MINNESOTA STATE UNIVERSITY MANKATO

Legislative Updates
April 9, 2003

Senate & House Additional Funding

Senate Democrats presented a budget this week with $150 million more assigned to higher education than the governor's budget proposal. Details on how the money would be divided were not available, and the committee chaired by Sen. Sandy Pappas (DFL - St. Paul) will make that decision on Tuesday, April 15, when it is expected to take action on the bill. House leadership added $50 million to the higher education budget last week, so it appears that both bodies understand the needs of the Minnesota State Colleges and Universities and have added funds to the budget targets. Rep. Doug Stang (R - Cold Spring) is scheduling final action on his bill Wednesday, April 16.

Early Retirement Incentives Considered

After a very late start this session, the Legislative Commission on Pensions and Retirement began meeting last week and will hold its last meeting next Monday evening. The Commission, chaired this year by Rep. Steve Smith (R - Mound), has heard a wide variety of bills concerning State and local government sponsored pension programs including two early retirement incentive bills of particular interest. Both bills were laid over until Monday as the Commission has requested additional information from the Departments of Employee Relations and Finance on their potential impact. HF1432 Dennis Ozment (R - Rosemount) / SF858 Larry Pogemiller (DFL - Minneapolis) creates a general MSRS early retirement incentive and HF1313 Mary Murphy (DFL - Hermantown) / SF 1156 Larry Pogemiller (DFL - Minneapolis) creates a MnSCU only incentive opportunity. These will both be discussed again Monday evening and may be included in the Omnibus Pension Bill. A bill concerning a TRA incentive was introduced but did not have a hearing this year.

Wage Freeze and Health Care Costs

Several committees have been working on legislation to freeze wages and increase the employee contribution toward health care insurance. The Department of Employee Relations has reported on health care cost increases. HF793 Chris Gerlach (R - Apple Valley) seeks to freeze public employee salaries and wage rates. Local government employees were amended out of the bill and it was laid over for possible inclusion in the House State Government Finance Committee Omnibus Bill. HF1099 Paul Kohls (R - Victoria) if enacted, will require state employees to pay more of the cost of their insurance coverage. It may also become part of the State Government Finance Omnibus Bill. Labor unions expressed opposition to both bills when they were heard again this week. This bill was rolled-out late Thursday afternoon and will be considered on Monday and Tuesday next week.