



TO: Members of the Legislative Commission on Pensions and Retirement
 FROM: Lawrence A. Martin, Executive Director *JAM*
 RE: 2006 Session Omnibus Retirement Bill Through February 15, 2006
 DATE: February 22, 2006

Introduction

The actions of the Legislative Commission on Pensions and Retirement recommending proposed legislation from January 31, 2006, through February 15, 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-A2.

Source Legislation for Amendment S0431-A2

Delete-everything amendment S0431-A2, currently drawn to SF 431 (Betzold); HF 2088 (Smith) as a vehicle, includes all or part of the contents of the following retirement bills:

1. SF 70 (Betzold); HF 40 (Smith): Five Percent Limit on Annual Post-Retirement Investment Fund Adjustments
2. SF 264 (Betzold-by request); HF 1757 (Smith): MSRS; State Employee/Employer Contribution Rate Increases
3. SF 427 (Betzold); HF 2092 (Smith): Elected State Officers Retirement Plan; Recodification
4. SF 428 (Betzold); HF 2091 (Smith): Legislators Retirement Plan; Recodification
5. SF 433 (Betzold); HF 2112 (Smith): Judges Retirement Plan; Recodification
6. SF 503 (Murphy); HF 441 (Fritz): MSRS-Correctional; MCF-Faribault Delivery Van Drivers/Laundry Coordinators Inclusion in MSRS-Correctional & Prior Service Credit Purchase
7. SF 620 (Betzold-by request); HF 1758 (Smith): Deferred Annuity Augmentation Rates Modification
8. SF 997 (Betzold-by request); HF 1753 (Wardlow): MSRS-Correctional Employee/Employer Contribution Rate Increases
9. SF 998 (Betzold-by request); HF 1754 (Smith): State Patrol Plan Employee/Employer Contribution Rate Increases
10. SF 1676 (Nienow); HF 1928 (Nelson, P.): MSRS-Correctional; MCF-Rush City Prior Discipline Unit Supervisor, Dental Hygienist, and Psychologist 2 Service Credit Purchase
11. SF 1736 (Day); HF 1978 (Ruth): TRA; Purchase of Service Credit for Montana Teaching Service
12. SF 1995 (LeClair); HF 2196 (Charron): PERA; Service Credit Purchase for Prior Public Defender Employment
13. SF 2104 (Foley); HF 2311 (Hortman): PERA-P&F; Former St. Paul Firefighter Request for PERA-P&F Pension
14. SF 2141 (Pogemiller); HF 2219 (Fritz): PERA-P&F; Service Credit Purchase for Uncovered Faribault Firefighter Employment
15. SF 2239 (Pogemiller); HF 2362 (Smith): MTRFA; Revising Investment Authority
16. SF 2248 (Skoglund); HF 2462 (Wagenius): TRA/MnSCU: TRA Coverage Election and Transfer Past Service from IRAP
17. SF 2299 (Pogemiller); HF 1936 (Fritz): MSRS; Service Credit Transfer from MSRS-General to MSRS-Correctional
18. SF 2359 (Pogemiller); HF 2711 (Smith): MnSCU Administrative Provisions
19. SF 2360 (Koering); HF 2747 (Blaine): Randall Firemen's Relief Association; Increased Surviving Spouse Benefit for the Spouse of Firefighter Killed in a Construction Accident
20. SF 2378 (Pogemiller); HF 2708 (Smith): PERA; Privatized Employees Augmentation Interest Rate Modifications
21. SF 2379 (Pogemiller); HF 2701 (Smith): PERA Administrative Provisions
22. SF 2387 (Murphy); HF xxx: PERA; Cannon Falls Hospital Privatization
23. SF 2394 (Pogemiller); HF xxx: Supplemental Defined Contribution Plans; Increased Contribution Maximum and Inclusion of Laborer's Local Pension Plan
24. SF 2443 (Dille); HF xxx (Urdahl): PERA; Dassel Community Home Privatization
25. SF 2461 (Pogemiller); H.F. xxx: Modifying Disability Benefits Eligibility Requirements
26. SF 2462 (Pogemiller); HF xxx: Judges Plan; Joint and Survivor Annuity Option for Surviving Spouses of Deceased Judges
27. SF 2463 (Pogemiller); HF xxx: Authorizing Social Security and Medicare Referenda; Allowing Retroactive Coverage
28. SF xxx; HF 853 (Kelliher): MERF; Permit Investment with SBI, Modify Liquidity Requirement
29. SF xxx; HF 2026 (Hoppe): PERA-P&F; Service Credit Purchase for Employee Organization Business Agent Leave of Absence
30. SF xxx; HF 2577 (Mullery): MPRA; Successor Trust Fund Terms Defined, Salary Limits and Compensation of Board Members and Officers Adjusted, & Additional Investment
31. SF xxx; HF 2799 (Abeler-by request): PERA; Service Credit Purchase for Uncredited Greenhaven Golf Course Service
32. SF xxx (Gerlach); HF xxx: TRA/MSRS; Repay Contributions Transferred to MSRS-Unclassified and Reinstate Prior TRA Service Credit
33. SF xxx; HF xxx: Implementing the Office of the State Auditor Investment Report Recommendations

