



S.F. 2387
(Murphy)

H.F. xxx

Executive Summary of Commission Staff Materials

Affected Pension Plan(s): PERA
Relevant Provisions of Law: Minnesota Statutes, Chapter 353F
General Nature of Proposal: Adding the City of Cannon Falls Hospital to PERA Privatized Employee Chapter
Date of Summary: February 10, 2006

Specific Proposed Changes

- Includes the City of Cannon Falls Hospital under the provisions of Minnesota Statutes, Chapter 353F (Privatized Public Hospital, PERA Pension Benefits), if the facility is sold or leased to a private sector or a nonprofit sector entity rather than a public entity.

Policy Issues Raised by the Proposed Legislation

1. Implications of using privatization model.
2. Consideration of PERA-General actuarial condition.
3. Actuarial cost of the special benefit provisions and gain/loss issues.
4. Local support/covering cost of actuarial work.

Potential Amendments

S2387-A1 would make the bill effective on the day following final enactment.

