1.1   A bill for an act

1.2   relating to retirement; modifying the calculation of annuities under the Minnesota
1.3   State Retirement System unclassified program; amending Minnesota Statutes 2016,
1.4   section 352D.06, subdivision 1.

1.5   BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6   Section 1. Minnesota Statutes 2016, section 352D.06, subdivision 1, is amended to read:

1.7   Subdivision 1. **Annuity; reserves.** When a participant attains at least age 55, terminates

1.8   from covered service, and applies for a retirement annuity, the cash value of the participant's

1.9   shares must be transferred to the general state employees retirement fund and ~~must~~ be used

1.10   to provide an annuity for the ~~retired employee~~ participant based upon the participant's age

1.11   when the benefit begins to accrue ~~according to the reserve basis used by the general state~~

1.12   ~~employees retirement plan in determining pensions and reserves~~.

1.13   (a) Except for participants described in paragraph (b), the monthly amount of the annuity

1.14   must be determined using the actuarial assumptions in effect for the general state employees

1.15   retirement plan under section 356.215 on the accrual date.

1.16   (b) For any participant who retires on or after July 1, 2017, and before July 1, 2020,

1.17   when the participant is at least age 63 or has had at least 26 years of covered service, the

1.18   monthly amount of the annuity must be determined using the actuarial assumptions in effect

1.19   for the general state employees retirement plan under section 356.215 on June 30, 2016.

1.20   Subd. 1a. **Postretirement adjustments.** The annuity under ~~this~~ subdivision 1 is eligible

1.21   for postretirement adjustments under section 356.415.

1.22   **EFFECTIVE DATE.** This section is effective July 1, 2017.