Provision-By-Provision Summary of Amendment S0431-A2

Delete-everything amendment S0431-A2, currently drawn to SF 431 (Betzold); HF 2088 (Smith) as a vehicle, containing the retirement legislation recommended by the Legislative Commission on Pensions and Retirement through February 15, 2006, includes the following retirement law changes:

Summary of delete-everything amendment S0431-A2

Sec.	Page, Lines	Retirement Plan	Source Bill(s)	Stat. Provision	Summary
Article 1: Minnesota Post Retirement Investment Fund Changes					
1	Page 1, Lines 5-27; Page 2, Lines 1-36; Page 3, Lines 1-30	Statewide Plan	SF 70 (Betzold); HF 40 (Smith)	11A.18, Subdivision 9	Caps the increase payable from the State Board of Investment managed Minnesota Post Retirement Investment Fund at five percent in any given year.
2	Page 3, Lines 31-32	--	--	Effective Date	Effective July 1, 2010.
Article 2: Clarification/Recodification of Statewide Specialty Retirement Plans					
1	Page 3, Line 36; Page 4, Lines 1-2	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.01, Subdivision 1	Updates the grammatical style of the definitions purpose subdivision.
2	Page 4, Lines 3-11	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.01, New Subdivision 1a	Adds actuarial equivalent definition.
3	Page 4, Lines 12-20	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.01, New Subdivision 1b	Moves "average monthly salary" definition from former Subdivision 7.
4	Page 4, Lines 21-25	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.01, New Subdivision 1c	Adds definition of "constitutional officer."
5	Page 4, Lines 26-34; Page 5, Lines 1-2	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.01, Subdivision 2	Eliminates obsolete date and updates style and language usage of definition of "dependent child."
6	Page 5, Lines 3-5	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.01, Subdivision 6	Clarifies reference in "director" definition.
7	Page 5, Lines 6-11	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.01, New Subdivision 6b	Defines "former legislator."
8	Page 5, Lines 12-18	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.01, New Subdivision 6c	Defines "member of the legislature."
9	Page 5, Lines 19-23	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.01, Subdivision 8	Eliminates obsolete pre-1982 provision from "normal retirement age" definition.
10	Page 5, Lines 24-27	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.01, New Subdivision 9	Adds definition of "retirement."
11	Page 5, Lines 28-34; Page 6, Lines 1-4	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.01, Subdivision 10	Adds definition of "salary."
12	Page 6, Lines 5-9	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.011	Clarifies plan administration duties.
13	Page 6, Lines 10-36; Page 7, Lines 1-21	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.02, Subdivision 1	Eliminates various obsolete date references in retirement annuity calculation provision.
14	Page 7, Lines 22-36; Page 8, Lines 1-7	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.02, Subdivision 1b	Clarifies references and upgrades the style and usage of the provision.
15	Page 8, Lines 8-13	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.02, Subdivision 3	Upgrades the language style and usage in the appropriation provision.
16	Page 8, Lines 14-36; Page 9, Lines 1-3	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.02, Subdivision 4	Eliminates obsolete dates and clarifies the language style of the deferred annuities augmentation provision.
17	Page 9, Lines 4-21	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.02, Subdivision 5	Clarifies the language style and usage of the optional annuities provision.
18	Page 9, Lines 22-28	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.03, Subdivision 1	Clarifies the language style and usage of the member contribution provision.

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19	Page 9, Lines 29-34; Page 10, Lines 1-12	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.03, Subdivision 2	Clarifies the status of a former legislator returning to legislative service after taking a refund.
20	Page 10, Lines 13-28	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.04, Subdivision 1	Clarifies the language style and usage of the surviving spouse provision.
21	Page 10, Lines 29-35; Page 11, Lines 1-24	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.04, Subdivision 2	Clarifies the language style and usage of the surviving child provision.
22	Page 11, Lines 25-29	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.04, Subdivision 3	Clarifies the language style and usage of the survivor benefit payment provision.
23	Page 11, Lines 30-36; Page 12, Lines 1-2	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.04, Subdivision 4	Clarifies the language style and usage of the death refund provision.
24	Page 12, Lines 3-7	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.04, New Subdivision 5	Adds current disbursements survivor benefit appropriation provision.
25	Page 12, Lines 8-19	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.05	Clarifies the language and style of the survivor benefit application provision.
26	Page 12, Lines 20-31	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.07	Clarifies that the second chance Social Security referendum election in 2002 was irrevocable.
27	Page 12, Lines 32-34; Page 13, Lines 1-7	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.10, Subdivision 1	Clarifies the language usage and style of the special legislative service credit provision.
28	Page 13, Lines 8-36; Page 14, Lines 1-9	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.12	Clarifies the language style and usage of the service in more than one retirement plan provision.
29	Page 14, Lines 10-18	Legislators Plan	SF 428 (Betzold); HF 2091 (Smith)	3A.13	Divides the legal process exemption provision into paragraphs.
30	Page 14, Lines 19-26	Elective State Officers Plan	SF 427 (Betzold); HF 2092 (Smith)	New 352C.001	Applicability of the Elective State Officers Retirement Plan is specified.
31	Page 14, Lines 27-33	Elective State Officers Plan	SF 427 (Betzold); HF 2092 (Smith)	352C.091, Subdivision 1	Plan administration is clarified.
32	Page 14, Lines 34-35; Page 15, Lines 1-5	Elective State Officers Plan	Commission Amendment	352C.10	Removes repealed cross-reference.
33	Page 15, Lines 6-35; Page 16, Lines 1-26	MSRS- Unclassified	Commission Amendment	352D.02	Removes repealed cross-reference.
34	Page 16, Lines 27-35	Social Security Coverage Chapter	Commission Amendment	355.01, Subdivision 3e	Removes repealed cross-reference.
35	Page 17, Lines 1-2	Retirement Plans Generally	Commission Amendment	356.65	Removes repealed cross-reference.

