



To: Mayor and Council

Agenda Item #: VIII. D.

From: Lisa Schaefer
Human Rights and Relations Commission, Staff Liaison

Action
Discussion
Information

Date: December 18, 2012

Subject: **RESOLUTION NO. 2012-178 REQUESTING AN AMENDMENT TO MINNESOTA STATUTES ALLOWING HEALTH COVERAGE TO BE EXTENDED TO DOMESTIC PARTNERS AT THE DISCRETION OF LOCAL JURISDICTIONS**

Action Requested:

Approval of Resolution No. 2012-178.

Information / Background:

Minnesota Statute 471.61 allows local units of government to offer group insurance to their employees, defining a “dependent” to only include a spouse and minor unmarried child for insurance purposes. During the 2008 session, the Legislature passed a bill which amended the definition of “dependent” in this Statute to include “and others as defined by local governmental units at their discretion.” This bill made the third reading in the Senate but was ultimately vetoed by the Governor.

In 2011, the City Council passed resolution 2011-21 requesting an amendment to Minnesota Statutes allowing health coverage to be extended to domestic partners at the discretion of local jurisdictions.

Despite these efforts, the Statute still stands without the changes.

Currently, Subd. 1a. Dependents reads:

Notwithstanding the provisions of Minnesota Statutes 1969, section [471.61](#), as amended by Laws 1971, chapter 451, section 1, the word "dependents" as used therein shall mean spouse and minor unmarried children under the age of 18 years and dependent students under the age of 25 years actually dependent upon the employee.

The HRRC proposes the following resolution urging the Minnesota Legislature and the Governor to amend subdivision 1a to give local jurisdictions the discretion to provide benefits to domestic partners.

Information from the League of Cities about the history of the issue and information about previous sessions work has been included.

Additionally, the HRRC feels this section should also be amended to reflect the changes required by the Affordable Care Act. The Affordable Care Act requires plans and issuers that offer dependent coverage to make the coverage available until the adult child reaches the age of 26.

ATTACHMENTS:

1. Resolution No. 2012-178
2. Resolution No. 2011-21, previously passed by the City Council.
3. League of Minnesota Cities, informational sheet.
4. S.F. No. 960 from 2008 Legislative Session with status information

RESOLUTION NO. 2012-178
REQUESTING AN AMENDMENT TO MINNESOTA STATUTES
ALLOWING HEALTH COVERAGE TO BE EXTENDED TO DOMESTIC PARTNERS
AT THE DISCRETION OF LOCAL JURISDICTIONS

WHEREAS, it is the public policy of the City of Edina to secure for all residents of the City freedom from discrimination because of race, color, creed, religion, age, sex, sexual orientation, marital status, disability, status with regard to public assistance, familial status, or national origin in connection with employment, housing and real property, public accommodations, public services, credit and education; and

WHEREAS, Minnesota Statute 471.61 restricts the ability of the City to offer equal group insurance benefits to City of Edina employees in domestic partnerships as it offers to married City of Edina employees.

NOW, THEREFORE, BE IT RESOLVED that the Edina City Council urges the Minnesota Legislature and Governor to amend M.S. 471.61, Subdivision 1a as follows:

Section 1. Minnesota Statutes 2012, section 471.61, subdivision 1a is amended to read:

*Subd. 1a. **Dependents.** Notwithstanding the provisions of Minnesota Statutes 1969, section 471.61, as amended by Laws 1971, chapter 451, section 1, the word “dependents” as used therein shall mean spouse and ~~minor unmarried children under the age of 18 years and dependent students under the age of 25 26 years actually dependent upon the employee, and others as defined by governmental units at their discretion.~~*

Dated: December 18, 2012

Attest: _____
Debra A. Mangen, City Clerk

James B. Hovland, Mayor

STATE OF MINNESOTA)
COUNTY OF HENNEPIN)
CITY OF EDINA)

CERTIFICATE OF CITY CLERK

I, the undersigned duly appointed and acting City Clerk for the City of Edina do hereby certify that the foregoing Resolution was duly adopted by the Edina City Council at its Regular Meeting of December 18, 2012, and as recorded in the Minutes of said Regular Meeting.

