

**S.F. 436**  
(Betzold)

**H.F. 2115**  
(Smith)

**Executive Summary of Commission Staff Materials**

*Affected Pension Plan(s):* Statewide and Major Local Retirement Plans  
*Relevant Provisions of Law:* Minnesota Statutes, Section 352.01, New Subdivision 14a, and related provisions  
*General Nature of Proposal:* Repositions "average salary" definitions to the definitions sections.  
*Date of Summary:* March 29, 2005

**Specific Proposed Change(s)**

- The definitions of "average salary," on which retirement annuities are calculated, are moved from the retirement annuity sections to the definitions section for each plan, without any substantive change in the definitions.

**Policy Issues Raised by the Proposed Legislation**

1. Appropriate reflection of retiree's pre-retirement standard of living.
2. Potential need to accommodate in-kind compensation.
3. Need to better accommodate part-time employment.
4. Potential need to curb late career salary manipulation.

**Potential Amendments**

No technical or substantive amendments.