Article 3: MSRS Contribution Rate Increases

1	Page 17, Lines 6-15	MSRS-General	SF 264 (Betzold); HF 1757 (Smith)	352.04, Subdivision 2	Increases the member contribution rate from 4.0 percent to 5.0 percent in four installments from 2007 to 2010.
2	Page 17, Lines 16-23	MSRS-General	SF 264 (Betzold); HF 1757 (Smith)	352.04, Subdivision 3	Increases the employer contribution rate from 4.0 percent to 5.0 percent in four installments from 2007 to 2010.
3	Page 17, Lines 24-37; Page 18, Lines 1-18; Page 19, Lines 1-2	MSRS Plans	Commission Amendment	New Section 352.045	Authorizes additional contribution rate changes through an administrative procedure.
4	Page 19, Lines 3-12	MSRS- Correctional	SF 997 (Betzold); HF 1753 (Wardlow)	352.92, Subdivision 1	Increases the member contribution rate from 5.69 percent to 8.6 percent in four installments.
5	Page 19, Lines 13-20	MSRS- Correctional	SF 997 (Betzold); HF 1753 (Wardlow)	352.92, Subdivision 2	Increases the employer contribution rate from 7.98 percent to 12.10 percent in four installments.

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Sec.	Page, Lines	Retirement Plan	Source Bill(s)	Stat. Provision	Summary
6	Page 19, Lines 21-30	State Patrol	SF 998 (Betzold); HF 1754 (Smith)	352B.02, Subdivision 1a	Increases the member contribution rate from 8.40 percent to 10.10 percent in three installments.
7	Page 19, Lines 31-36; Page 20, Lines 1-4	State Patrol	SF 998 (Betzold); HF 1754 (Smith)	352B.02, Subdivision 1c	Increases the employer contribution rate from 12.60 percent to 15.60 percent in three installments.
8	Page 20, Lines 5-21	MSRS- Unclassified	SF 264 (Betzold); HF 1757 (Smith)	352D.04, Subdivision 2	Replaces a statutory cross-reference to the MSRS-General member contribution rate with a specified 4.0 percent member contribution rate.
9	Page 20, Lines 22-24	--	--	Effective Date	2006 or 2007 effective dates.
Article 4: MSRS Correctional Retirement Plan Changes					
1	Page 20, Lines 27-35; Page 21, Lines 1-23	MSRS- Correctional	SF 503 (Murphy); HF 441 (Fritz)	352.91, Subd. 3g	Adds the MCF-Faribault laundry coordinators and delivery van drives to MSRS-Correctional.
2	Page 21, Lines 24-36; Page 22, Lines 1-36; Page 23, Lines 1-6	MSRS- Correctional	SF 503 (Murphy); HF 441 (Fritz)	Uncoded	Permits transferred MCR-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.
3	Page 23, Lines 7-36; Page 24, Lines 1-26	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 24, Lines 27-35	--	--	Effective Date	Sections 1 and 2 effective immediately. Section 3 effective retroactively if subsequent position transfer is approved.
Article 5: Deferred Annuities Augmentation Rate Change					
1	Page 25, Lines 3-19	MSRS-General	Commission Amendment related to SF 620 (Betzold); HF 1758 (Smith)	352.116, Subdivision 1a	Reduces deferred annuities augmentation adjustment to early retirement actuarial reduction factors to 2.5 percent for post-July 1, 2005, hires.
2	Page 25, Lines 20-36; Page 26, Lines 1-17	MSRS-General and MSRS- Correctional	Commission Amendment related to SF 620 (Betzold); HF 1758 (Smith)	352.72, Subdivision 2	Reduces deferred annuities augmentation rate to 2.5 percent for post-July 1, 2005, hires.
3	Page 26, Lines 18-30	State Patrol	Commission Amendment related to SF 620 (Betzold); HF 1758 (Smith)	352B.30, Subdivision 2	Reduces deferred annuities augmentation rate to 2.5 percent for post-July 1, 2005, hires.
4	Page 26, Lines 31-36; Page 27, Lines 1-9	PERA-General	Commission Amendment related to SF 620 (Betzold); HF 1758 (Smith)	353.30, Subdivision 5	Reduces deferred annuities augmentation adjustment to early retirement actuarial reduction factors for post-July 1, 2005, hires.
5	Page 27, Lines 10-36; Page 28, Lines 1-6	PERA-General and PERA-P&F	Commission Amendment related to SF 620 (Betzold); HF 1758 (Smith)	353.71, Subdivision 2	Reduces deferred annuities augmentation rate to 2.5 percent for post-July 1, 2005, hires.
6	Page 28, Lines 7-39; Page 29, Lines 1-31	TRA	Commission Amendment related to SF 620 (Betzold); HF 1758 (Smith)	354.44, Subdivision 6	Reduces deferred annuities augmentation adjustment to early retirement actuarial reduction factors to 2.5 percent for post-July 1, 2005, hires.
7	Page 29, Lines 32-35; Page 30, Lines 1-36; Page 31, Lines 1-12	TRA	Commission Amendment related to SF 620 (Betzold); HF 1758 (Smith)	354.55, Subdivision 11	Reduces deferred annuities augmentation rate to 2.5 percent for post-July 1, 2005, hires.