WITNESS my hand and seal of said City this _____ day of _____, 2012.

City Clerk



REPORT/RECOMMENDATION

To: MAYOR AND COUNCIL	Agenda Item <u>IV. E.</u>
From: Susan Howl Human Services Coordinator Staff Liaison to HRRC	<input checked="" type="checkbox"/> Action <input type="checkbox"/> Discussion <input type="checkbox"/> Information
Date: January 18, 2011	
Subject: RESOLUTION NO. 2011-21 REQUESTING AN AMENDMENT TO MINNESOTA STATUTES ALLOWING HEALTH COVERAGE TO BE EXTENDED TO DOMESTIC PARTNERS AT THE DISCRETION OF LOCAL JURISDICTIONS	

ACTION REQUESTED:

Approval of Resolution No. 2011-21

INFORMATION/BACKGROUND:

Minnesota Statute 471.61 allows local units of government to offer group insurance to their employees, defining a “*dependent*” to only include a spouse and minor unmarried child for insurance purposes. During the 2008 session, the Legislature passed a bill which amended the definition of “*dependent*” in this Statute to include “*and others as defined by local governmental units at their discretion.*” This bill made the third reading in the Senate but was ultimately vetoed by the Governor.

The Edina Human Rights and Relations Commission prepared Resolution No. 2011-21 stating that the Edina City Council urges the State to keep the bill alive and get it passed.

ATTACHMENTS:

1. Resolution No. 2011-21
2. S.F. No. 960 from 2008 Legislative Session with status information

RESOLUTION NO. 2011-21
REQUESTING AN AMENDMENT TO MINNESOTA STATUTES
ALLOWING HEALTH COVERAGE TO BE EXTENDED TO DOMESTIC PARTNERS
AT THE DISCRETION OF LOCAL JURISDICTIONS

WHEREAS, it is the public policy of the City of Edina to secure for all residents of the City freedom from discrimination because of race, color, creed, religion, age, sex, sexual orientation, marital status, disability, status with regard to public assistance, familial status, or national origin in connection with employment, housing and real property, public accommodations, public services, credit and education; and

WHEREAS, Minnesota Statute 471.61 restricts the ability of the City to offer equal group insurance benefits to City of Edina employees in domestic partnerships as it offers to married City of Edina employees.

NOW, THEREFORE, BE IT RESOLVED that the Edina City Council urges the Minnesota Legislature and Governor to amend M.S. 471.61, Subdivision 1a as follows:

Section 1. Minnesota Statutes 2010, section 471.61, subdivision 1a is amended to read:

*Subd. 1a. **Dependents.** Notwithstanding the provisions of Minnesota Statutes 1969, section 471.61, as amended by Laws 1971, chapter 451, section 1, the word “dependents” as used therein shall mean spouse and minor unmarried children under the age of 18 years and dependent students under the age of 25 years actually dependent upon the employee, and others as defined by governmental units at their discretion.*

Dated: January 18, 2011

Attest: _____
Debra A. Mangan, City Clerk

James B. Hovland, Mayor

STATE OF MINNESOTA)
COUNTY OF HENNEPIN)SS
CITY OF EDINA)

CERTIFICATE OF CITY CLERK

I, the undersigned duly appointed and acting City Clerk for the City of Edina do hereby certify that the foregoing Resolution was duly adopted by the Edina City Council at its Regular Meeting of January 18, 2011, and as recorded in the Minutes of said Regular Meeting.

WITNESS my hand and seal of said City this _____ day of _____, 2011.

City Clerk



HUMAN RESOURCES & BENEFITS INFORMATION
DOMESTIC PARTNER BENEFITS

1. What is a domestic partner?

The term “domestic partner” describes two adults who share an emotional and financial relationship but choose not to marry or cannot legally marry. Domestic partners could refer to same-sex couples or to unmarried couples of the opposite-sex.

