1.1	moves to amend S.F. No. 2620; H.F. No. 3053, as follows:
1.2	Page 2, line 49, delete "AND CONTRIBUTION"
1.3	Page 6, line 26, delete "2017" and insert "2018"
1.4	Page 8, line 23, delete "AND CONTRIBUTION"
1.5	Page 12, line 9, delete "AND CONTRIBUTION"
1.6	Page 19, line 27, delete "AND CONTRIBUTION"
1.7 1.8	Page 20, line 22, delete "The amount determined under paragraph (a), clause (2), is the full" and insert "A"
1.9	Page 20, line 23, after "adjustment" insert "is"
1.10	Page 20, line 24, delete "of the next calendar year"
1.11	Page 20, line 25, before "calendar" insert "immediately preceding" and delete everything
1.12	after " <u>year</u> "
1.13 1.14	Page 20, line 26, delete everything before the comma and delete "determined under paragraph" and insert "of the postretirement adjustment"
1.15 1.16	Page 20, line 27, delete everything before "must"  Page 21, after line 1, insert:
1.17	"Sec. 3. Minnesota Statutes 2016, section 354A.31, subdivision 5, is amended to read:
1.18	Subd. 5. Unreduced normal retirement annuity. Upon retirement at normal retirement
1.19	age, a vested coordinated member is entitled to a normal retirement annuity calculated under
1.20	subdivision 4 <del>or 4a, whichever applies</del> .
1.21	Sec. 4. Minnesota Statutes 2016, section 354A.31, subdivision 6, is amended to read:
1.22	Subd. 6. Reduced retirement annuity. This subdivision applies only to a person who
1.23	first became a coordinated member or a member of a pension fund listed in section 356.30,
1.24	subdivision 3, before July 1, 1989, and whose annuity is higher when calculated using the
1.25	retirement annuity formula percentage in subdivision 4, paragraph (c), or subdivision 4a,
1.26	paragraph (e), in conjunction with this subdivision than when calculated under subdivision
1.27	4, paragraph (d), or subdivision 4a, paragraph (d), in conjunction with subdivision 7.
1.28	(a) Upon retirement at an age before normal retirement age or prior to age 62 with at
1.29	least 30 years of service credit, a vested coordinated member shall be entitled to a retirement
1.30	annuity in an amount equal to the normal retirement annuity calculated using the retirement

1 Sec. 4.

PENSIONS

2.1	annuity formula percentage in subdivision 4, paragraph (c), or subdivision 4a, paragraph				
2.2	(e), reduced by one-quarter of one percent for each month that the coordinated member is				
2.3	under normal retirement age if the coordinate	ed member has less than 30 years of service			
2.4	credit or is under the age of 62 if the coordinate	credit or is under the age of 62 if the coordinated member has at least 30 years of service			
2.5	credit.				
2.6	(b) Any coordinated member whose attain	ned age plus credited allowable service totals			
2.7	90 years is entitled, upon application, to a ret	irement annuity in an amount equal to the			
2.8	normal retirement annuity calculated using th	e retirement annuity formula percentage in			
2.9	subdivision 4, paragraph (c), or subdivision 4	<del>a, paragraph (e),</del> without any reduction by			
2.10	reason of early retirement."				
2.11	Page 21, line 7, strike "or subdivision 4a,	paragraph (d), as applicable,"			
2.12	Page 21, line 8, strike "or subdivision"				
2.13	Page 21, line 9, strike "4a, paragraph (c),'				
2.14	Page 21, line 15, strike "or subdivision 4a, paragraph"				
2.15	Page 21, line 16, strike "(d), whichever applies,"				
2.16	Page 22, lines 3 to 4, delete "or subdivision 4a, paragraph (c), whichever applies, "				
2.17	Page 22, lines 9 to 10, delete "or subdivis	ion 4a, paragraph (d), whichever applies, "			
2.18	Page 25, delete section 1 and insert:				
2.19	"Section 1. Minnesota Statutes 2017 Supple	ement, section 356.215, subdivision 8, is			
2.20	amended to read:				
2.21	Subd. 8. Interest and salary Actuarial a	ssumptions. (a) The actuarial valuation must			
2.22	use the applicable following interest investment	ent return assumption:			
2.23	(1) select and ultimate interest rate assum	ption			
2.24 2.25	<del>plan</del>	ultimate interest rate assumption			
2.26	teachers retirement plan	8.5%			
2.27	The select preretirement interest rate assu	mption for the period through June 30, 2017,			
2.28	is eight percent.				
2.29	(2) single rate interest rate assumption				
2.30		interest rate			
<ul><li>2.31</li><li>2.32</li></ul>	plan	assumption assumption			
2.33	general state employees retirement plan	<u>8_7.5</u> %			