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Sec.	Page, Lines	Retirement Plan	Source Bill(s)	Stat. Provision	Summary
8	Page 31, Lines 13-29	First Class City Teachers	Commission Amendment related to SF 620 (Betzold); HF 1758 (Smith)	354A.31, Subdivision 7	Reduces deferred annuities augmentation adjustment to early retirement actuarial reduction factors rate to 2.5 percent for post-July 1, 2005, hires.
9	Page 31, Lines 30-36; Page 32, Lines 1-30	First Class City Teachers	Commission Amendment related to SF 620 (Betzold); HF 1758 (Smith)	354A.37, Subdivision 2	Reduces deferred annuities augmentation rate to 2.5 percent for post-July 1, 2005, hires.
10	Page 32, Lines 31-35; Page 33, Lines 1-35; Page 34, Lines 1-24	Combined Service Annuity	Commission Amendment related to SF 620 (Betzold); HF 1758 (Smith)	356.30, Subdivision 1	Reduces deferred annuities augmentation for post-July 1, 2005, hires.
11	Page 34, Lines 25-26	--	--	Effective Date	Effective on July 1, 2006.

Article 6: Retirement Plan Administrative Provisions

1	Page 34, Lines 29-35; Page 35, Lines 1-16	MnSCU/IRAP	SF 2359 (Pogemiller); HF 2711 (Smith)	136F.45, Subdivision 1a	Removes from a MnSCU Section 403(b) vendor contract provision the requirement that MnSCU include at least five insurance annuity providers and a few low cost and no load mutual fund providers.
2	Page 35, Lines 17-28	MSRS-General	Commission Amendment to SF 2379 (Pogemiller); HF 2701 (Smith)	352.113, Subdivision 7a	Makes the current temporary disabilitant reemployment benefit reduction waiver permanent and makes it conform with the similar PERA-General provision.
3	Page 35, Lines 29-35; Page 36, lines 1-23	MSRS-General	Commission Amendment to SF 2379 (Pogemiller); HF 2701 (Smith)	352.116, Subdivision 3a	Removes obsolete language from the bounce-back annuity provision.
4	Page 36, Lines 24-36; Page 37, Lines 1-19	MSRS-Correctional and State Patrol	Commission Amendment to SF 2379 (Pogemiller); HF 2701 (Smith)	352.116, Subdivision 3b	Removes obsolete language from the bounce-back annuity provision.
5	Page 37, Lines 20-36; Page 38, Lines 1-7	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	353.01, Subdivision 2a	Revises the included employees provision by clarifying that public employee physicians who do not elect PERA Defined Contribution Plan coverage are members of PERA-General.
6	Page 38, Lines 8-36; Page 39, Lines 1-17	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	353.01, Subdivision 2d	Revises the optional membership provision by clarifying coverage for individuals who were employees of the Port Authority of St. Paul on January 1, 2003, and who were at least 45 on that date, when PERA coverage was extended to various Port Authority employees.
7	Page 39, Lines 18-28	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	353.01, Subdivision 11a	Revises the termination of public service definition by stating that termination includes when the employee/employer relationship is severed due to expiration of an indefinite layoff, temporary layoff, or seasonal layoff, rather than when an individual is no longer considered to be on a temporary layoff.
8	Page 39, Lines 29-35; Page 40, Lines 1-14	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	353.01, Subdivision 11b	Revises the termination of membership provision by stating that the provision is applicable when an individual has terminated membership but not public service, including when a city manager elects to terminate from PERA coverage, and when a member transfers to a temporary position and becomes excluded from membership.