There is no legal definition of domestic partner. Examples of criteria often used to define a domestic partner relationship include:

- Maintaining the same permanent residence
- Having a close, personal relationship
- Sharing responsibility for each other’s welfare as evidence by financial interdependence
- Expressing that the relationship is permanent

2. What are domestic partner benefits?

Domestic partner benefits are those benefits, currently provided to employees’ spouses, which are extended to other employees’ unmarried partners. Common examples include health and dental insurance, employee assistance program, dependent life insurance, and family medical leave.

3. Why are Minnesota cities unable to extend domestic partner benefits to employees?

Minnesota Statute §471.61, which applies to local government entities, allows cities to insure their employees “and their dependents”. The statute further defines “dependents” to include the employee’s spouse and minor unmarried children under the age of 18 years (or under 25 if a full-time student and dependent on the employee). Domestic partners are not spouses or dependents as defined under MN Statute §471.61, therefore cities may not offer benefits to an employee’s domestic partner.

In 1988 and 1989, three City of Minneapolis employees sued the City for failing to provide health care coverage for employees’ domestic partners. In 1993, the Minneapolis City Council passed a resolution to extend and provide limited reimbursement for health coverage to employees in same sex domestic partnerships (as well as to an extended list of other blood relatives).

Domestic partner benefits were to go into effect January 1, 1994 and six city employees had registered their domestic partners for health insurance benefits. On December 20, 1993, a resident of the City of Minneapolis filed a restraining order prohibiting the City from extending and reimbursing health benefits to employees and their domestic partners. The court granted the permanent restraining order, which was upheld on appeal.

The issue at hand was whether the City had the authority, as a home rule charter, to extend benefits to individuals beyond those defined as a spouse or a dependent under MN Statute § 471.61. The court stated that “a home rule charter city may not exceed statutory authority” and that “discrimination, as well as the definition of family relationships and dependent status, are statewide concerns”. Therefore, the City did not have the authority to extend coverage to same sex domestic partners and to other blood relatives beyond what was defined as a spouse or a dependent under 471.61.

4. What are the pros and cons of offering domestic partner benefits?

<u>Pros</u>	<u>Cons</u>
<ol style="list-style-type: none"> 1. Help cities recruit and retain good employees in a competitive labor market. 2. Shows consideration of diversity and equality issues. 3. Statistics show that less than 2% of employees would actually elect to take domestic partner benefits, so there is not likely to be a huge impact on the number of lives covered. 4. Carriers in Minnesota generally do not differentiate rates for employee/spouse and for employee/domestic partner. 	<ol style="list-style-type: none"> 1. Difficulty verifying that a committed relationship exists. 2. Potentially increased claims (at least initially) due to increased enrollment. 3. Potential for increased premium contribution cost to the city. 4. Increased tax burden on the employee – IRS regulations require that employees pay taxes on the difference paid by their employer to insure a domestic partner.

There may be a number of additional pros and cons that the personnel services committee can identify or would like to discuss.

5. What are some key issues when considering expanding Minnesota law to allow for domestic partner benefits?

There are a number of key issues that should be considered when thinking about expanding the law to allow for domestic partner benefits:

1. How would domestic partners be defined – same-sex couples and/or opposite-sex couples that are unmarried? Should the language be broad enough to allow for each municipality to develop their own definition of domestic partners?
2. How will cities verify that a domestic partner relationship exists in order for employees to enroll domestic partners?
3. What (if any) impact would there be on premium rates if a city were to offer domestic partner benefits?
4. Which benefits would be extended to domestic partners?
5. How would city contributions for domestic partner benefits be handled, including consideration of tax consequences for the employee?

If you have any additional questions, please contact the LMC HR & Benefits Department at 651-281-1200.

HR & Benefits 11/2007

1.1 A bill for an act
1.2 relating to local government; modifying the definition of "dependent" for
1.3 purposes of group benefits for local government officers and employees;
1.4 amending Minnesota Statutes 2006, section 471.61, subdivision 1a.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2006, section 471.61, subdivision 1a, is amended to read:

1.7 Subd. 1a. **Dependents.** Notwithstanding the provisions of Minnesota Statutes 1969,
1.8 section 471.61, as amended by Laws 1971, chapter 451, section 1, the word "dependents"
1.9 as used therein shall mean spouse and ~~minor~~ unmarried children under the age of ~~18 years~~
1.10 ~~and dependent students under the age of 25 years actually dependent upon the employee,~~
1.11 and others as defined by governmental units at their discretion.