LD

4.2

4.3

4.4

4.5

4.6

4.7

4.8

4.9

4.10

4.11

4.12

4.13

4.14

4.15

4.16

4.17

4.18

4.19

4.20

4.22

4.25

judges retirement plan <del>2.75</del> 2.5

Bloomington Fire Department Relief Association

(2) age-related future salary increase age-related select and ultimate future salary increase assumption or graded rate future salary increase assumption

plan future salary increase assumption local government correctional service retirement plan assumption B St. Paul teachers retirement plan assumption A

For plans other than the St. Paul teachers retirement plan and the local government correctional service retirement plan, the select calculation is: during the designated select period, a designated percentage rate is multiplied by the result of the designated integer minus T, where T is the number of completed years of service, and is added to the applicable future salary increase assumption. The designated select period is ten years and the designated integer is ten for the local government correctional service retirement plan and 15 for the St. Paul Teachers Retirement Fund Association. The designated percentage rate is 0.2 percent for

4.21

the St. Paul Teachers Retirement Fund 4.23

Association. 4.24

The ultimate future salary increase assumption is:

4.26 4.27			B local government correctional service
4.28	age	A	retirement plan
4.29	<del>16</del>	<del>5.9%</del>	<del>8.75%</del>
4.30	<del>17</del>	<del>5.9</del>	<del>8.75</del>
4.31	<del>18</del>	<del>5.9</del>	<del>8.75</del>
4.32	<del>19</del>	<del>5.9</del>	<del>8.75</del>
4.33	20	<del>5.9</del>	<del>8.75</del> <u>8.5%</u>
4.34	21	<del>5.9</del>	<del>8.5</del> <u>8.25</u>
4.35	22	<del>5.9</del>	<u>8.25</u> <u>8</u>
4.36	23	<del>5.85</del>	<del>8</del> 7.75

LD

5.1	24	5.8	<del>7.75</del> <u>7.5</u>
5.2	25	<del>5.75</del>	<del>7.5</del> <u>7.25</u>
5.3	26	<del>5.7</del>	<del>7.25</del> <u>7</u>
5.4	27	<del>5.65</del>	7 <u>6.75</u>
5.5	28	<del>5.6</del>	<u>6.75</u> <u>6.5</u>
5.6	29	<del>5.55</del>	<u>6.5</u> <u>6.25</u>
5.7	30	<del>5.5</del>	<u>6.5</u> <u>6.25</u>
5.8	31	<del>5.45</del>	<u>6.25</u> <u>6</u>
5.9	32	5.4	<u>6.25</u> <u>6</u>
5.10	33	<del>5.35</del>	<u>6.25</u> <u>6</u>
5.11	34	<del>5.3</del>	<u>6 5.75</u>
5.12	35	<del>5.25</del>	<u>6</u> <u>5.75</u>
5.13	36	<del>5.2</del>	<u>5.75</u> <u>5.5</u>
5.14	37	5.15	<u>5.75</u> <u>5.5</u>
5.15	38	5.1	<u>5.75</u> <u>5.5</u>
5.16	39	<del>5.05</del>	<u>5.5</u> <u>5.25</u>
5.17	40	<del>5</del>	<del>5.5</del> <u>5.25</u>
5.18	41	4.95	<u>5.5</u> <u>5.25</u>
5.19	42	4.9	<u>5.25</u> <u>5</u>
5.20	43	4.85	<del>5</del> 4.75
5.21	44	4.8	<del>5</del> 4.75
5.22	45	4.75	<u>4.75</u> <u>4.5</u>
5.23	46	4.7	<u>4.75</u> <u>4.5</u>
5.24	47	4.65	<u>4.75</u> <u>4.5</u>
5.25	48	4.6	<u>4.75</u> <u>4.5</u>
5.26	49	4.55	<u>4.75</u> <u>4.5</u>
5.27	50	4.5	<u>4.75</u> <u>4.5</u>
5.28	51	4.45	<u>4.75</u> <u>4.5</u>
5.29	52	4.4	<u>4.75</u> <u>4.5</u>
5.30	53	4.35	<u>4.75</u> <u>4.5</u>
5.31	54	4.3	<u>4.75</u> <u>4.5</u>
5.32	55	4.25	<u>4.5</u> <u>4.25</u>
5.33	56	4.2	<u>4.5</u> <u>4.25</u>
5.34	57	4.15	<u>4.25_4</u>
5.35	58	4.1	4 3.75
5.36	59	4.05	4 3.75
5.37	60	4	4 3.75
5.38	61	4	4 3.75