Summary of delete-everything amendment S0431-A2

Sec.	Page, Lines	Retirement Plan	Source Bill(s)	Stat. Provision	Summary
9	Page 40, Lines 15-22	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	353.01, Subdivision 12	Revises the authorized temporary layoff provision by including seasonal layoffs and by defining authorized temporary or seasonal layoffs to mean a suspension of service for a limited period during a year for an individual who is expected to return to the same position at the end of the layoff, rather than for a period not to exceed three months in any calendar year.
10	Page 40, Lines 23-28	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	353.01, New Subdivision 12c	Adds a definition of "indefinite layoff," defined as a layoff which is not a temporary or a seasonal layoff, for which no date has been specified for the employee's return, and where the individual has not resigned or been dismissed.
11	Page 40, Lines 29-34; Page 41, Lines 1-36; Page 42, Lines 1-36; Page 43, Lines 1-36	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	353.01, Subdivision 16	Revises the allowable service provision to conform to the addition of a seasonal layoff provision.
12	Page 44, Lines 1-35; Page 45, Lines 1-28	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	353.03, Subdivision 1	Revises the board management, composition, and election provision by reorganizing the provision and by specifying that PERA must obtain Secretary of State review and approval for PERA procedures for conducting elections, rather than having the Secretary of State supervise those elections.
13	Page 45, Lines 29-35	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	353.03, Subdivision 1a	Revises the provision for filling board vacancies by specifying that the board shall adopt policies and procedures governing how the vacancy of an elected trustee is to be filled.
14	Page 46, Lines 1-7	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	353.03, New Subdivision 2b	Creates a board legal authority provision, stating that the board is authorized to take any legal actions necessary to properly and effectively administer its plans.
15	Page 46, Lines 8-35; Page 47, Lines 1-21	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	353.27, Subdivision 7	Revises the adjustment for erroneous receipts or disbursements provision by providing interest on a refund to the individual only if the erroneous deduction began before January 1, 1990, and only after the individual terminates public service. In all other cases, the association will return the employee contributions without interest to the individual, and the employer contributions to the employer, if these actions are deemed consistent with federal plan qualification requirements. If not, the employer will receive a credit against future contributions and the employer will be responsible for refunding the erroneous contribution amount to the employee.
16	Page 47, Lines 22-36; Page 48, Lines 1-5	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	353.27, Subdivision 7a	Revises the deductions or contributions transmitted by error provision to permit PERA to transmit assets to or from the PERA Defined Contribution Plan to correct an error.
17	Page 48, Lines 6-11	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	353.27, Subdivision 7b	Clarifies the overpayment to members provision by explicitly including reference to retirees, beneficiaries, or other benefit recipients.

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18	Page 48, Lines 12-30	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	353.28, Subdivision 6	Revises the collection of unpaid amounts provision by clarifying that the Commissioner of Finance must transmit to PERA any amount the Department of Finance deducts from an organization's state aid or state appropriations to capture an amount due that is payable to PERA.
19	Page 48, Lines 31-35; Page 49, Lines 1-10	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	383.29, Subdivision 8	Amends the annuity payment provision to recognize that benefit payments may be automatically deposited in a bank, rather than by issuing a warrant (check), and language specifying obsolete procedures is stricken.
20	Page 49, Lines 11-36; Page 50, Lines 1-4	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	353.30, Subdivision 3a	Revises the PERA-General bounce-back joint and survivor annuity provision by simplifying the provision and making stylistic changes.
21	Page 50, Lines 5-35	PERA-P&F	SF 2379 (Pogemiller); HF 2701 (Smith)	353.30, Subdivision 3b	Revises the PERA-P&F bounce-back joint and survivor annuity provision by simplifying the provision and making stylistic changes.
22	Page 50, Line 36; Page 51, Lines 1-36; Page 52, Lines 1-10	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	353.32, Subdivision 1a	Revises the death while active or deferred surviving spouse benefit provision by removing obsolete cross-references; by making any residual amount of the contributions in excess of the benefits paid to the surviving spouse prior to his or her death payable to the surviving spouse's estate rather than to the last beneficiary of the deceased member; and by clarifying that if a surviving spouse waives receipt of benefits, that action does not make a dependent child eligible to receive monthly benefits as though there were no surviving spouse.
23	Page 52, Lines 11-20	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	353.32, Subdivision 1b	Revises the term certain surviving spouse annuity provision by striking the five-year term certain option.
24	Page 52, Lines 21-34	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	353.33, Subdivision 1	Clarifies the PERA-General disability eligibility provision and obsolete cross-references are stricken.
25	Page 52, Line 35; Page 53, Lines 1-16	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	353.33, Subdivision 9	Amends the disabilitant returning to active employment provision by clarifying that PERA contributions will be deducted from pay if the individual resumes PERA-covered employment, and if the employment is not covered by PERA, the individual will be treated as a deferred annuitant if the individual has sufficient service, or the individual may request a refund.
26	Page 53, Lines 17-23	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	New 353.335	Specifies that disabilitants must report all earnings from reemployment and workers' compensation income by May 15. If the information is not submitted, the benefit is suspended on June 1. If the information is later submitted, the benefit can be continued retroactive to June 1.
27	Page 53, Lines 24-36; Page 54, Lines 1-5	PERA-General	SF 2379 (Pogemiller); HF 2701 (Smith)	353.34, Subdivision 1	Amends the refund or deferred annuity provision to conform with PERA's proposed "seasonal layoff" language in Sec. 5, and states that a refund will not be paid prior to termination of service, although an individual might terminate from plan coverage prior to that date.

