STATE OF MINNESOTA

MINNESOTA STATE RETIREMENT SYSTEM

BOARD OF DIRECTORS

In the matter of the Proposed Amendment and Adoption of Revised Rules of the Board of Directors of the Minnesota State Retirement System STATEMENT OF NEED AND REASONABLENESS

The above captioned rules are amendments to existing rules of the Board of Directors of the Minnesota State Retirement System. The last time the above captioned rules were amended was May 18, 1981.

A revision of the rules is necessary for administrative reasons. The Board of Directors' specific statutory authority to adopt such rules is set forth in Minnesota Statutes section 352.03, subd. 4 (4).

The need for amendment to the rule being amended is as follows:

2 MCAR § 3.0001

Formerly, the election material was sent to departments in bulk, not preidentified as to the individual. Now, the eligible employees' names will be preprinted on the envelopes containing the election material. names are preprinted on the envelopes to ensure that each eligible employee receives a ballot. An employee eligible to vote is one that is paid salary from which retirement deductions are taken in the last full pay period in December. As a result, the mailing of election material must be delayed one month to the end of January. The counting of the ballots is also delayed by one month. In addition, the employees will be furnished a preprinted label which can be used to return the ballots in the teller envelopes. The label will be coded with an identification number. This is to obviate the need for the employee to enter the social security number on the teller envelope. The social security number requirement as part of the identification process has been eliminated because employees objected to having the social security number visable as part of the return address on the teller envelope. The identification on the teller envelope is checked against a computer record to ensure that the employee is eligible to vote.

Although a correctional employee plan member has been elected and served on the Board of Directors since 1974, no specific board rule was adopted to provide for the election. The election has been conducted the same as the state employee board member election. This amendment corrects the oversight.