	03/13/2010	12.5 11111	77.071141		LINGIO	15	LD		52020 111
6.1		62	4		4	<u>3.75</u>			
6.2		63	4		4	¥ 3.75			
6.3		64	4		4	13.75			
6.4	65 :	and older	4		3	3 <del>.75</del> 3.5			
6.5		<del>66</del>	4		3	<del></del> 3 <del>.75</del>			
6.6		<del>67</del>	4		3	3 <del>.75</del>			
6.7		<del>68</del>	4		3	3 <del>.75</del>			
6.8		<del>69</del>	4		3	<del>3.75</del>			
6.9		<del>70</del>	4		3	<del>3.75</del>			
6.10	(3) sea	rvice-relate	ed <del>ultimate</del>	e future sal	ary increa	ase assum	ption		
6.11 6.12	•	tate employ irement Sy		nent plan of	f the Minn	esota	assu	mption A	
6.13 6.14	•	employees es Retirem		plan of the	e Public		assu	imption B	
6.15 6.16	Teachers fiscal year		nt Associat	tion, fiscal	year 2018	<u> 3 to</u>	assu	imption C	
6.17 6.18	Teachers beyond	Retiremen	nt Associat	ion, fiscal	years 202	8 and	assu	mption D	
6.19	St. Paul	Геаchers R	etirement	Fund Asso	ciation,		assu	ımption E	
6.20	public en	nployees p	olice and	fire retirem	ent plan		assur	nption <del>D</del> _1	<u>F</u>
6.21	State Pat	rol retirem	ent plan				assur	nption <del>E</del> (	<u> </u>
6.22 6.23		nal state en ta State Re		retirement System	plan of th	e	assur	nption <u>F</u> <u>I</u>	<u> </u>
6.24	service								
6.25	length	A	В	C	$\underline{\mathbf{D}}$	$\underline{\mathbf{E}}$	<u> </u>	$\mathbf{E}\underline{\mathbf{G}}$	<u><del>F</del> H</u>
6.26 6.27	1	10.25 13.75%	11.78 11.25%	<del>12</del> <u>8.85</u> %	9.25%	9	12.75 12.25%	7.75 15.25%	5.75 12.25%
6.28 6.29	2	7.85 11.25	<u>8.65</u> <u>8.25</u>	<del>9</del> 7.10	<u>7.5</u>	<u>8</u>	10.75 10.5	<del>7.25</del> <u>9.25</u>	<del>5.6</del> <u>8.75</u>
6.30	3	<u>6.65</u> <u>6</u>	<del>7.21</del> <u>6.75</u>	<u>8 6.60</u>	<u>7</u>	<u>7</u>	8.75	<del>6.75</del> 7.75	<del>5.45</del> <u>5.75</u>
6.31	4	<del>5.95</del> <u>5.25</u>	<del>6.33</del> <u>5.75</u>	<del>7.5</del> <u>6.35</u>	6.75	6.8	7.75	<del>6.5</del> <u>7.25</u>	<del>5.3</del> <u>5.25</u>
6.32	5	<u>5.45</u> <u>5</u>	<del>5.72</del> <u>5.25</u>	<del>7.25</del> <u>6.35</u>	6.75	6.6	6.25	<del>6.25</del> <u>6.75</u>	<u>5.15</u> <u>5</u>
6.33	6	<u>5.05</u> <u>4.9</u>	<del>5.27</del> <u>4.95</u>	7 <u>6.2</u>	6.6	<u>6.4</u>	<del>5.85</del> <u>5.75</u>	6 6.25	<del>5</del> 4.75
6.34	7	<del>4.75</del> <u>4.75</u>	<u>4.91</u> <u>4.65</u>	6.85 <u>6.05</u>	6.45	6.2	<del>5.55</del> <u>5.25</u>	<u>5.75</u> <u>6</u>	<u>4.85</u> <u>4.75</u>
6.35	8	<u>4.45</u> <u>4.5</u>	<u>4.62</u> <u>4.55</u>	<del>6.7</del> <u>5.9</u>	6.3	<u>6</u>	<u>5.35</u> <u>5</u>	<del>5.6</del> <u>5.75</u>	<u>4.7</u> <u>4.75</u>
6.36	9	<u>4.25</u> <u>4.25</u>	<u>4.38</u> <u>4.45</u>	<del>6.55</del> <u>5.75</u>	<u>6.15</u>	<u>5.75</u>	<del>5.15</del> <u>4.75</u>	<u>5.45</u> <u>5.5</u>	<u>4.55</u> <u>4.75</u>
6.37	10	<u>4.15</u> <u>4</u>	<u>4.17</u> <u>4.25</u>	<u>6.4</u> <u>5.6</u>	<u>6</u>	<u>5.5</u>	<u>5.05</u> <u>4.5</u>	<u>5.3</u> <u>5.25</u>	<u>4.4</u> <u>4.75</u>
6.38	11	3.95 <u>3.95</u>	<u>3.99 4</u>	<del>6.25</del> <u>5.35</u>	<u>5.75</u>	<u>5.25</u>	4.95 <u>4.25</u>	<u>5.15</u> <u>5</u>	4.3 4.75
6.39	12	3.85 <u>3.9</u>	3.83 <u>3.85</u>	<u>6 5.1</u>	<u>5.5</u>	<u>5</u>	<u>4.85</u> <u>4.15</u>	<u>5</u> <u>4.75</u>	<u>4.2</u> <u>4.5</u>
			• • • •		<b>-</b>			405 :=	