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Sec.	Page, Lines	Retirement Plan	Source Bill(s)	Stat. Provision	Summary
28	Page 54, Lines 6-24	PERA-P&F	SF 2379 (Pogemiller); HF 2701 (Smith)	353.656, Subdivision 4	Revises the PERA-P&F disability benefit limit provision by clarifying that the limit also applies to any paramedics with PERA-P&F coverage; by correcting the provision to apply to combined earnings that exceed the permissible limits rather than are less than those limits; and by specifying that the limit is based on 125 percent of base salary, rather than 125 percent of salary.
29	Page 54, Lines 25-36; Page 55, Lines 1-23	PERA-Defined Contribution	SF 2379 (Pogemiller); HF 2701 (Smith)	353D.01, Subdivision 2	Revises the PERA Defined Contribution Plan membership eligibility provision by eliminating eligibility for emergency medical service personnel employed by privately operated ambulance services that receive a government subsidy.
30	Page 55, Lines 24-32	PERA-Defined Contribution	SF 2379 (Pogemiller); HF 2701 (Smith)	353D.01, Subdivision 3	Revises the PERA Defined Contribution Plan employer election to participate by eliminating privately operated ambulance services that receive a government subsidy.
31	Page 55, Lines 33-36; Page 56, Lines 1-4	PERA-Correctional	SF 2379 (Pogemiller); HF 2701 (Smith)	353E.02, Subdivision 3	Revises the PERA-Correctional eligibility provision by extending plan coverage to individuals employed in a position identical to the positions explicitly authorized for coverage, which are correctional guard or officer, joint jailer/dispatcher, or a supervisor of individuals in these positions. The employing county will determine whether the position is identical to those currently included under coverage.
32	Page 56, Lines 5-30	TRA	Commission Amendment to SF 2379 (Pogemiller); HF 2701 (Smith)	354.45, Subdivision 1a	Removes obsolete language from the bounce-back annuity provision.
33	Page 56, Lines 31-36; Page 57, Lines 1-32	First Class City Teacher Plans	Commission Amendment to SF 2379 (Pogemiller); HF 2701 (Smith)	354A.32, Subdivision 1a	Removes obsolete language from the bounce-back annuity provision.
34	Page 57, Lines 33-36; Page 58, Lines 1-30	Arts Board- Historical Society IRAP	SF 2359 (Pogemiller); HF 2711 (Smith)	354D.05	Revises the employee and employer contribution rates for Arts Board and Humanities Commission employees who are IRAP members to equal the rates applicable for the MSRS, PERA, or TRA plan that would otherwise provide coverage if the individual were not an IRAP member.
35	Page 58, Lines 31-35	PERA-General	SF 2359 (Pogemiller); HF 2711 (Smith)	Uncoded	Laws 2004, Chapter 267, Article 8, Section 41, is revised to make the PERA trial work period provision (Sec. 353.33, Subd. 7a) permanent rather than expiring on July 1, 2006.
36	Page 59, Lines 1-2	--	--	Repealer	Repeals an obsolete higher education mandatory retirement age provision.
37	Page 59, Lines 3-19	--	--	Effective Date	Generally immediately effective. Provides process for correcting any bounce-back annuity error.

Article 7: PERA-P&F Retirement Plan Changes

1	Page 59, Lines 22-35; Page 60, Lines 1-7	PERA-P&F	SF 2461 (Pogemiller); HF xxx	353.656, Subdivision 1	Replaces for most members in the duty disability coverage an age 65 maximum disability benefit age reference with a cross-reference to the PERA-P&F normal retirement age statutory provision, which is currently age 55.
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Summary of delete-everything amendment S0431-A2

Sec.	Page, Lines	Retirement Plan	Source Bill(s)	Stat. Provision	Summary
2	Page 60, Lines 8-28	PERA-P&F	SF 2461 (Pogemiller); HF xxx	353.656, Subdivision 3	Replaces for most members in the non-duty disability coverage an age 65 maximum disability benefit age reference with a cross-reference to the PERA-P&F normal retirement age statutory provision, which is currently age 55.
3	Page 60, Lines 29-36; Page 61, Lines 1-16	PERA-P&F	SF 2461 (Pogemiller); HF xxx	353.656, Subdivision 6a	Replaces for the disability survivor benefit coverage the age 65 maximum disability benefit age reference with a cross-reference to the PERA-P&F normal retirement age statutory provision, which is currently age 55.
4	Page 61, Lines 17-18	--	--	Effective Date	Effective July 1, 2006.

