



TO: Members of the Legislative Commission on Pensions and Retirement
FROM: Lawrence A. Martin, Executive Director *JLM*
RE: Summary of the 2014 Omnibus Retirement Bill Through March 18, 2014
DATE: March 19, 2014

Introduction

The Legislative Commission on Pensions and Retirement has decided to amalgamate its public pension legislation recommendations into an omnibus retirement bill.

This memorandum summarizes the contents of 2014 Omnibus Retirement Bill as assembled by the Pension Commission through March 18, 2014.

Source Legislation for the 2014 Omnibus Retirement Bill through March 18, 2014

Delete-everything amendment S1803-20A, drawn as a delete-all amendment to S.F. 1803 (Pappas); H.F. 1951 (Murphy, M.), includes all or portions of the contents of the following retirement bills:

1. SF 713 (Pappas); HF 872 (Kahn): MnSCU; Eliminate early retirement incentive sunset date.
2. SF 764 (Pappas); HF 871 (Kahn): MnSCU; Eliminate sunset date on eligibility to elect TRA coverage.
3. SF 765 (Pappas); HF 870 (Kahn): MnSCU; Increase maximum salary for the annuitant return-to-work provision.
4. SF 1326 (Goodwin); HF 1410 (Nelson): MSRS; Deferred members permitted to vote in board elections.
5. SF 1713 (Pappas); HF 2163 (Nelson): Statewide plans; Investment authority and investment modifications.
6. SF 1802 (Pappas); HF 2520 (Lesch): SPTRFA; Amortization target date revision; additional state aid.
7. SF 1803 (Pappas); HF 1951 (Murphy, M.): TRA/DTRFA; Full consolidation of the Duluth Teachers Retirement Fund Association.
8. SF 1943 (Pederson); HF 1873 (O'Driscoll): PERA-General; Coverage exclusion for St. Cloud Metropolitan Transit Commission employees.
9. SF 1951 (Pappas); HF 2427 (Atkins): Clarifying the eligibility of independent nonprofit firefighting corporations to receive state aid.
10. SF 2015 (Pappas); HF 2524 (Nelson): PERA; PERA-P&F; Salary reporting requirements, early retirement provision application to sheriffs clarified, and postretirement option program revised and expiration date extended.
11. SF 2148 (Westrom); HF 1894 (McNamar): PERA-General; Coverage for Stevens County Housing and Redevelopment Authority employees.
12. SF 2263 (Pappas); HF 2448 (Nelson): PERA-General; Employee and employer contribution rate revisions.
13. SF 2429 (Pappas); HF 2218 (Murphy, M.): State Auditor's Volunteer Fire Working Group recommendations.
14. SF 2441 (Pappas); HF 3013 (Nelson): MSRS-General, MSRS-Correctional: Employee and employer contribution rate revisions (*adopted in the form of amendment S2263-5A*).
15. SF 2532 (Hayden); HF 2554 (Kahn): PERA-P&F; Minneapolis police and fire consolidation law post-retirement adjustment clarification.
16. SF 2680 (Eken); HF 1352 (Marquart): PERA-P&F; Disability benefit application deadline extension for a certain former Wadena County sheriff's deputy.
17. S.F. xxxx; H.F. 2597 (Murphy, M.): Police and fire state aid; Correction of drafting errors.

General Summary of the 2014 Omnibus Retirement Bill, Delete-All Amendment S1803-20A

Article 1: Retirement Plan Membership Inclusions and Exclusions. (SF1943/HF 1873; SF2148/HF 1894)

- Grandparents into PERA-General coverage the employees of the Housing and Redevelopment Authority of Stevens County who were employed before May 1, 2014, and validates past PERA-General retirement coverage for and retirement fund contributions by or on behalf of current Stevens County HRA employees.
- Ratifies in statute the current pension coverage situation of bus drivers employed by the St. Cloud Metropolitan Transit Commission, with the fixed-route bus drivers employed by the St. Cloud MTC covered by the Teamsters Central States Pension Plan and Fund and excluded from retirement coverage by PERA-General.

Article 2: Governing Board Provisions. (SF1326/HF1410)

- Modifies the Minnesota State Retirement System (MSRS) board membership provision to permit deferred retirees to vote in board member elections, generally for active member board position(s).

Article 3: Retirement Plan Contribution Rate Changes. (SF2263/HF2448; Amendment S2263-5A, drawn from SF2441/HF3013)

- Increases the General State Employees Retirement Plan of the Minnesota State Retirement System (MSRS-General) member and employer contribution rates by 0.5% of pay each on July 1, 2014.
- Increases the MSRS Correctional State Employees Retirement Plan MSRS-Correctional member contribution rate by 0.5% of pay and the employer contribution rate by 0.75% of pay on July 1, 2014.
- Increases the General Employees Retirement Plan of the Public Employees Retirement Association (PERA-General) member and employer contribution rates by 0.25% of pay each on January 1, 2015.
- Modifies the PERA contribution stabilizer provision by making any contribution rate increases or decreases under the mechanism effective on January 1 of the following calendar year.

