

1.1 moves to amend S.F. No.; H.F. No., as follows:

1.2 Page ..., after line ..., insert:

1.3 "Sec. **PERA; STUDY OF LOCAL RELIEF ASSOCIATION BENEFITS**
1.4 **UNDER CONSOLIDATION.**

1.5 (a) The executive director of the Public Employees Retirement Association shall
1.6 report to the Legislative Commission on Pensions and Retirement by February 1, 2015,
1.7 regarding the situation of former members and surviving spouses of former members,
1.8 as further specified in this section, of local salaried police and fire relief associations
1.9 governed by Minnesota Statutes, chapter 423A, that consolidated with the public
1.10 employees police and fire retirement plan under Minnesota Statutes, chapter 353A, and
1.11 Laws 1999, chapter 222, article 4.

1.12 (b) The study must include information on the group of surviving spouses who are
1.13 receiving automatic surviving spouse benefits under the provisions of the applicable
1.14 local relief association retirement plan. At a minimum, the study will include separate
1.15 information on the subgroup of those surviving spouses who have been receiving
1.16 postretirement adjustments under the local plan provisions, and the subgroup that has
1.17 received postretirement adjustments under public employees police and fire retirement
1.18 plan provisions. The study must identify the number of survivors in each subgroup, the
1.19 current average annual benefit, the range of annual benefits, and the actuarial reserves
1.20 needed to support those benefits. The study must include discussion and analysis of
1.21 benefit reductions that occur at the time of death of the primary annuitant. For the survivor
1.22 subgroups, the study must include the implications of increasing benefits by 20 percent or
1.23 to \$24,000, whichever is less, including the resulting average benefit, range of benefits,
1.24 and the actuarial cost of the change including the additional required actuarial reserves.

1.25 (c) For the subgroup who were active members of the local relief association at the
1.26 time of consolidation and chose to have benefits computed under local plan provisions;
1.27 and for the subgroup who were retired, disabled, or deferred members at the time of
1.28 consolidation and chose to have postretirement adjustments computed under local plan
1.29 provisions, the study must indicate the number of members in each subgroup, the average
1.30 benefit, the range of benefits, and any other information or comparisons deemed relevant
1.31 by the executive director of the Public Employees Retirement Association, including the
1.32 actuarial cost of any benefit adjustment which the executive director may deem worthy
1.33 of review, and the additional required actuarial reserves.

1.34 (d) The report must include information on the costs incurred by the Public
1.35 Employees Retirement Association in producing this study.

- 2.1 **EFFECTIVE DATE.** This section is effective the day following final enactment."
- 2.2 Renumber the sections in sequence and correct the internal references
- 2.3 Amend the title accordingly