

1.1 moves to amend S.F. No.; H.F. No., Document LCPR10-039,
1.2 as follows:

1.3 Page 71, after line 13, insert:

1.4 "Sec. Minnesota Statutes 2008, section 354.07, subdivision 5, is amended to read:

1.5 Subd. 5. **Records; accounts; interest.** The board shall keep a record of the
1.6 receipts and disbursements of the fund and a separate account with each member of
1.7 the association. The board shall also keep separate accounts for annuity payments, for
1.8 employer contributions and all other necessary accounts and reserves. It shall determine
1.9 annually the annual interest earnings of the fund which shall include realized capital gains
1.10 and losses. Any amount in the capital reserve account on July 1, 1973 shall be transferred
1.11 to the employer contribution's account. The annual interest earnings shall be apportioned
1.12 and credited to the separate members' accounts except those covered under the provisions
1.13 of section 354.44, subdivision ~~6~~^{or 7}. The rate to be used in this distribution computed to
1.14 the last full quarter percent shall be determined by dividing the interest earnings by the
1.15 total invested assets of the fund. The excess of the annual interest earnings in the excess
1.16 earnings reserve which was not credited to the various accounts shall be credited to the
1.17 gross interest earnings for the next succeeding year. "

1.18 Page 168, after line 32, insert:

1.19 **"ARTICLE 15**

1.20 **MISCELLANEOUS PROVISIONS**

1.21 Section 1. Minnesota Statutes 2008, section 356.24, subdivision 1, is amended to read:

1.22 Subdivision 1. **Restriction; exceptions.** (a) It is unlawful for a school district
1.23 or other governmental subdivision or state agency to levy taxes for, or to contribute
1.24 public funds to a supplemental pension or deferred compensation plan that is established,
1.25 maintained, and operated in addition to a primary pension program for the benefit of the
1.26 governmental subdivision employees other than:

1.27 (1) to a supplemental pension plan that was established, maintained, and operated
1.28 before May 6, 1971;

1.29 (2) to a plan that provides solely for group health, hospital, disability, or death
1.30 benefits;

1.31 (3) to the individual retirement account plan established by chapter 354B;

1.32 (4) to a plan that provides solely for severance pay under section 465.72 to a retiring
1.33 or terminating employee;

1.34 (5) for employees other than personnel employed by the Board of Trustees of the
1.35 Minnesota State Colleges and Universities and covered under the Higher Education

2.1 Supplemental Retirement Plan under chapter 354C, but including city managers covered
2.2 by an alternative retirement arrangement under section 353.028, subdivision 3, paragraph
2.3 (a), or by the defined contribution plan of the Public Employees Retirement Association
2.4 under section 353.028, subdivision 3, paragraph (b), if the supplemental plan coverage is
2.5 provided for in a personnel policy of the public employer or in the collective bargaining
2.6 agreement between the public employer and the exclusive representative of public
2.7 employees in an appropriate unit or in the individual employment contract between a city
2.8 and a city manager, and if for each available investment all fees and historic rates of return
2.9 for the prior one-, three-, five-, and ten-year periods, or since inception, are disclosed in an
2.10 easily comprehended document not to exceed two pages, in an amount matching employee
2.11 contributions on a dollar for dollar basis, but not to exceed an employer contribution of
2.12 one-half of the available elective deferral permitted per year per employee, under the
2.13 Internal Revenue Code:

2.14 (i) to the state of Minnesota deferred compensation plan under section 352.965;

2.15 (ii) in payment of the applicable portion of the contribution made to any investment
2.16 eligible under section 403(b) of the Internal Revenue Code, if the employing unit has
2.17 complied with any applicable pension plan provisions of the Internal Revenue Code with
2.18 respect to the tax-sheltered annuity program during the preceding calendar year; or

2.19 (iii) any other deferred compensation plan offered by the employer under section
2.20 457 of the Internal Revenue Code;