Article 4: TRA-DTRFA Consolidation. (SF1803/HF1951)

- Mandates a full consolidation of the Duluth Teachers Retirement Fund Association (DTRFA) into the Teachers Retirement Association (TRA) over the period 2014-2015, to be completed on June 30, 2015, if approved by the DTRFA board of trustees and membership and by the TRA board of directors, and revises statutory references to the DTRFA upon consolidation.
- Provides \$14,031,000 annually in new state aid to TRA to fund the consolidation.

Article 5: First Class City Teacher Retirement Fund Association Changes. (SF1802/HF2520)

- Makes the \$7,000,000 FY2014-FY2015 state aid to the St. Paul Teachers Retirement Fund Association (SPTRFA) an open and standing appropriation.
- Resets the SPTRFA state aid termination upon the plan's full funding target date if earlier than actual full funding.
- Replaces the SPTRFA rolling 25-year amortization target date with a 2042 amortization target date.

Article 6: MnSCU-Related Provisions. (SF713/HF872; SF764/HF871; SF765/HF870)

- Extends to June 30, 2019, the authority for MnSCU permanent, thus continuing to allow MnSCU college or university presidents or the Chancellor, with respect to the Chancellor's office, to offer to system employees who are at least age 55, who have been employed by MnSCU for at least five years, and who comply with other eligibility requirements formulated by the MnSCU board of trustees, one or a combination of a cash payment, not to exceed one year of base salary, and employer contributions to the post-retirement Health Care Savings Plan, without any specific limit.
- Allows faculty members hired by MnSCU after June 30, 2014, to have an opportunity to elect between the higher education Individual Retirement Account Plan (IRAP) coverage, a defined contribution retirement plan, and the Teachers Retirement Plan (TRA), a defined benefit retirement plan, upon achieving tenure.
- Increases the amount that a MnSCU retiree from MSRS-General, TRA, or a first class city teacher retirement fund association, upon reemployment part-time by MnSCU, can earn without triggering the usual reemployed annuitant earnings limitations from \$46,000 annually to \$62,000.

Article 7: Police and Firefighter Pension Changes. (SF1951/HF2727; SF2532/HF2554; SFxxx/HF2597)

- Clarifies Minneapolis police and firefighter law post-retirement adjustments consistent with 2013 PERA-P&F post-retirement adjustment changes.
- Corrects drafting errors in the 2013 amortization state aid amendments and 2013 police and fire supplemental retirement state aid enactment.
- Clarifies the eligibility of independent nonprofit firefighting corporations to receive police and fire supplemental retirement state aid.

Article 8: Volunteer Firefighter Relief Association Changes. (SF2429/HF2218)

- Municipalities with full-time fire departments covered by the Public Employees Police and Fire Retirement Plan (PERA-P&F) that do not have a volunteer firefighter relief association, are not covered by the Statewide Lump-Sum Volunteer Firefighter Retirement Plan of the Public Employees Retirement Association (PERA-SVF), and have a PERA-P&F employer contribution requirement equal to or greater than its fire state aid are excluded from filing a fire state aid annual financial report.
- A limit of 5% of a retirement plan's assets on a market value basis is specified in the large retirement plan investment legal list of authorized investment securities for unrated bonds or bonds rated below the top four quality categories.
- The specification of the benefit plan provisions in force on the date of retirement plan active membership termination as the governing law for deferred service pensions from defined contribution relief associations or defined benefit relief associations are aggregated into a single provision and the aggregated provision is extended to the eligibility for or computation of ancillary benefits.
- Amounts previously forfeited by a defined contribution relief association member who terminated active service or had a break in service is clarified as not open to reinstatement upon a return to active service.
- If the defined contribution relief association bylaws or articles so permit, an ancillary benefit (i.e., disability benefit or survivor benefits) may be paid to or on behalf of an inactive former member.
- The requirement for ratification of volunteer firefighter relief association plan amendments affecting coverage or benefits are clarified as the municipality served by the fire department to which the relief association is directly associated for municipal volunteer firefighter relief associations or as the independent nonprofit firefighting corporation board for volunteer firefighter relief associations that are subsidiary to independent nonprofit firefighting corporations.
- For volunteer firefighter relief associations that are subsidiaries of independent nonprofit firefighting corporations are required to file actuarial condition and funding cost determinations with the nonprofit firefighting corporation board rather than with the municipality in which the relief association is located.
- For purposes of the reimbursement of the mandated volunteer fire supplemental benefit for lump sum service pension recipients, the term "regular lump-sum distribution" is defined to be the pre-tax benefit distribution, but to exclude interest credited during deferral periods.

