

S.F. 1149

(Skoe)

H.F. 1808

(Eken)

Executive Summary of Commission Staff Materials

Affected Pension Plan(s): PERA Privatized Employees, PERA-General
Relevant Provisions of Law: Minnesota Statutes, Section 353F.02, Subdivision 4
General Nature of Proposal: Privatization of Bridges Medical Services
Date of Summary: March 29, 2005

Specific Proposed Changes

- Add Bridges Medical Services to the PERA Privatized Employee chapter.

Policy Issues Raised by the Proposed Legislation

1. Implications of using privatization model; privatized employees better off, PERA-General forfeits some actuarial gains.
2. Special consideration due to other bills introduced to reduce deferred annuity augmentation in PERA plans and to increase PERA-General contribution rates.
3. Issue of whether PERA-General receives some gain.
4. Existence of local support.

Potential Amendments

No technical or substantive amendments.