<u>3.75</u> <u>3.85</u> <u>3.69</u> <u>3.75</u> <u>5.75</u> <u>4.85</u> <u>5.25</u> <u>4.75</u> <u>4.75</u> <u>4.05</u> <u>4.85</u> <u>4.5</u> <u>4.1</u> <u>4.25</u>

PENSIONS

LD

S2620-1A

03/13/2018 12:34 PM 07:07 PM

Section 1. 6

6.40

13

more

7.18

7.19

7.20

7.21

7.34

7.35

7.36

LD

(d) The actuarial valuation must use the applicable following payroll growth assumption for calculating the amortization requirement for the unfunded actuarial accrued liability where the amortization retirement is calculated as a level percentage of an increasing payroll:

7.22	plan	payroll growth assumption
7.23 7.24	general state employees retirement plan of the Minnesota State Retirement System	<del>3.5</del> <u>3.25</u> %
7.25	correctional state employees retirement plan	<del>3.5</del> <u>3.25</u>
7.26	State Patrol retirement plan	<del>3.5</del> <u>3.25</u>
7.27	judges retirement plan	<del>2.75</del> <u>2.5</u>
7.28 7.29	general employees retirement plan of the Public Employees Retirement Association	<del>3.5</del> <u>3.25</u>
7.30	public employees police and fire retirement plan	<del>3.5</del> <u>3.25</u>
7.31	local government correctional service retirement plan	<del>3.5</del> <u>3.25</u>
7.32	teachers retirement plan	<del>3.75</del> <u>3</u>
7.33	St. Paul teachers retirement plan	4 <u>3</u>

(e) The assumptions set forth in paragraphs (c) and (d) continue to apply, unless a different salary assumption or a different payroll increase assumption:

(1) has been proposed by the governing board of the applicable retirement plan;

8.2

8.3

8.4

8.5

8.6

8.7

8.8

8.9

8.10

8.11

8.12

8.13

8.14

8.15

8.16

8.17

8.18

8.19

8.20

8.21

8.22

8.23

8.24

8.25

8.26

8.27

8.28

Laws 2008, chapter 349, article 8, section 4, is repealed."

