Control Agency	\$19,118,876	\$20,022,572
Other	\$19,118,876	\$20,022,572
Prof Educator Licensing Std Bd	\$171,650	\$179,763
General	\$171,650	\$179,763
Psychology Board	\$154,286	\$161,579
Other	\$154,286	\$161,579
Public Employees Retire Assoc	\$2,023,670	\$2,119,323
Other	\$2,023,670	\$2,119,323
Public Safety Dept	\$32,693,840	\$34,239,187
General	\$11,132,936	\$11,659,159
Other	\$21,560,904	\$22,580,028
Public Utilities Comm	\$1,374,884	\$1,439,871
General	\$1,374,884	\$1,439,871
Revenue Dept	\$26,963,444	\$28,237,931
General	\$24,370,058	\$25,521,963
Other	\$2,593,386	\$2,715,968
Secretary of State	\$2,500,458	\$2,618,648
General	\$954,588	\$999,709
Other	\$1,545,870	\$1,618,939
Social Work Board	\$388,822	\$407,201
Other	\$388,822	\$407,201
State Auditor	\$2,456,398	\$2,572,505
General	\$2,456,398	\$2,572,505
Tax Court	\$213,424	\$223,512
General	\$213,424	\$223,512
Teachers Retirement Assoc	\$3,216,902	\$3,368,956
Other	\$3,216,902	\$3,368,956
Transportation Dept	\$85,819,768	\$89,876,231
General	\$949,256	\$994,125
Other	\$84,870,512	\$88,882,106
Veterans Affairs Dept	\$19,856,612	\$20,795,179
General	\$2,862,814	\$2,998,131
Other	\$16,993,798	\$17,797,048
Water & Soil Resources Board	\$516,480	\$540,893
General	\$281,272	\$294,567
Other	\$235,208	\$246,326

**SUMMARY OF WAGE AND INSURANCE PROVISIONS IN THE AGREEMENT BETWEEN
THE STATE OF MINNESOTA AND MMA**

July 1, 2021 – June 30, 2023

Workers Comp Court of Appeals	\$201,626	\$211,156
Other	\$201,626	\$211,156

IV. Estimated Additional Salary and Non-Wage Costs (By Agency)

Agency	Additional Salary	Additional Non-Wage
Administration Dept	\$396,181	\$112,165
Administrative Hearings	\$31,868	\$9,022
Agriculture Dept	\$597,517	\$169,166
Animal Health Board	\$62,222	\$17,616
Architecture, Engineering Bd	\$6,445	\$1,825
Arts Board	\$15,546	\$4,401
Commerce Dept	\$299,651	\$84,836
Corrections Dept	\$3,174,816	\$898,840
Cosmetologist Exam Board	\$37,812	\$10,705
Dentistry Board	\$7,633	\$2,161
Disability Council	\$6,764	\$1,915
Education Department	\$354,675	\$100,414
Emergency Medical Services Bd	\$6,639	\$1,880
Employ & Econ Development Dept	\$828,249	\$234,490
Exec for LT Svcs & Supports Bd	\$7,433	\$2,104
Explore Minnesota Tourism	\$27,700	\$7,842
Gambling Control Board	\$39,315	\$11,131
Health Department	\$1,749,197	\$495,225
Housing Finance Agency	\$213,094	\$60,330
Human Rights Dept	\$35,210	\$9,968
Human Services Dept	\$4,340,999	\$1,229,004
Investment Board	\$12,549	\$3,553
Iron Range Resources & Rehab	\$57,017	\$16,142
Labor & Industry Dept	\$350,023	\$99,097
Lottery	\$194,714	\$55,127
Medical Practice Board	\$30,296	\$8,577
Military Affairs Dept	\$294,199	\$83,292
Minnesota Zoological Garden	\$86,112	\$24,380
Mn Management & Budget	\$78,982	\$22,361
MN St Colleges & Universities	\$2,579,069	\$730,175
Mn State Academies	\$81,152	\$22,975
MN State Retirement System	\$114,863	\$32,519
MN.IT Services Office	\$2,869,979	\$812,536
MNsure	\$54,351	\$15,387

**SUMMARY OF WAGE AND INSURANCE PROVISIONS IN THE AGREEMENT BETWEEN
THE STATE OF MINNESOTA AND MMA**

July 1, 2021 – June 30, 2023

Natural Resources Dept	\$2,993,959	\$847,636
Nursing Board	\$8,831	\$2,500
Office of Higher Education	\$17,509	\$4,957
Ombud Mental Hlth & Dev Dis	\$25,317	\$7,168
Peace Officers Board (POST)	\$15,307	\$4,334
Perpich Ctr For Arts Education	\$36,470	\$10,325
Pharmacy Board	\$7,021	\$1,988
Pollution Control Agency	\$704,298	\$199,398
Prof Educator Licensing Std Bd	\$6,323	\$1,790
Psychology Board	\$5,684	\$1,609
Public Employees Retire Assoc	\$74,548	\$21,106
Public Safety Dept	\$1,204,371	\$340,976
Public Utilities Comm	\$50,648	\$14,339
Revenue Dept	\$993,276	\$281,212
Secretary of State	\$92,112	\$26,078
Social Work Board	\$14,323	\$4,055
State Auditor	\$90,488	\$25,619
Tax Court	\$7,862	\$2,226
Teachers Retirement Assoc	\$118,504	\$33,550
Transportation Dept	\$3,161,417	\$895,046
Veterans Affairs Dept	\$731,475	\$207,092
Water & Soil Resources Board	\$19,026	\$5,387
Workers Comp Court of Appeals	\$7,427	\$2,103

