



TO: Members of the Legislative Commission on Pensions and Retirement
 FROM: Lawrence A. Martin, Executive Director *LAM*
 RE: 2006 Session Omnibus Retirement Bill Through February 2, 2006
 DATE: February 13, 2006

Introduction

The actions of the Legislative Commission on Pensions and Retirement recommending proposed legislation from January 31, 2006, and February 2, 2006, have been aggregated into a “delete-everything” amendment as the initial version of the 2006 Omnibus Retirement Bill. The amendment comprising the 2006 Omnibus Retirement Bill is Amendment S0431-A1.

Source Legislation for Amendment S0431-A1

Delete-everything amendment S0431-A1, drawn to S.F. 431 (Betzold); H.F. 2088 (Smith) as a vehicle, includes all or part of the contents of the following retirement bills:

1. S.F. 503 (Murphy); H.F. 441 (Fritz): MSRS-Correctional; MCF-Faribault Delivery Van Drivers/Laundry Coordinators Inclusion in MSRS-Correctional & Prior Service Credit Purchase
2. S.F. 1676 (Nienow); H.F. 1928 (Nelson, P.): MSRS-Correctional; MCF-Rush City Prior Discipline Unit Supervisor, Dental Hygienist, and Psychologist 2 Service Credit Purchase
3. S.F. 1736 (Day); H.F. 1978 (Ruth): TRA; Purchase of Service Credit for Montana Teaching Service
4. S.F. 1995 (LeClair); H.F. 2196 (Charron): PERA; Service Credit Purchase for a Period of Prior Employment as a Public Defender
5. S.F. 2104 (Foley); H.F. 2311 (Hortman): PERA-P&F; Former St. Paul Firefighter Request for PERA-P&F Pension
6. S.F. 2141 (Pogemiller); H.F. 2219 (Fritz): PERA-P&F; Purchase of Service Credit for Period of Uncovered Faribault Firefighter Employment
7. S.F. 2299 (Pogemiller); H.F. 1936 (Fritz): MSRS-General/MSRS-Correctional; Service Credit Transfer from MSRS-General to MSRS-Correctional
8. S.F. xxx; H.F. 2026 (Hoppe): PERA-P&F; Service Credit Purchase for Leave of Absence as Employee Organization Business Agent – Full Actuarial Value Payment
9. S.F. xxx (Gerlach); H.F. xxx: TRA/MSRS-Unclassified; Repay Contributions Transferred to MSRS-Unclassified and Reinstate Prior TRA Service Credit
10. S.F. xxx; H.F. xxx (Abeler): PERA; Service Credit Purchase for Uncredited Greenhaven Golf Course Service

Provision-By-Provision Summary of Amendment S0431-A1

Delete-everything amendment S0431-A1, drawn to S.F. 431 (Betzold); H.F. 2088 (Smith) as a vehicle, containing the retirement legislation recommended by the Legislative Commission on Pensions and Retirement through February 2, 2006, includes the following retirement law changes:

Delete-everything amendment S0431-A1

Sec.	Page, Lines	Retirement Plan	Source Bill(s)	Stat. Provision	Summary
Article 1: Clarification/Recodification of Statewide Specialty Retirement Plans					
1	Page 1, Lines 6-27; Page 2, Lines 1-10	MSRS-Correctional	SF 503 (Murphy); HF 441 (Fritz)	352.91, Subdivision 3g	Adds the MCF-Faribault laundry coordinators and delivery van drives to MSRS-Correctional.
2	Page 2, Lines 11-35; Page 3, Lines 1-30	MSRS-Correctional	SF 503 (Murphy); HF 441 (Fritz)	Uncoded	Permits transferred MCF-Faribault employees under section 1 and MCF-Rush City employees transferred under Laws 2004, Ch. 267, Art. 1, Sec. 1, to make additional member contributions and transfer post-July 1, 1997, pre-July 1, 2005, MCF-Faribault service credit or pre-8/1/2004 MCF-Rush City service credit to MSRS-Correctional.



Delete-everything amendment S0431-A1

Sec.	Page, Lines	Retirement Plan	Source Bill(s)	Stat. Provision	Summary
3	Page 3, Lines 31-35; Page 4, Lines 1-35; Page 5, Lines 1-15	MSRS- Correctional	SF 2299 (Pogemiller); HF 1936 (Fritz)	Uncoded	Permits transfer of service credit for Corrections Program Director if a subsequent transfer of that position to MSRS-Correctional coverage is approved by the 2006 or 2007 Legislature.
4	Page 5, Lines 16-24	--	--	Effective Date	Sections 1 and 2 effective immediately. Section 3 effective retroactively if subsequent position transfer is approved.
Article 2: One Person and Small Group Changes					
1	Page 5, Lines 28-34; Page 6, Lines 1-35; Page 7, Lines 1-34; Page 8, Lines 1-5	PERA-P&F	SF 2104 (Foley); HF 2311 (Hortman)	Uncoded	Authorizes an individual who had been a member of the local St. Paul Fire Relief Association for service as a firefighter but who did not qualify for a benefit from that plan, to receive a PERA-P&F annuity based on his St. Paul firefighting service, with the cost to be paid by St. Paul.
2	Page 8, Lines 6-34	PERA-P&F	SF 2141 (Pogemiller); HF 2219 (Fritz)	Uncoded	Authorizes a certain Faribault firefighter, who is a PERA-P&F member due to that employment, to purchase service credit for a period from November 21, 1984, to March 16, 1985, when the individual was working as a firefighter for the city but was not in the plan due to an error made by the City of Faribault.
3	Page 9, Lines 1-24	TRA	SF 1736 (Day); HF 1978 (Ruth)	Uncoded	Allows a current teacher and TRA member to purchase up to ten years of service credit at full actuarial value for out-of-state teaching service in Montana.
4	Page 9, Lines 25-35; Page 10, Lines 1-10	PERA-General	SF 1995 (LeClair); HF 2196 (Charron)	Uncoded	Permits a current public defender to purchase 21 months of prior part-time public defender service at full actuarial value.
5	Page 10, Lines 11-26	PERA-P&F	SF xxx; HF 2026 (Hoppe)	Uncoded	Permits a current Minnetonka police officer and former union business agent to purchase 12 months of PERA-P&F allowable service credit with the payment of the full actuarial value of the additional retirement annuity obtained by the service credit purchase determined under Minnesota Statutes, Sec. 356.551.
6	Page 10, Lines 27-36; Page 11, Lines 1-35	PERA-General	SF xxx; HF xxx (Abeler)	Uncoded	Permits a former municipal golf course pro to purchase up to 14 and a fraction years of service credit for uncredited service at the Greenhaven Golf Course at Anoka, Minnesota, with the payment of the full actuarial value of the benefit to be obtained by the purchase, with the City of Anoka responsible for the balance of the purchase payment cost.
7	Page 12, Lines 1-31	TRA	SF xxx (Gerlach); HF xxx	Uncoded	Permits a current teacher and TRA member to repay to TRA as if it were a refund an amount of member and employer contributions previously transferred to the MSRS-Unclassified Program under Laws 1984, Ch. 614, Sec. 6, Subd. 3, plus interest on the principal amount at an annual compound rate of 8.5 percent from 1985 until repayment, and thereby to have ten years of TRA service credit reinstated.
8	Page 12, Lines 32-33	--	--	Effective Date	Effective upon final enactment.