Page 130, line 6, strike everything after "(a)" and insert "If a member who is receiving" 8.29

Sec. 10. 8

Page 100, after line 27, insert:

"Sec. 10. REPEALER.

9.1	Page 130, line 7, strike everything after "from"
9.2	Page 130, strike lines 8 to 9
9.3	Page 130, lines 10 and 11, strike the old language and delete the new language
9.4	Page 130, line 12, strike "of" and insert "a retirement plan administered by the association
9.5	is employed by (1)" and strike "subdivision" and insert "employer" and before "position"
9.6	insert "nonelected" and delete "a member of" and insert "covered by"
9.7	Page 130, line 14, strike "returns to work as"
9.8	Page 130, line 15, strike "an employee of" and insert "(2) by"
9.9	Page 130, line 16, after "and" insert "the member's" and strike "for the reemployment
9.10	service"
9.11	Page 130, line 17, after "maximum" insert "salary defined in paragraph (b), the annuity
9.12	shall be suspended under subdivision 2 or reduced under subdivision 3, whichever results
9.13	in the higher annuity amount. (b) The annual maximum salary means the annual maximum"
9.14	and strike "for that" and insert "at the member's"
9.15	Page 130, line 20, strike "any" and insert "effect for the" and strike "person" and insert
9.16	" <u>member</u> "
9.17	Page 130, line 21, strike "for the person is equal to" and insert "means"
9.18	Page 130, line 23, strike "(b)" and insert "(c)"
9.19	Page 136, line 3, delete "2016" and insert "2018"
9.20	Page 136, line 10, delete "2017" and insert "2018"
9.21	Page 140, line 27, delete "retroactively from" and delete "2016" and insert "2018"
9.22	Page 145, after line 13, insert:
9.23	"Sec. 2. Minnesota Statutes 2016, section 354A.36, subdivision 4, is amended to read:
9.24	Subd. 4. <b>Determination of disability.</b> (a) The board of the teachers retirement fund
9.25	association shall make the final determination of the existence of a permanent and total
9.26	disability. The board shall have the coordinated member examined by at least two licensed
9.27	physicians, licensed chiropractors, or licensed psychologists who are selected by the board.
9.28	After making any required examinations, each physician, chiropractor, or psychologist with
9.29	respect to a mental impairment, shall make a written report to the board concerning the

coordinated member, which shall include a statement of the expert opinion of the physician,

chiropractor, or psychologist as to whether or not the member is permanently and totally

9 Sec. 2.

9.30

9.31

10.2

10.3

10.4

10.5

10.6

10.7

10.8

10.9

10.10

10.11

10.12

10.13

10.14

10.15

10.16

10.17

10.18

10.19

10.20

10.21

10.22

disabled within the meaning of section 354A.011, subdivision 14. The board shall also obtain a written statement from the employer as to whether or not the coordinated member was terminated or separated from active employment due to a disability which is deemed by the employer to reasonably prevent further service by the member to the employer and which caused the coordinated member not to be entitled to further compensation from the employer for services rendered by the member. If, after consideration of the reports of the physicians, chiropractors, or psychologists with respect to a mental impairment, and any evidence presented by the member or by any other interested parties, the board determines that the coordinated member is totally and permanently disabled within the meaning of section 354A.011, subdivision 14, it shall grant the coordinated member a disability benefit. A member who is placed on a leave of absence without compensation as a result of the disability is not barred from receiving a disability benefit under this section.

(b) The executive director shall reject an application for disability benefits under section 354A.36 if the member is applying only because an employer-sponsored provider of private disability insurance benefits requires the application and the member would not have applied

354A.36 if the member is applying only because an employer-sponsored provider of private disability insurance benefits requires the application and the member would not have applied for disability benefits in the absence of the requirement. The member shall submit a copy of the disability insurance policy that requires an application for disability benefits from the plan if the member wishes to assert that the application is only being submitted because of the disability insurance policy requirement.

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

- Page 151, line 28, before the period, insert "no later than 60 days after the date of the written notice of the staff decision"
- Page 159, delete article 14
- 10.24 Renumber the articles and sections in sequence and correct the internal references
- 10.25 Amend the title accordingly

Sec. 2. 10