Legislative Coordinating Commission

Memorandum

Date: November 4, 2025

To: Members of the LCC

From: Michelle Yurich, Executive Director, LCC

Subject: Summary of proposed changes to the LCC Benefit Book

This summary memo is being provided in advance of the November 10 LCC meeting where you will be asked to consider approval of the proposed changes to the "Legislative Plan for Employee Benefits and Policies," which establishes health insurance benefits, vacation and sick leave accrual policies, and numerous other benefits for legislative branch employees in the House, Senate, and LCC.

The insurance, vacation, severance, and sick leave policies are effective January 1, 2026, if adopted by the LCC at its upcoming meeting. Other provisions which are at the discretion of the appointing authority are effective as indicated when they are adopted by the respective Rules Committees of the House and Senate.

The proposed changes reflect the work of a Senate, House and LCC nonpartisan staff working group. The members of the working group are provided at the end of this summary. The summary is divided into three sections: insurance, reflecting the Legislature's participation in the State Employee Group Insurance Program (SEGIP); policy changes; and technical changes. Page numbers listed below reflect the page number within the LCC Benefit Book and are not the page number of the PDF.

Insurance Chapter (pages 51-76)
Under Minnesota Statutes section 43A.18, subdivision 6, the LCC is responsible for establishing insurance coverage for staff and members of the Legislature. Because the Legislature purchases insurance coverage through the State Employee Group Insurance Program (SEGIP), the LCC must adopt the insurance coverage that will become effective January 1, 2026.

The health, dental, life, and disability benefits provisions are initially bargained through a coalition that includes exclusive representatives from all the state's unions. Final bargaining is completed between the state and the exclusive representatives for AFSCME and MAPE. As a result, the insurance provisions themselves are generally consistent from contract to contract.

MMB and the employee representatives negotiated the following items regarding insurance.

Medical Insurance

1. Cost-sharing for mental health and substance use office visits will be reduced according to the cost level of the enrollee's primary care clinic:

a. Copayments for cost levels 3 and 4 will be reduced by $10 each (meaning $40 and $60, respectively), and the deductible will still apply.

Dental Insurance

1. There will be an open enrollment for dental plans for both January 1, 2026, and January 1, 2027.
2. The orthodontic lifetime maximum is increasing from $3000 to $3200.
3. A new National Network benefit will be available for individuals who see a dental provider outside Minnesota that is in their dental administrator's national network.

Other Insurance

1. The definition of "children" is modified to clarify when a foster child, child by legal guardianship, or child by placement to an employee is considered an eligible dependent.
2. The definition of "grandchildren" is modified to clarify when a grandchild is considered an eligible dependent.
3. Employer paid basic life and accidental death and dismemberment benefit levels have been increased.
4. A new voluntary employee-paid legal services benefit will be offered.

Medical premiums are planned to increase by 17% in CY 2026 for both employers and employees. These premiums are determined by MMB and are not negotiated.

Policy Changes

1. Multiple changes to conform with the implementation of the Paid Leave law on January 1, 2026. This includes the creation of a new leave section later in the book and in many cases, changes are displayed as the deletion of existing language and the reinsertion of the same or similar language in the new section. (pages 5, 29, 30, 33, 34, 40-50)
2. Removes language related to wages to conform with Appointing Authority practices and employee protections under Minnesota Statutes 181.172. (page 6)
3. Clarifying language identifying the types of leave that are mandatory, optional, paid and unpaid, types of accrued leave that are available for employee use, and interaction of existing leaves with the new Paid Leave law. (pages 11 and 45-49)
4. Establishes a vacation leave bank of 24 hours for LCC limited term employees appointed to a full-time position of at least 9 months in duration and prorates the bank for part-time employees who will become vacation accrual eligible. (page 13)
5. Specifies how severance payouts are calculated. (pages 16, 24, and 27)
6. Permits temporary employees to be eligible for up to 24 hours of emergency Earned Sick and Safe Time (ESST) upon hire. (page 17)
7. Explains that employees must use sick leave for its intended purpose and not for other activities unless allowed by enabling leave law. (page 21)
8. Conforms with sick leave laws to permit appointing authorities to request documentation for use of sick leave for more than two consecutive scheduled workdays. (pages 21)

9. Clarifies that temporary employees who are not vacation accrual eligible are not eligible for sick leave pay out upon separation. (page 25)
10. Permits employees to submit requests for leaves of absence to their supervisor or Human Resources Office as soon as practicable and establishes the process for approval of mandatory and optional leaves of absence. (page 29)
11. Creates a new section dedicated to military leave. (pages 30, 31, 35-39)
12. Clarifies that employee participation in the Employee Interchange Program is subject to approval of the appointing authority. (pages 32 and 33)
13. Establishes a Leadership Approved Leave for use in circumstances in which it may be necessary or appropriate and another form of leave is not available. (page 33)
14. Removes the requirement that parental leave must be used for bonding to clarify circumstances where paid leave is available in the event of a stillbirth. (pages 45-46)
15. Notifies employees that expense reimbursements not filed in a timely manner may be subject to taxes and aligns expense reimbursement rates to federal rates. (pages 82-83)
16. Clarifies that relocation expenses must be approved in advance and removes outdated language related to house trailers. (page 86)

Technical Changes

1. Removes reference to the Legislative Energy Commission as a covered entity as no other standing commissions are named. (page 1)
2. Several editing changes to provide clarification and consistency across the book and/or to correct typographical errors. (pages 1, 2, 3, 4, 6, 9, 10, 11, 13, 14, 15, 16, 22, 23, 31, 32, and 81)

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

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Attached: 2026 LCC Benefit Book