**SUMMARY OF WAGE AND INSURANCE PROVISIONS IN THE AGREEMENT BETWEEN
THE STATE OF MINNESOTA AND MMA**

July 1, 2021 – June 30, 2023

Wages

Two and one-half percent (2.50%) general wage increase effective July 1, 2021. Employees whose rate of pay is at or over the new maximum rate are not eligible for this increase.

Two and one-half percent (2.50%) general wage increase effective July 1, 2022. All employees are eligible for this wage increase.

Progression step increases averaging 3.55% are available to employees in both fiscal years on the employee's anniversary date. Employees at the maximum rate of their salary range are not eligible for progression step increases. Approximately 37% of employees are eligible for progression step increases during the fiscal year. Progression step increases are delivered either on a semi-annual or annual basis, depending on job classification and position in the range.

Insurance

1. Medical plan:

- a. Effective January 1, 2022, 3-D mammograms will not be subject to out-of-pocket costs on the same terms as are 2-D mammograms.
- b. Effective January 1, 2022, a member will no longer need a referral to visit an eye doctor for an eye injury when they had their annual exam within the past year.
- c. Effective January 1, 2022, the Emergency Room out of pocket costs will be streamlined so that members have a clear understanding of what they will pay for the service:
 - i. Cost level 1: was \$100 and subject to the deductible, it becomes a flat \$100 and not subject to the deductible
 - ii. Cost level 2: was \$100 and subject to the deductible, it becomes \$125 and not subject to the deductible.
 - iii. Cost level 3: was \$100 and subject to the deductible, it becomes \$150 and not subject to the deductible.
 - iv. Cost level 4: was subject to deductible and a 25% coinsurance to the out-of-pocket maximum, it becomes \$350 and not subject to the deductible.
- d. Effective January 1, 2023, a new infertility benefit designed by the Joint Labor Management committee on Insurance Benefits will be implemented.

2. Dental plan:

- a. The dental plan will be offered in open enrollment during both years of this contract rather than just one year.

**ESTIMATED COST OF THE COLLECTIVE BARGAINING AGREEMENT BETWEEN THE STATE OF MINNESOTA AND
SRSEA**

July 1, 2021 – June 30, 2023

I. Bargaining Unit Composition

Total Number of Employees: 173

II. Biennial Summary of Costs (All Agencies and All Funds)

Employee Costs	Biennial Base	Biennial New Money
Salaries	24,082,548	997,896
FICA and Retirement	4,948,442	205,046
Insurance	6,745,118	211,033
TOTAL	35,776,108	1,413,975

The Hubinger Number is **3.95%**, which represents the Biennial New Money as a percentage of the Biennial Base at the beginning of Fiscal Year 2022.

The Merriam Number is **5.92%**, which represents the growth in the Biennial Base over the term of the contract.

III. Biennial Base and New Costs (By Agency and Funding Source)

Agency	Biennial Base	Biennial Base + New Costs
Corrections Dept	\$17,588,020	\$18,283,149
General	\$10,049,508	\$10,446,694
Other	\$7,538,512	\$7,836,456
Education Department	\$74,412	\$77,353
Other	\$74,412	\$77,353
Human Services Dept	\$1,706,200	\$1,773,634
General	\$1,706,200	\$1,773,634
Mn State Academies	\$10,039,998	\$10,436,808
General	\$9,067,672	\$9,426,053
Other	\$972,326	\$1,010,755
Perpich Ctr For Arts Education	\$6,367,478	\$6,619,139
General	\$4,019,434	\$4,178,294
Other	\$2,348,044	\$2,440,845

**SUMMARY OF WAGE AND INSURANCE PROVISIONS IN THE AGREEMENT BETWEEN THE STATE OF MINNESOTA
AND SRSEA**

July 1, 2021 – June 30, 2023

IV. Estimated Additional Salary and Non-Wage Costs (By Agency)

Agency	Additional Salary	Additional Non-Wage
Corrections Dept	\$490,579	\$204,550
Education Department	\$2,076	\$865
Human Services Dept	\$47,591	\$19,843
Mn State Academies	\$280,044	\$116,766
Perpich Ctr For Arts Education	\$177,607	\$74,054

DRAFT

**SUMMARY OF WAGE AND INSURANCE PROVISIONS IN THE AGREEMENT BETWEEN THE STATE OF MINNESOTA
AND SRSEA**

July 1, 2021 – June 30, 2023

Wages

Two and one-half percent (2.50%) general wage increase effective July 1, 2021. Employees whose rate of pay is at or over the new maximum rate are not eligible for this increase.