Article 9: Miscellaneous Retirement Provisions. (SF1713/HF2163; SF2015/HF2524)

- Offerings under the Supplemental Fund (the Income Share Account, Growth Account, Bond Account, International Share Account, Money Market Account, Fixed Income Account, Bond Market Account, and Common Stock Index Account) will no longer be named and specified in statute, and SBI will be able to revise offerings at will.
- Expands the investment exclusion from liability provision in the Minnesota State Deferred Compensation Plan to also shield the SBI executive director and staff, and adds comparable investment exclusion from liability provisions to MSRS-Unclassified, the MSRS Health Care Savings Plan, and the Public Employees Defined Contribution Plan.
- Revises the PERA employing unit payroll reporting requirements to separately identify overtime and compensatory time pay.
- Extends the PERA Post-Retirement Options (PRO) Program from June 30, 2014, to June 30, 2024; and requires that PERA PRO employment be with the same governmental subdivision from which the employee retired, rather than with any governmental subdivision.
- Permits county sheriffs about one additional month to retire (February 1, 2015, rather than early January 2015) and take advantage of PERA-P&F early retirement provision before the phase-in of slightly less favorable early retirement treatment.

Article 10: One Person and Small Group Retirement Provisions. (SF2680/HF1352)

- Extends the Public Employees Police and Fire Retirement Plan (PERA-P&F) disability benefit application deadline for certain Wadena County sheriff's deputies.

Section-by-Section Summary of the 2014 Omnibus Retirement Bill

A section-by-section summary of the 2014 Omnibus Retirement Bill (S1803-20A) is attached.

cc: Jim Gelbmann, House Gov Ops Committee
Mark Shepard, House Research
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Sen. John C. Pederson
Sen. Torrey Westrom
Sen. Kent Eken

Section-by-Section Summary of the 2014 Omnibus Retirement Bill, Delete-All Amendment S1803-20A

Sec.	Pg.Ln	Source Bill(s)	Stat. Provision	Retirement Plan	Summary
Article 1: Retirement Plan Membership Inclusions and Exclusions					
1	1.7	SF 2148 (Westrom); HF 1894 (McNamar)	353.01, Subd. 2a	PERA-General	Includes employees of the Stevens County Housing and Redevelopment Authority employees hired before 5/1/2014 in PERA-General coverage.
2	2.21	SF 1943 (Pederson); HF 1873 (O'Driscoll)	353.01, Subd. 2b	PERA-General	Corrects a union local member number related to a carpenter exclusion and adds an exclusion for full-time fixed route bus drivers employed by the St. Cloud Metropolitan Transit Commission who are covered by the Teamsters Central States Pension Plan.
3	5.34	Amend. S1943-1A to SF 1943 (Pederson); HF 1873 (O'Driscoll)	356.24, Subd. 1	Supplemental Plan Restrictions	Adds the Teamsters Central States Pension Plan as an eligible plan for employer contributions by the St. Cloud Metropolitan Transit Commission.
4	8.6	SF 2148 (Westrom); HF 1894 (McNamar)	Uncoded	PERA-General	Validates and ratifies past Stevens Co. HRA contributions, service credit, and coverage for pre-5/1/2014 employees.
Article 2: Retirement Governing Board Provisions					
1	8.28	SF 1326 (Goodwin); HF 1410 (Nelson)	352.03, Subd. 1	MSRS	Permits deferred members to vote in active member board of directors seats.
2	9.33	SF 1326 (Goodwin); HF 1410 (Nelson)	352.03, Subd. 1a	MSRS	Divides existing subdivision into two subdivisions, adding a provision that specifies the limitations on membership voting for membership-elected board of directors seat.
Article 3: Retirement Plan Contribution Rate Changes					
1	10.19	SF 2441 (Pappas); HF 3013 (Nelson)	352.04, Subd. 2	MSRS-General	Increases the member contribution rate by 0.5% of pay on 7/1/2014.
2	10.33	SF 2441 (Pappas); HF 3013 (Nelson)	352.04, Subd. 3	MSRS-General	Increases the employer contribution rate by 0.5% of pay on 7/1/2014.
3	11.12	SF 2441 (Pappas); HF 3013 (Nelson)	352.92, Subd. 1	MSRS- Correctional	Increases the member contribution rate by 0.5% of pay on 7/1/2014.
4	11.26	SF 2441 (Pappas); HF 3013 (Nelson)	352.92, Subd. 2	MSRS- Correctional	Increases the employer contribution rate by 0.75% of pay on 7/1/2014.
5	12.3	SF 2263 (Pappas); HF 2448 (Nelson)	353.27, Subd. 2	PERA-General	Increases the member contribution rate by 0.25% of pay on 1/1/2015.
6	12.18	SF 2263 (Pappas); HF 2448 (Nelson)	353.27, Subd. 3	PERA-General	Increases the employer contribution rate by 0.25% of pay on 1/1/2015.
7	12.31	SF 2263 (Pappas); HF 2448 (Nelson)	353.27, Subd. 3b	PERA-General	Modifies the PERA contribution stabilizer provision by making any contribution rate increases or decreases under the mechanism effective on January 1 of the following calendar year.
Article 4: TRA-DTRFA Consolidation					
1	15.22	SF 1803 (Pappas); HF 1951 (Murphy, M.)	13.632, Subd. 1	Government data practices	Eliminates DTRFA reference from a data privacy provision.
2	15.27	SF 1803 (Pappas); HF 1951 (Murphy, M.)	122A.18, Subd. 7a	School districts	Eliminates MTRFA and DTRFA references from a substitute teaching provision.
3	16.15	SF 1803 (Pappas); HF 1951 (Murphy, M.)	353.01, Subd. 2b	PERA	Eliminates DTRFA reference from the membership inclusion provision.
4	19.24	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354.05, Subd. 2	TRA	Eliminates Duluth teacher exclusion from the membership inclusion provision.
5	20.26	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354.05, Subd. 13	TRA	Adds service credited by DTRFA before 7/1/2015 to TRA allowable service definition and updates the language usage and style of the provision.
6	22.10	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354.42, Subd. 2	TRA	Consolidates TRA basic program and TRA coordinated program member contribution paragraphs and eliminates obsolete percentage specifications.
7	22.35	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354.42, Subd. 3	TRA	Eliminates duplicative former MTRFA member employer contribution percentage rates, adds former DTRFA member employer contribution percentage requirement, and updates the language usage and style of the provision.
8	23.32	Amend. S1803-18A to SF 1803 (Pappas); HF 1951 (Murphy, M.)	354.436	TRA State aid	Adds the \$14,377,000 annual appropriation as the DTRFA consolidation state aid amount to the former MTRFA state aid provision in TRA law and revises the TRA state aid expiration provision, setting the expiration date as the October 1 next following the date on which TRA becomes fully funded and when the TRA contribution rates are first subject to a reduction under the statutory contribution rate stabilizer provision.
9	24.18	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354.44, Subd. 6	TRA	Adds an appropriate effective date provision for former DTRFA members for the 1.9% per year of service credit benefit accrual rate.