2.21 (6) for personnel employed by the Board of Trustees of the Minnesota State Colleges
2.22 and Universities and not covered by clause (5), to the supplemental retirement plan under
2.23 chapter 354C, if the supplemental plan coverage is provided for in a personnel policy
2.24 or in the collective bargaining agreement of the public employer with the exclusive
2.25 representative of the covered employees in an appropriate unit, in an amount matching
2.26 employee contributions on a dollar for dollar basis, but not to exceed an employer
2.27 contribution of \$2,700 a year for each employee;

2.28 (7) to a supplemental plan or to a governmental trust to save for postretirement
2.29 health care expenses qualified for tax-preferred treatment under the Internal Revenue
2.30 Code, if the supplemental plan coverage is provided for in a personnel policy or in the
2.31 collective bargaining agreement of a public employer with the exclusive representative of
2.32 the covered employees in an appropriate unit;

2.33 (8) to the laborers national industrial pension fund or to a laborers local pension
2.34 fund for the employees of a governmental subdivision who are covered by a collective
2.35 bargaining agreement that provides for coverage by that fund and that sets forth a fund

3.1 contribution rate, but not to exceed an employer contribution of \$5,000 per year per
3.2 employee;

3.3 (9) to the plumbers and pipefitters national pension fund or to a plumbers and
3.4 pipefitters local pension fund for the employees of a governmental subdivision who are
3.5 covered by a collective bargaining agreement that provides for coverage by that fund and
3.6 that sets forth a fund contribution rate, but not to exceed an employer contribution of
3.7 \$5,000 per year per employee;

3.8 (10) to the international union of operating engineers pension fund for the employees
3.9 of a governmental subdivision who are covered by a collective bargaining agreement that
3.10 provides for coverage by that fund and that sets forth a fund contribution rate, but not to
3.11 exceed an employer contribution of \$5,000 per year per employee;

3.12 (11) to a supplemental plan organized and operated under the federal Internal
3.13 Revenue Code, as amended, that is wholly and solely funded by the employee's
3.14 accumulated sick leave, accumulated vacation leave, and accumulated severance pay;

3.15 (12) to the International Association of Machinists national pension fund for the
3.16 employees of a governmental subdivision who are covered by a collective bargaining
3.17 agreement that provides for coverage by that fund and that sets forth a fund contribution
3.18 rate, but not to exceed an employer contribution of \$5,000 per year per employee; ~~or~~

3.19 (13) for employees of United Hospital District, Blue Earth, to the state of Minnesota
3.20 deferred compensation program, if the employee makes a contribution, in an amount that
3.21 does not exceed the total percentage of covered salary under section 353.27, subdivisions
3.22 3 and 3a; or

3.23 (14) to the alternative retirement plans established by the Hennepin County Medical
3.24 Center under section 383B.914, subdivision 5.

3.25 (b) No governmental subdivision may make a contribution to a deferred
3.26 compensation plan operating under section 457 of the Internal Revenue Code for volunteer
3.27 or emergency on-call firefighters in lieu of providing retirement coverage under the federal
3.28 Old Age, Survivors, and Disability Insurance Program.

3.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

3.30 **Sec. 2. REVISOR'S INSTRUCTION.**

3.31 (a) The revisor of statutes shall recodify each chapter of Minnesota Statutes listed in
3.32 column A into a newly created chapter listed in column B:

	<u>Column A</u>	<u>Column B</u>
3.34	<u>3A</u>	<u>352G</u>
3.35	<u>69</u>	<u>353O</u>

4.1	<u>422A</u>	<u>353I</u>
4.2	<u>423</u>	<u>353J</u>
4.3	<u>423B</u>	<u>353K</u>
4.4	<u>423C</u>	<u>353L</u>
4.5	<u>424A</u>	<u>353M</u>
4.6	<u>424B</u>	<u>353N</u>
4.7	<u>490</u>	<u>352H</u>

4.8 (b) The revisor of statutes shall make necessary cross-reference changes and other
4.9 changes necessary to correct punctuation, grammar, or structure in the new chapters,
4.10 statutes, and rules consistent with the recodification of the chapters listed in paragraph (a).

4.11 **EFFECTIVE DATE.** This section is effective the day following final enactment."
4.12 Amend the title accordingly