Two and one-half percent (2.50%) general wage increase effective July 1, 2022. All employees are eligible for this wage increase.

Progression step increases averaging 3.38% are available to employees in both fiscal years on the employee's anniversary date. Employees at the maximum rate of their salary range are not eligible for progression step increases. Approximately 38% of employees are eligible for progression step increases during the fiscal year. Progression step increases are delivered on an annual basis.

Insurance

1. Medical plan:

- a. Effective January 1, 2022, 3D mammograms will not be subject to out of pocket costs on the same terms as are 2 D mammograms.
- b. Effective January 1, 2022, a member will no longer need a referral to visit an eye doctor for an eye injury when they had their annual exam within the past year.
- c. Effective January 1, 2022, the Emergency Room out of pocket costs will be streamlined so that members have a clear understanding of what they will pay for the service:
 - i. Cost level 1: was \$100 and subject to the deductible, it becomes a flat \$100 and not subject to the deductible
 - ii. Cost level 2: was \$100 and subject to the deductible, it becomes \$125 and not subject to the deductible.
 - iii. Cost level 3: was \$100 and subject to the deductible, it becomes \$150 and not subject to the deductible.
 - iv. Cost level 4: was subject to deductible and a 25% coinsurance to the out of pocket maximum, it becomes \$350 and not subject to the deductible.
- d. Effective January 1, 2023, a new infertility benefit designed by the Joint Labor Management committee on Insurance Benefits will be implemented.

2. Dental plan:

- a. The dental plan will be offered in open enrollment during both years of this contract rather than just one year.

STATE EMPLOYEE SALARY SETTLEMENTS

FY 22-23 ESTIMATED COSTS

LCC Subcommittee on Employee Relations
January 3, 2022

Across the board increases (% increase)									
Bargaining Unit	7/1/2021	1/1/2022	7/1/2022	1/1/2023	BIENNIAL BASE (1)	BIENNIAL NEW MONEY (1)	% INCREASE (2)	% INCREASE BIENNIUM TO BIENNIUM (3)	\$ IMPACT ON NEXT BIENNIUM
O AFSCME, Council 5	2.50%		2.50%		\$ 2,084,072,266	\$ 92,044,883	4.42%	6.94%	\$ 144,634,615
O AFSCME, Unit 8, Correctional Officers	2.50%		2.50%		\$ 365,056,850	\$ 17,051,747	4.67%	7.39%	\$ 26,977,701
O AFSCME, Unit 25, Radio Communications Oper	2.50%		2.50%		\$ 11,243,196	\$ 497,646	4.43%	6.95%	\$ 781,402
O MN Association of Professional Employees	2.50%		2.50%		\$ 3,262,497,442	\$ 163,077,761	5.00%	7.97%	\$ 260,021,046
Middle Management Association	2.50%		2.50%		\$ 798,864,730	\$ 37,760,125	4.73%	7.40%	\$ 59,115,990
MN Government Engineering Council (5)									
Minnesota Nurses Association									
MN Law Enforcement Association									
State Residential Schools Education Assoc	2.50%		2.50%		\$ 35,776,108	\$ 1,413,975	3.95%	5.92%	\$ 2,117,946
I Service Employees International Union (6)	8.68%		5.90%			\$ 67,559,000			\$ 103,888,000
State University Inter Faculty Organization			1.70%		\$ 645,017,833	\$ 17,106,620	2.65%	4.96%	\$ 31,992,885
MN State Univ Assoc of Admin & Service Faculty	1.30%				\$ 144,989,599	\$ 4,180,646	2.88%	3.59%	\$ 5,205,127
Minnesota State College Faculty									
Personnel Plan for MnSCU administrators					\$ 199,151,822	\$ 5,865,709	2.95%	4.08%	\$ 8,125,394
Personnel Plan for St Bd of Invest employees									
Office of Higher Education Plan									
Managerial Plan									
Commissioners Plan (4)									
Office of Legislative Auditor									
MNsure Compensation Plan									
TOTAL					\$ 7,546,669,846	\$ 406,558,112	5.39%	8.52%	\$ 642,860,106

The ">" indicates proposed contract or plan has not been acted on by the Subcommittee.
 The "O" indicates the contract or plan was provided interim approval by the Subcommittee.
 The "R" indicates the contract or plan was rejected by the Subcommittee.
 The "I" indicates a contract or plan that has been implemented absent Subcommittee action
 The "" indicates the proposed contract or plan has not been ratified by the Legislature
 The "A" indicates the contract or plan has been ratified by the Legislature

- (1) Includes all funds, including higher education agencies. Includes across the board salary increases, steps, FICA, insurance & pension.
- (2) Percent of new money needed over base.
- (3) This percentage reflects the annualized cost of the increases granted during the biennium. This figure depicts all of the costs of the contract, including "tails."
- (4) Groups within plan follow lead of comparable bargaining units.
- (5) The arbitration award provided 3.5% across the board increases each year for engineers in the 3 highest classes
- (6) The amount listed is the total state funds; the changes in the contract are also funded through federal Medicaid dollars, not included in this table. The FY22 increase is effective 10/1/21. The percentages reflect the increase in minimum wages.