Section-by-Section Summary of the 2014 Omnibus Retirement Bill, Delete-All Amendment S1803-20A

Sec.	Pg.Ln	Source Bill(s)	Stat. Provision	Retirement Plan	Summary
10	27.17	SF 1803 (Pappas); HF 1951 (Murphy, M.)	New 354.73	TRA DTRFA	With Sec. 46, provides for a 7/1/2015 full consolidation of the Duluth Teachers Retirement Fund Association into the Teachers Retirement Association, with a transfer of members, service credit, pension liability, records, and assets on 6/30/2015, or 7/1/2015, as appropriate, clarifies the calculation of pre-7/1/2015 benefits for former DTRFA members and future post-retirement adjustments, and terminates the DTRFA as a retirement fund.
11	28.24	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354A.011, Subd. 11	First class city teacher plans	Removes DTRFA from "coordinated member" definition.
12	29.1	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354A.011, Subd. 15a	First class city teacher plans	Removes DTRA from "normal retirement age" definition.
13	29.18	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354A.011, Subd. 27	First class city teacher plans	Limits "teacher" definition to SPTRFA.
14	30.17	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354A.021, Subd. 1	First class city teacher plans	Eliminates DTRA from the first class city teacher retirement fund association establishment authorization.
15	30.25	Amend. S1803-4A to SF 1803 (Pappas); HF 1951 (Murphy, M.)	New Section 354A.022	DTRFA, SBI	Permits DTRFA to certify assets to the State Board of Investment.
16	31.6	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354A.092	First class city teacher plans	Eliminates DTRFA from the provision and updates the language usage and style of the sabbatical leave provision.
17	32.1	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354A.093, Subd. 1	First class city teacher plans	Eliminates DTRFA from the uniformed leave provision and updates the language usage and style of the provision.
18	32.12	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354A.096	First class city teacher plans	Eliminates DTRFA from the medical leave provision.
19	32.33	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354A.12, Subd. 1	First class city teacher plans	Eliminates DTRFA from the provision and updates the language usage and style of the member contributions provision.
20	33.28	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354A.12, Subd. 2	First class city teacher plans	Eliminates DTRFA from the provision and updates the language usage and style of the tax levy prohibition provision.
21	33.35	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354A.12, Subd. 2a	First class city teacher plans	Eliminates DTRFA from the provision and updates the language usage and style of the employer contributions provision.
22	35.10	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354A.12, Subd. 3a	First class city teacher plans	Eliminates the DTRFA state aid redirected to TRA in Sec. 8.
23	35.20	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354A.31, Subd. 1	First class city teacher plans	Eliminates DTRFA from the provision and updates the language usage and style of the state aid provision.
24	35.28	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354A.32, Subd. 1	First class city teacher plans	Eliminates DTRFA from the optional annuity provision and updates the language usage and style of the provision.
25	36.9	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354A.35, Subd. 1	First class city teacher plans	Eliminates DTRFA from the death refund provision and updates the language usage and style of the provision.
26	36.24	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354A.37, Subd. 3	First class city teacher plans	Eliminates DTRFA from the refund amount provision and updates the language usage and style of the provision.
27	36.32	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354A.37, Subd. 4	First class city teacher plans	Eliminates DTRFA from the normal retirement age refund provision and updates the language usage and style of the provision.
28	37.10	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354A.39	First class city teacher plans	Eliminates DTRFA from the retirement annuity portability provision.
29	37.31	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354A.41	First class city teacher plans	Eliminates DTRFA from the administrative provisions provision, effective 6/30/2015.
30	38.22	SF 1803 (Pappas); HF 1951 (Murphy, M.)	354B.21, Subd. 3a	First class city teacher plans	Replaces DTRFA reference with a reference to the former Duluth Teachers Retirement Fund Association in the Higher Education IRAP coverage election provision.
31	39.5	SF 1803 (Pappas); HF 1951 (Murphy, M.)	355.01, Subd. 2c	First class city teacher plans	Revises a cross-reference for Duluth teachers from the first class city teacher law to TRA law.
32	39.9	SF 1803 (Pappas); HF 1951 (Murphy, M.)	356.20, Subd. 2	Retirement, generally	Eliminates DTRFA from the annual financial reporting requirement provision.
33	40.1	SF 1803 (Pappas); HF 1951 (Murphy, M.)	356.214, Subd. 1	Retirement, generally	Eliminates DTRFA from the consulting actuary retention provision.
34	41.22	SF 1803 (Pappas); HF 1951 (Murphy, M.)	356.215, Subd. 8	Retirement, generally	Eliminates DTRFA from the interest and alary actuarial assumptions provision.
35	46.23	SF 1803 (Pappas); HF 1951 (Murphy, M.)	356.219, Subd. 8	Retirement, generally	Eliminates DTRFA from the provision and updates the language usage and style of the local pension fund investment reporting provision.

