



TO: Members of the Legislative Commission on Pensions and Retirement
FROM: Lawrence A. Martin, Executive Director *LAM*
RE: 2008 Session Omnibus Retirement Bill as of March 5, 2008
DATE: March 10, 2008

Introduction

The attached document, delete-everything amendment H3082-3A, contains the proposed retirement legislation for the 2008 Legislative Session as recommended by the Legislative Commission on Pensions and Retirement at the March 5, 2008, Commission meeting.

Source Legislation for the 2008 Omnibus Retirement Bill Through March 5, 2008

Delete-everything amendment H3082-3A, drawn to H.F. 3082 (Murphy, M.); S.F. 2720 (Betzold) as a vehicle, includes all or portions of the contents of the following retirement bills:

1. H.F. 2589 (Hamilton); S.F. 2501 (Vickerman): PERA Privatization; Worthington Regional Hospital
2. H.F. 2762 (Wardlow); S.F. xxxx: TRA; Service credit purchase for prior Illinois teaching service
3. H.F. 2803 (Greiling); S.F. 3618 (Marty): MnSCU, TRA; Permit certain MnSCU faculty member to elect prospective and retroactive TRA coverage
4. H.F. 3021 (Juhnke); S.F. xxxx; and H.F. xxxx; S.F. 2855 (Gimse): PERA Privatization; Rice Memorial Hospital radiology & radiation/oncology departments
5. H.F. 3082 (Murphy, M.); S.F. 2720 (Betzold): MSRS-C; Adding two employment positions to retirement plan coverage
6. H.F. 3242 (Peppin); S.F. 3127 (Limmer): PERA-P&F; Service credit transfer, Maple Grove fire inspector
7. H.F. 3311 (Atkins); S.F. 2469 (Metzen): PERA; Authorize revocation of retirement annuity application in favor of disability benefit application
8. H.F. 3696 (Kahn); S.F. 2424 (Betzold): PERA; Service Credit Purchase for Hennepin County Commissioner
9. H.F. xxxx; S.F. 1643 (Senjem): PERA; Authorize retirement annuity application, Olmstead Co., ISD No. 535, and Rochester city employee

General Summary of Delete-Everything Amendment H3082-3A

Article 1: MSRS-Correctional Plan Coverage Expansion. The article amends the statutes governing the Correctional State Employees Retirement Plan of the Minnesota State Retirement System (MSRS-Correctional) by adding the Department of Corrections occupational positions of general maintenance worker lead and painter lead to MSRS-Correctional coverage and allows a transfer of past MSRS General State Employees Retirement Plan (MSRS-General) service credit for the one filled position with past service credit.

Article 2: PERA Benefits Following Privatizations. The article includes in the coverage of the Public Employees Retirement Association (PERA) privatization law the departments of radiology and radiation/oncology of the Rice Memorial Hospital in Willmar and the Worthington Regional Hospital following their privatization if approved by the applicable cities.

Article 3: Small Group Provisions. The article contains various provisions applicable to individuals or small groups of public employees. The article permits a Rochester city council member to retire from the General Employee Retirement Plan of the Public Employees Retirement Association (PERA-General) for school district and county employment and continue city council service, permits a St. Paul Public Works Department employee to revoke an early retirement annuity application and apply for a disability benefit, permits a full-time Maple Grove fire inspector/firefighter to transfer PERA-General covered service credit for 1988-1996 fire department employment to the Public Employees Police and Fire Retirement Plan (PERA-P&F), permits a Minnesota State Colleges and Universities System (MnSCU) faculty member who was not informed of a retirement coverage election opportunity to elect Teachers Retirement Association (TRA) coverage rather than the default Individual Retirement Account Plan (IRAP) coverage and purchase service credit for the previous IRAP covered service, authorizes an Apple Valley teacher with prior Illinois teaching service to purchase TRA service credit for the Illinois teaching service, and allows a Hennepin County commissioner to purchase service credit from PERA-General for the elective service previously covered by the PERA Defined Contribution Plan.

Section-by-Section Summary of Delete-Everything Amendment H3082-3A

Summary of Delete-Everything Amendment H3082-3A

Sec.	Pg.Ln – Pg.Ln	Source Bill(s)	Retirement Plan	Stat. Provision	Summary
<u>Article 1: MSRS-Correctional Plan Coverage Expansion</u>					
1	1.5 – 2.24	HF 3082 (Murphy, M.) SF2720 (Betzold)	MSRS- Correctional	352.91, Subd. 3d	Includes general maintenance worker lead and painter lead occupations in plan coverage.
2	2.25 – 2.31	HF 3082 (Murphy, M.) SF2720 (Betzold)	MSRS- Correctional	Temporary provision	Painter lead coverage change is prospective and general maintenance worker lead coverage change is retroactive to December 11, 2006.
<u>Article 2: PERA Benefits Following Privatizations</u>					
1	3.3 – 3.26	HF2589 (Hamilton); SF2501 (Vickerman), and HF3021 (Juhnke), and SF2855 (Gimse)	PERA Privatization	353F.02, Subd. 4	Adds the Rice Memorial Hospital radiology department and radiation/oncology department employees and Worthington Regional Hospital employees in privatization provisions.
2	3.27 – 3.33	HF2589 (Hamilton); SF2501 (Vickerman), and HF3021 (Juhnke), and SF2855 (Gimse)	Effective date	--	Effective upon local approval.
<u>Article 3: Small Group Provisions</u>					
1	4.3 – 5.22	HF xxxx; SF 1643 (Senjem)	PERA-General	Uncoded	Allows continued elective service by Rochester city council member after PERA-General retirement.
2	5.23 – 6.23	HF3311 (Atkins); SF2469 (Metzen)	PERA-General	Uncoded	Permits early retirement annuity application revocation by potentially disabled St. Paul Public Works Department employee.
3	6.24 – 8.27	HF3242 (Peppin); SF3127 (Limmer)	PERA-P&F	Uncoded	Permits service credit transfer from PERA-General to PERA-P&F for past firefighting service by Maple Grove fire inspector.
4	8.28 – 10.12	HF2803 (Greiling); SF3618 (Marty)	TRA/MnSCU	Uncoded	Permits MnSCU faculty member who was not notified of retirement election opportunity to elect TRA coverage and transfer past service credit.
5	10.13 – 11.13	HF2762 (Wardlow); SF xxxx	TRA	Uncoded	Permits purchase of Illinois teaching service by Apple Valley teacher.
6	11.14 – 12.11	HF3696 (Kahn); SF2424 (Betzold)	PERA-General	Uncoded	Permits Hennepin County commissioner to purchase service credit for prior elective service.

Corrective Amendment

Attached Amendment H3082-4A corrects the description of the class of individuals covered by Article 3, Section 4, derived from H.F. 2803 (Greiling); S.F. 3618 (Marty), where the prior Commission staff-prepared amendment included in the March 5, 2008, Commission meeting materials was drawn incorrectly.

cc: Representative Mary Murphy	Senator Don Betzold
Representative Phyllis Kahn	Senator Dan Larson
Representative Michael V. Nelson	Senator Ann Lynch
Representative Steve Smith	Senator Mary A. Olson
Representative Paul Thissen	Senator Betsy L. Wergin
Mark Shepard, House Research	Tom Bottern, Senate Counsel and Research
Helen Roberts, House Fiscal Analyst	Kevin Lundeen, Senate Fiscal Analyst
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