1.12 Sec. 2. EFFECTIVE DATE.

1.13 Section 1 is effective the day following final enactment.



Minnesota State Legislature

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None < SF0960(House) > SF0960(Senate)

SF0960 Status in House for Legislative Session 85

Bill Name: SF0960

[Bill Text](#)

Companion: HF1097

[Companion Text](#)

[Companion Status](#)

[Senate Search](#)

Revisor Number: 07-1382

Session Law Chapter: [342](#)

House Authors [Davnie](#) ; [Hilty](#) ; [Liebling](#) ; [Tschumper](#) ; [Peterson, N.](#) ; [Erhardt](#) ; [Hilstrom](#) ; [Kahn](#) ; [Dill](#) ; [Solberg](#) ; [Simon](#) ; [Clark](#) ; [Bigam](#) ; [Murphy, E.](#) ; [Hornstein](#) ; [Walker](#) ; [Paymar](#) ; [Hausman](#) ; [Carlson](#) ; [Nelson](#) ; [Atkins](#) ; [Jaros](#) ; [Wagenius](#) ; [Loeffler](#) ; [Winkler](#) ; [Lenczewski](#)

Senate Authors [Higgins](#) ; [Dibble](#) ; [Koering](#) ; [Saxhaug](#) ; [Sieben](#)

Short Description Dependent definition modified relating to group benefits for local government officers and employees.

Long Description [Further Committee Actions](#)

[House Research Summary](#)

HOUSE Actions

[SENATE Actions](#)

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Date ↓	Action	Description / Committee	Text	Page	Roll Call
04/07/2008	Received from Senate			9782	
04/07/2008	Senate file first reading, referred for comparison	HF1097		9783	
04/10/2008	Bills identical, SF substituted on General Register			9860	
04/10/2008	Second reading			10019	
05/15/2008	House rule 1.21, placed on Calendar for the Day			12213	
05/15/2008	Third reading			12216	
05/15/2008	Bill was passed			12216	83-50
	Presented to Governor	May 15, 2008			
	Governor veto	May 18, 2008			
	Secretary of State, Filed	May 18, 2008			
	Chapter number	342			

SENATE Actions[HOUSE Actions](#)[Top](#)

Date ↓	Action	Description / Committee	Text	Page	Roll Call
02/19/2007	Introduction and first reading		Intro	399	
02/19/2007	Referred to	State and Local Government Operations and Oversight			
03/14/2007	Committee report: To pass			873	
03/14/2007	Second reading			902	
	Rule 47, returned to	State and Local Government Operations and Oversight		6408	
03/13/2008	Committee report: To pass as amended			7526a	
03/13/2008	Second reading			7528	
04/01/2008	General Orders: To pass			8235	
04/03/2008	Calendar: Third reading Passed			8438	43-22
05/15/2008	Returned from House			10309	
	Presentment date	05/15/08			
	Governor's action Veto	05/18/08		10663	
	Secretary of State	Ch. 342 05/18/08			
05/18/2008	Veto message laid on table			10663	
	See also	SF1997, Art. 2, Sec. 72 (vetoed)			

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[General questions or comments.](#)

last updated: 10/20/2009

So the bill passed and its title was agreed to.