Section-by-Section Summary of the 2014 Omnibus Retirement Bill, Delete-All Amendment S1803-20A

Sec.	Pg.Ln	Source Bill(s)	Stat. Provision	Retirement Plan	Summary
36	47.6	SF 1803 (Pappas); HF 1951 (Murphy, M.)	356.30, Subd. 3	Retirement, generally	Eliminates DTRFA from the combined service annuity provision.
37	47.30	SF 1803 (Pappas); HF 1951 (Murphy, M.)	356.302, Subd. 7	Retirement, generally	Eliminates DTRFA from the provision combined service disability benefit.
38	48.18	SF 1803 (Pappas); HF 1951 (Murphy, M.)	356.303, Subd. 4	Retirement, generally	Eliminates DTRFA from the combined service survivor benefit provision.
39	49.6	SF 1803 (Pappas); HF 1951 (Murphy, M.)	356.32, Subd. 2	Retirement, generally	Eliminates DTRFA from the age 65 proportionate annuity provision.
40	49.24	SF 1803 (Pappas); HF 1951 (Murphy, M.)	356.401, Subd. 3	Retirement, generally	Eliminates DTRFA from the exemption from legal process provision.
41	50.20	SF 1803 (Pappas); HF 1951 (Murphy, M.)	356.42, Subd. 3	Retirement, generally	Eliminates DTRFA from the special post-retirement adjustments provision.
42	51.1	SF 1803 (Pappas); HF 1951 (Murphy, M.)	356.465, Subd. 3	Retirement, generally	Eliminates DTRFA from the supplemental needs trust provision.
43	51.23	SF 1803 (Pappas); HF 1951 (Murphy, M.)	356.47, Subd. 3	Retirement, generally	Eliminates DTRFA from the reemployed annuitant earnings limit provision.
44	52.21	SF 1803 (Pappas); HF 1951 (Murphy, M.)	356.99, Subd. 1	Retirement, generally	Eliminates DTRFA from the erroneous coverage correction provision.
45	53.1	SF 1803 (Pappas); HF 1951 (Murphy, M.)	423A.02, Subd. 3	Amortization state aid	Folds the 10% reallocation aid currently payable to DTRFA into the aid payable to TRA and eliminates DTRFA reference.
46	53.23	SF 1803 (Pappas); HF 1951 (Murphy, M.)	Uncoded	DTRFA TRA	Provides, with Sec. 10, for the retirement plan consolidation, containing all of the temporary/transitional portions of the consolidation. Fiscal Year end 2015 audit services are required to be provided under contract with TRA by the Legislative Auditor's Office and any additional audit services are to be provided by either the State Auditor or the Legislative Auditor as determined by the TRA board.
47	56.22	SF 1803 (Pappas); HF 1951 (Murphy, M.)	Uncoded	DTRFA employees	Provides for the post-consolidation employment of the employees, other than the DTRFA executive director, by TRA without the loss of pay rate or employment benefits.
48	57.18	SF 1803 (Pappas); HF 1951 (Murphy, M.)	Repealer	--	Repeals the following sections of Minnesota Statutes: – 354A.021, Subd. 5, the tax-sheltered annuity authorization only used by DTRFA – 354A.108, DTRFA salary credit for Workers Compensation payments – 354A.24, DTRFA Coordinated Programs authorization. – 354A.27, Subd. 5, 6a, and 7, DTRFA post-retirement adjustment – 354A.31, Subd. 4a, DTRFA normal retirement annuity computation
49	57.23	SF 1803 (Pappas); HF 1951 (Murphy, M.)	Effective Date	--	Effective June 30, 2015, if the governing body of the DTRFA, the membership of the DTRFA, and the governing body of the TRA approve the legislation before 1/1/2015.