Article 8: Privatization Retirement Coverage Change

1	Page 61, Lines 21-34; Page 62, Lines 1-9	MSRS Privatization	Commission Amendment to SF 2378 (Pogemiller); HF 2708 (Smith)	352F.04	Reduces the special augmentation rates from 5.5 percent under age 55 and 7.5 percent over age 54 to 4.0 percent under age 55 and 6 percent over age 54.
2	Page 62, Lines 10-25	PERA Privatization	SF 2387 (Murphy); HF 2667 (Dempsey) and SF 2443 (Dille); HF 2658 (Urdahl)	353F.02, Subdivision 4	Includes the City of Cannon Falls Hospital and the Dassel Lakeside Community Home under the special privatization provisions if the facility is privatized.
3	Page 62, Lines 26-36; Page 63, Lines 1-18	PERA Privatization	SF 2378 (Pogemiller); HF 2708 (Smith)	353F.04	Reduces the special augmentation rates from 5.5 percent under age 55 and 7.5 percent over age 54 to 4.0 percent under age 55 and 6 percent over age 54.
4	Page 63, Lines 19-36; Page 64, Lines 1-11	--	--	Effective Date	Local provision effective on local approval and general provisions effective immediately or retroactively.

Article 9: Social Security Coverage Changes

1	Page 64, Lines 14-25		SF 2463 (Pogemiller); HF xxx	355.01, Subdivision 3g	Eliminates reference to the League of Minnesota Cities from Social Security coverage definition of "local government subdivision."
2	Page 64, Lines 26-36; Page 65, Lines 1-21		SF 2463 (Pogemiller); HF xxx	355.02, Subdivision 1	Makes various clarifying changes in general authority of the State to enter into Social Security coverage agreements.
3	Page 65, Lines 22-36; Page 66, Lines 1-18		SF 2463 (Pogemiller); HF xxx	355.02, Subdivision 3	Allows Social Security coverage referenda for local elected officials on a government unit by government unit basis.
4	Page 66, Lines 19-31		SF 2463 (Pogemiller); HF xxx	355.02, New Subdivision 4	Adds specific additional Social Security referendum provisions.
5	Page 66, Lines 32-36; Page 67, Lines 1-7		SF 2463 (Pogemiller); HF xxx	355.02, New Subdivision 5	Allows retroactive Social Security contributions to the extent permitted by federal law in new coverage extensions.
6	Page 67, Lines 8-36; Page 68, Lines 1-16		SF 2463 (Pogemiller); HF xxx	New 355.095	Public employees hired before 1986 who are not required under federal law to have Medicare coverage and who have not previously elected Medicare coverage could elect Medicare coverage if the applicable governmental unit decides to permit the referendum.
7	Page 68, Lines 17-18	--	--	Effective Date	Effective immediately.

Summary of delete-everything amendment S0431-A2

Sec.	Page, Lines	Retirement Plan	Source Bill(s)	Stat. Provision	Summary
Article 10: Supplemental Retirement Plan Coverage Changes					
1	Page 68, Lines 21-35; Page 69, Lines 1-36; Page 70, Lines 1-9	Supplemental Retirement Plans	SF 2394 (Pogemiller); HF xxx and Commission Amendment	356.24, Subdivision 1	Extends supplemental plan status to Laborer's local pension fund and to International Assoc. of Machinists national pension fund; increases maximum employer-funded contribution for union supplemental plans from \$2,000 to \$5,000 annually.
2	Page 70, Lines 10-11	--	--	Effective Date	Effective immediately.
Article 11: Retirement Fund Investment Authority Changes					
1	Page 70, Lines 14-23	First Class City Teachers Plans	State Auditor's Recommendations (LCPR06-020)	354A.08	Permits investments through the SBI-administered Minnesota Supplemental Investment Fund.
2	Page 70, Lines 24-28	MTRFA	SF 2239 (Pogemiller); HF 2362 (Smith)	354A.28, Subdivision 5	Requires assets underlying the post-retirement adjustment mechanism be invested under M.S. Chapter 356A.
3	Page 70, Lines 29-34; Page 71, Lines 1-35; Page 72, Lines 1-36; Page 72, Lines 1-35; Page 73, Lines 1-16	Various Plans	SF 2239 (Pogemiller); HF 2362 (Smith)	356A.06, Subdivision 7	Permits broad investment in mutual funds or index funds.
4	Page 73, Lines 17-20	Various Plans	SF 2239 (Pogemiller); HF 2362 (Smith)	Uncoded	Allows until January 1, 2008, to dispose of nonconforming investments.
5	Page 73, Lines 21-22	--	--	Effective Date	Effective immediately.
Article 12: Minneapolis Employees Retirement Fund Changes					
1	Page 74, Lines 25-36; Page 75, Lines 1-3	MERF	SF xxx; HF 853 (Kelliher)	422A.05, Subdivision 2c	Authorizes MERF to invest assets with the State Board of Investment.
2	Page 75, Lines 4-32	MERF	SF xxx; HF 853 (Kelliher)	422A.06, Subdivision 3	Allows for accounts receivable transfers instead of cash between the Deposit Accumulation Fund to the Retirement Benefit Fund.
3	Page 75, Lines 33-36; Page 76, Lines 1-18	MERF	SF xxx; HF 853 (Kelliher)	422A.06, Subdivision 5	Makes conforming change for the accounts receivable transfer procedure.
4	Page 76, Lines 19-35; Page 77, Lines 1-2	MERF	SF xxx; HF 853 (Kelliher)	422A.06, Subdivision 7	Makes conforming change for the accounts receivable transfer procedure.
5	Page 77, Lines 3-36; Page 78, Lines 1-13	MERF	SF xxx; HF 853 (Kelliher)	422A.06, Subdivision 8	Makes conforming change for the accounts receivable transfer procedure.
6	Page 78, Lines 14-35	MERF	SF xxx; HF 853 (Kelliher)	422A.101, Subdivision 3	Corrects a reference to the maximum annual state contribution.
7	Page 78, Line 36; Page 79, Line 1	MERF	SF xxx; HF 853 (Kelliher)	Repealer	Repeals M.S., Sec. 422A.101, Subd. 4, which imposes an additional liquidity transfer obligation.
8	Page 79, Lines 2-5	--	--	Effective Date	Effective upon local approval.
Article 13: Minneapolis Police Relief Association Changes					
1	Page 79, Lines 8-20	MPRA	SF xxx; HF 2577 (Mullery)	423B.07	Increases salaries for relief association board members.
2	Page 79, Lines 21-37; Page 80, Lines 1-29	MPRA	SF xxx; HF 2577 (Mullery)	423B.09, Subdivision 1	Extends 2005 benefit increase to members with less than 20 years of service credit.
3	Page 80, Lines 30-37	--	--	Effective Date	Each provision subject to a separate local approval action.
Article 14: Judges Retirement Plan and Board of Judicial Standards Recodification					
1	Page 81, Lines 2-5	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, Subdivision 1	Updates the language and style of the definition introduction section.