S.F. No. 960: A bill for an act relating to local government; modifying the definition of "dependent" for purposes of group benefits for local government officers and employees; amending Minnesota Statutes 2006, section 471.61, subdivision 1a.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 43 and nays 22, as follows:

Those who voted in the affirmative were:

Anderson	Dahle	Larson	Olson, M.	Sheran
Bakk	Dibble	Latz	Pappas	Sieben
Berglin	Doll	Lourey	Pogemiller	Skoe
Betzold	Erickson Ropes	Lynch	Prettner Solon	Stumpf
Bonoff	Foley	Marty	Rest	Tomassoni
Carlson	Higgins	Metzen	Rummel	Torres Ray
Chaudhary	Koering	Moua	Saltzman	Wiger
Clark	Kubly	Murphy	Saxhaug	
Cohen	Langseth	Olseen	Scheid	

Those who voted in the negative were:

Day	Gimse	Koch	Robling	Vickerman
Dille	Hann	Limmer	Rosen	Wergin
Fischbach	Ingebrigtsen	Michel	Senjem	
Frederickson	Johnson	Olson, G.	Sparks	
Gerlach	Jungbauer	Pariseau	Vandevveer	

So the bill passed and its title was agreed to.

S.F. No. 3417: A bill for an act relating to occupations and professions; adding an exception to the complementary and alternative health care client bill of rights for inpatient hospital setting and hospice care; amending Minnesota Statutes 2007 Supplement, section 146A.11, subdivision 1.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 64 and nays 0, as follows:

Those who voted in the affirmative were:

Anderson	Doll	Kubly	Olson, G.	Sheran
Bakk	Erickson Ropes	Langseth	Olson, M.	Sieben
Berglin	Fischbach	Larson	Pappas	Skoe
Betzold	Foley	Latz	Pogemiller	Skogen
Bonoff	Frederickson	Limmer	Prettner Solon	Sparks
Carlson	Gerlach	Lourey	Rest	Stumpf
Chaudhary	Gimse	Lynch	Robling	Tomassoni
Clark	Hann	Marty	Rosen	Torres Ray
Cohen	Higgins	Metzen	Rummel	Vandevveer
Dahle	Johnson	Michel	Saltzman	Vickerman
Day	Jungbauer	Moua	Saxhaug	Wergin
Dibble	Koch	Murphy	Scheid	Wiger
Dille	Koering	Olseen	Senjem	

So the bill passed and its title was agreed to.

*** Unofficial Recorded Roll Call Floor Vote**

S.F. NO. 960
CALENDAR FOR THE DAY
Passage

83 YEA and 50 Nay

Date: 5/15/2008

Journal Page [12216](#) -- * Please see the [Journal of the House](#) for official recorded roll call votes.

Those who voted in the affirmative were:

Anzelc	Atkins	Benson	Berns	Bigham
Bly	Brown	Brynaert	Bunn	Carlson
Clark	Davnie	Dill	Dittrich	Dominguez
Eken	Erhardt	Faust	Fritz	Gardner
Greiling	Hansen	Hausman	Haws	Hilstrom
Hilty	Hornstein	Hortman	Hosch	Huntley
Jaros	Johnson	Juhnke	Kahn	Kalin
Kelliher	Knuth	Kranz	Laine	Lenczewski
Lesch	Liebling	Lieder	Lillie	Loeffler
Madore	Mahoney	Mariani	Marquart	Masin
Moe	Morgan	Morrow	Mullery	Murphy, E.
Murphy, M.	Nelson	Norton	Paymar	Pelowski
Peterson, A.	Peterson, N.	Peterson, S.	Poppe	Rukavina
Ruud	Sailer	Scalze	Sertich	Simon
Slawik	Slocum	Solberg	Swails	Thao
Thissen	Tillberry	Tschumper	Wagenius	Walker
Welti	Winkler	Wollschlager		

Those who voted in the negative were:

Abeler	Anderson, S.	Beard	Brod	Buesgens
Cornish	Dean	DeLaForest	Demmer	Dettmer
Doty	Drazkowski	Eastlund	Emmer	Erickson
Finstad	Garofalo	Gottwalt	Gunther	Hackbarth
Hamilton	Heidgerken	Holberg	Hoppe	Howes
Koenen	Kohls	Lanning	Magnus	McFarlane
McNamara	Nornes	Olin	Olson	Otremba
Ozment	Paulsen	Peppin	Ruth	Seifert
Severson	Shimanski	Simpson	Smith	Tingelstad
Urdahl	Ward	Wardlow	Westrom	Zellers