Article 5: First Class City Teacher Retirement Fund Association Changes

1	58.7	SF 1802 (Pappas); HF 2520 (Lesch)	354A.12, Subd. 3a	SPTRFA	Makes 2013 \$7 million temporary state aid ongoing until full funding or amortization target date is reached.
2	58.20	SF 1802 (Pappas); HF 2520 (Lesch)	354A.12, Subd. 3c	SPTRFA	Resets the SPTRFA state aid termination upon the plan's full funding target date if earlier than actual full funding.
3	59.5	SF 1802 (Pappas); HF 2520 (Lesch)	356.215, Subd. 11	SPTRFA	Replaces the SPTRFA rolling 25-year amortization target date with a 2042 amortization target date

Article 6: MnSCU-Related Provisions

1	61.30	SF 713 (Pappas); HF 872 (Kahn)	136F.481	MnSCU	Extends the early retirement incentive payment authority to 6/30/2019, and requires the MnSCU board to periodically revise the program eligibility requirements.
2	63.10	SF 765 (Pappas); HF 870 (Kahn)	352.1155, Subd. 1	MSRS-General	Exempts from reemployed annuitant earnings limit MnSCU reemployed retirees with annual salary limit increased from \$46,000 to \$62,000.
3	63.26	SF 765 (Pappas); HF 870 (Kahn)	352.1155, Subd. 4	MSRS-General	Exempts from reemployed annuitant earnings limit MnSCU reemployed retirees with annual salary limit increased from \$46,000 to \$62,000.
4	63.32	SF 765 (Pappas); HF 870 (Kahn)	354.445	TRA	Exempts from reemployed annuitant earnings limit MnSCU reemployed retirees with annual salary limit increased from \$46,000 to \$62,000.
5	65.1	SF 765 (Pappas); HF 870 (Kahn)	354A.31, Subd. 3a	First class city teachers	Exempts from reemployed annuitant earnings limit MnSCU reemployed retirees with annual salary limit increased from \$46,000 to \$62,000.
6	65.27	SF 764 (Pappas); HF 871 (Kahn)	354B.21, Subd. 2	TRA	Extends second chance coverage election upon reaching tenure to post-6/30/2014 hires.
7	66.32	SF 713 (Pappas); HF 872 (Kahn)	Laws 2009, Ch. 69, Art. 6, Sec. 1	MnSCU	Eliminates sunset date from the effective date of the early retirement incentive program authority.

Section-by-Section Summary of the 2014 Omnibus Retirement Bill, Delete-All Amendment S1803-20A