Summary of delete-everything amendment S0431-A2

Sec.	Page, Lines	Retirement Plan	Source Bill(s)	Stat. Provision	Summary
2	Page 81, Lines 6-15	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, New Subdivision 2a	Adds a definition of actuarial equivalency, relating to optional annuity forms.
3	Page 81, Lines 16-23	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, Subdivision 4	Clarifies that "allowable service" means compensated service as a judge and that service as a retired judge is excluded.
4	Page 81, Lines 24-27	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, Subdivision 6	Clarifies the language and style of the definition of "annuity."
5	Page 81, Lines 28-31	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, Subdivision 7	Clarifies the definition of "annuitant" as meaning a former judge who receives a retirement annuity.
6	Page 81, Lines 32-35	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, New Subdivision 7a	Adds a definition of "approved actuary."
7	Page 82, Lines 1-4	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, New Subdivision 7b	Moves the definition of "court" to its appropriate alphabetic placement.
8	Page 82, Lines 5-12	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, New Subdivision 7c	Moves the definition of "dependent surviving child" to its appropriate alphabetic placement.
9	Page 82, Lines 13-16	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, Subdivision 13	Clarifies that the definition of "disability" means a medically determinable impairment of function.
10	Page 82, Lines 17-20	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, Subdivision 14	Augments the definition of "disability retirement date" by including a reference to a certification of the disability by the governor to the relevant individuals.
11	Page 82, Lines 21-24	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, Subdivision 15	Clarifies the language of the definition of "disability retirement annuity."
12	Page 82, Lines 25-29	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, New Subdivision 15a	Moves the definition of "early retirement date" to a more appropriate place.
13	Page 82, Lines 30-34	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, New Subdivision 15b	Moves the definition of "early retirement annuity" to a more appropriate place.
14	Page 83, Lines 1-10	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, Subdivision 21	Clarifies the definition of "final average compensation" as it relates the computation of the average with less than ten years of service.
15	Page 83, Lines 11-14	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, New Subdivision 21a	Moves the definition of "judge" to a more appropriate position.
16	Page 83, Lines 15-18	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, New Subdivision 21b	Moves the definition of "judges retirement fund" to a more appropriate place.
17	Page 83, Lines 19-22	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, New Subdivision 21c	Moves the definition of "mandatory retirement date" to a more appropriate place.
18	Page 83, Lines 23-28	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, New Subdivision 21d	Moves the definition of "normal retirement annuity" to its appropriate alphabetic placement.
19	Page 83, Lines 29-32	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, New Subdivision 21e	Moves the definition of "normal retirement date" to a more appropriate place.
20	Page 83, Lines 33-35; Page 84, Lines 1-3	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, Subdivision 22	Clarifies the language usage in the definition of "service credit limit."
21	Page 84, Lines 4-7	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, New Subdivision 23	Transfers the definition "survivor annuity" to its appropriate alphabetical placement.
22	Page 84, Lines 8-11	Uniform Judges Plan	SF 433 (Betzold); HF 2112 (Smith)	490.121, New Subdivision 24	Transfers the definition of "surviving spouse" to a more appropriate place.