Sec.	Pg.Ln	Source Bill(s)	Stat. Provision	Retirement Plan	Summary
Article 7: Police and Firefighter Pension Changes					
1	67.6	SF 2532 (Hayden); HF 2554 (Kahn)	353.6511, Subd. 7	PERA-P&F	Clarifies post-retirement adjustment cross-reference for the former Minneapolis Firefighters Relief Association consolidation law.
2	67.20	SF 2532 (Hayden); HF 2554 (Kahn)	353.6512, Subd. 7	PERA-P&F	Clarifies post-retirement adjustment cross-reference for the former Minneapolis Police Relief Association consolidation law.
3	67.29	SF xxxx; HF 2597 (Murphy, M.)	423A.02, Subd. 3	Amortization state aid	Corrects erroneous cross-reference governing the reallocation of a portion of aid retroactive for 2013.
4	68.19	SF 1951 (Pappas); HF 2427 (Atkins)	423A.022, Subd. 2	P&F suppl. retire- ment state aid	Corrects percentage allocations so total equals 100% and defines "municipality" for allocation to include independent nonprofit firefighting corporations retroactive for 2013.
5	69.10	SF 1951 (Pappas); HF 2427 (Atkins)	423A.022, Subd. 3	P&F suppl. retire- ment state aid	Eliminates unnecessary "police officer" and "firefighter" definitions.
6	70.1	Amend. S1951-5A to SF 1951 (Pappas); HF 2427 (Atkins)	Uncoded	P&F suppl. retire- ment state aid	Provides independent nonprofit firefighting corporations omitted from 2013 aid allocation with extra allocation off the top to correct 2013 omission.
Article 8: Volunteer Firefighter Relief Association Changes					
1	70.26	SF 2429 (Pappas); HF 2218 (Murphy, M.)	69.051, Subd. 1a	Fire state aid financial reporting	Updates the accountant certification requirement by replacing a reference to independent public accountants with a reference to certified public accountants.
2	71.30	SF 2429 (Pappas); HF 2218 (Murphy, M.)	69.051, Subd. 3	Fire state aid financial reporting	Excludes from reporting municipalities with only paid firefighters where the fire state aid received is fully used to fund its PERA-P&F employer obligation if so certified by PERA.
3	72.34	SF 2429 (Pappas); HF 2218 (Murphy, M.)	356A.06, Subd. 7	Fiduciary resp, investment reg.	Clarifies the portfolio limit for some "other type" security investments.
4	76.25	SF 2429 (Pappas); HF 2218 (Murphy, M.)	356A.06, Subd. 7a	Fiduciary resp, investment reg.	Corrects a cross-reference in the investment security lending restrictions.
5	77.1	SF 2429 (Pappas); HF 2218 (Murphy, M.)	424A.015, New Subd. 6	VFRA benefit regulation	Consolidates in one provision the specification that benefit calculation is governed by the law, article, or bylaw when active fire department service and relief association membership ends.
6	77.9	SF 2429 (Pappas); HF 2218 (Murphy, M.)	424A.016, Subd. 4	VFRA benefit regulation	Clarifies the ban on reinstatement of forfeited defined contribution plan account amounts upon the resumption of active service after a break in service.
7	78.19	SF 2429 (Pappas); HF 2218 (Murphy, M.)	424A.016, Subd. 6	VFRA benefit regulation	Eliminates the defined contribution plan provision consolidated into a general law provision in section 5.
8	79.32	SF 2429 (Pappas); HF 2218 (Murphy, M.)	424A.016, Subd. 7	VFRA benefit regulation	Clarifies authority to pay an ancillary benefit to, or on behalf of, an inactive or deferred member in a defined contribution plan that allows it.
9	80.26	SF 2429 (Pappas); HF 2218 (Murphy, M.)	424A.02, Subd. 3	VFRA benefit regulation	Eliminates an obsolete reference and eliminates obsolete internal effective dates.
10	88.1	SF 2429 (Pappas); HF 2218 (Murphy, M.)	424A.02, Subd. 7	VFRA benefit regulation	Corrects a board of trustee reference and eliminates the defined benefit plan provision consolidated into a general law provision in section 5.
11	89.26	SF 2429 (Pappas); HF 2218 (Murphy, M.)	424A.08	Fire state aid disbursements	Eliminates an obsolete reference.
12	90.21	SF 2429 (Pappas); HF 2218 (Murphy, M.)	424A.092, Subd. 6	VFRA benefit plan ratification	Clarifies the municipality or independent nonprofit firefighting corporation benefit increase ratification requirement.
13	91.23	SF 2429 (Pappas); HF 2218 (Murphy, M.)	424A.093, Subd. 2	Volunteer fire guidelines act	Clarifies the municipality or independent nonprofit firefighting corporation filing requirement.
14	92.10	SF 2429 (Pappas); HF 2218 (Murphy, M.)	424A.093, Subd. 6	Volunteer fire guidelines act	Clarifies the municipality or independent nonprofit firefighting corporation benefit increase ratification requirement.
15	93.9	SF 2429 (Pappas); HF 2218 (Murphy, M.)	424A.094, Subd. 2	Volunteer fire guidelines act	Adds a substantively appropriate additional cross-reference.
16	94.2	SF 2429 (Pappas); HF 2218 (Murphy, M.)	424A.10, Subd. 2	VFRA supple- mental benefit	Defines "lump sum benefit" for supplemental benefit authorization.
17	94.31	SF 2429 (Pappas); HF 2218 (Murphy, M.)	424B.12	VFRA consol. dissolution	Corrects incorrect cross-references.
Article 9: Miscellaneous Retirement Provisions					
1	95.20	SF 1713 (Pappas); HF 2163 (Nelson)	11A.17, Subd. 1	SBI	The Supplemental Fund provision is revised to give SBI full discretion to revise and name investment offerings without need for legislative action, and it is clarified that those investments must be consistent with the SBI investment authority provision.
2	96.2	SF 1713 (Pappas); HF 2163 (Nelson)	11A.17, Subd. 9	SBI	Conforming changes are made in the Supplemental Fund account valuation provision.

Section-by-Section Summary of the 2014 Omnibus Retirement Bill, Delete-All Amendment S1803-20A

Sec.	Pg.Ln	Source Bill(s)	Stat. Provision	Retirement Plan	Summary
3	96.13	SF 1713 (Pappas); HF 2163 (Nelson)	352.965, Subd. 4	Minn. Deferred Comp. Plan	The Minnesota State Deferred Compensation Plan investment authority provision is revised to specify investment authority by cross-reference to new Sec. 356.645 rather than listing permissible investments, and by striking language to be moved to new subdivisions.
4	97.8	SF 1713 (Pappas); HF 2163 (Nelson)	352.965, New Subd. 4a	Minn. Deferred Comp. Plan	Contains deferred compensation plan exclusive benefit language being moved from another subdivision.
5	97.16	SF 1713 (Pappas); HF 2163 (Nelson)	352.965, New Subd. 4b	Minn. Deferred Comp. Plan	Contains deferred compensation plan employer contribution prohibition language being moved from another subdivision.
6	97.21	SF 1713 (Pappas); HF 2163 (Nelson)	352.98, Subd. 2	Health Care Savings Plan	The Health Care Savings Plan contracting provision is revised to specify permissible investments by cross-reference to new section 356.645, and by expanding permissible investment options.
7	98.1	SF 1713 (Pappas); HF 2163 (Nelson)	352D.04, New Subd. 1a	MSRS- Unclassified	New subdivision specifying that SBI will select suitable investment offerings from the authorized investments under new Sec. 356.645.
8	98.7	SF 1713 (Pappas); HF 2163 (Nelson)	352D.04, New Subd. 1b	MSRS- Unclassified	A participant selection of investments subdivision is created, largely by moving language from a provision being repealed, and the default investment allocation, rather than being the Income Share Account, will be specified by the MSRS board.
9	98.28	SF 2015 (Pappas); HF 2524 (Nelson)	353.27, Subd. 4	PERA	Revises employer paid period reporting requirements by requiring a separate identification of salary due to overtime or compensatory pay.
10	100.24	SF 2015 (Pappas); HF 2524 (Nelson)	353.371, New Subd. 8	PERA	An expiration provision is added to the PRO program statute, requiring the program to expire on 6/30/2024.
11	100.30	SF 2015 (Pappas); HF 2524 (Nelson)	353.651, Subd. 4	PERA-P&F	The PERA-P&F early retirement provision is revised by removing language of temporary application and specific to county sheriffs, which is moved in slightly altered form to an uncoded provision.
12	102.4	SF 1713 (Pappas); HF 2163 (Nelson)	353D.05, Subd. 1	PERA Def. Contrib. Plan	The Public Employees Defined Contribution Plan investment authority is expanded by specifying permissible investments by a cross-reference to new Sec. 356.645, rather than the Supplemental Fund.
13	102.12	SF 1713 (Pappas); HF 2163 (Nelson)	353D.05, New Subd. 1a	PERA Def. Contrib. Plan	A participant selection of investments subdivision is created, largely by moving language from a provision being repealed, and the default investment allocation, rather than being the Income Share Account, will be specified by the PERA board.
14	102.31	SF 1713 (Pappas); HF 2163 (Nelson)	New 356.645	SBI	The SBI shall determine investments to be made available under the Minn. State Deferred Compensation Plan, the Health Care Savings Plan, MSRS-Unclassified, and the PERA Defined Contribution Plan. Available investment will include: the Supplemental Fund; insured savings accounts; life insurance contracts and annuities from regulated companies; and various forms of mutual funds and similar investments.
15	103.21	Amend. S1713-2A to SF 1713 (Pappas); HF 2163 (Nelson)	New 356.646	Various	Clarifies plan participant investment direction responsibility.
16	104.4	SF 2015 (Pappas); HF 2524 (Nelson)	Laws 2009, Ch. 169, Art. 5, Sec. 2	PERA	As a conforming change to the addition of an expiration date subdivision to the Post Retirement Options program provision, an uncoded effective date/expiration date provision is revised by striking the expiration date.
17	104.10	SF 2015 (Pappas); HF 2524 (Nelson)	Uncoded	PERA-P&F	A temporary uncoded provision applicable to county sheriffs giving the sheriffs approximately one additional month (2/1/2015 rather than 1/5/2015), to terminate service and receive early retirement benefits before less favorable terms under the PERA-P&F general law early retirement provision would become applicable.
18	105.7	SF 1713 (Pappas); HF 2163 (Nelson)	Repealer	--	Repeals the following sections of Minnesota Statutes: – 11A.17, Subd. 4, a supplemental fund investment provision – 352.965, Subd. 5, a Deferred Compensation Plan SBI determination of investment provision – 352D, Subd. 1, the MSRS-Unclassified investment options provision – 353D.05, Subd. 2, the Public Employees Defined Contribution Plan investment options provision
Article 10: One Person and Small Group					
1	105.13	SF 2680 (Eken); HF 1352 (Marquart)	Uncoded	PERA-P&F	Extends the deadline for filing a disability benefit application for certain Wadena County sheriff's deputies.