

1.1 Senator moves to amend S.F. No. 1398, the first engrossment, as
1.2 follows:

1.3 Page 35, line 28, delete "current" and before the semicolon insert "of the calendar
1.4 year immediately before the adjustment"

1.5 Page 35, line 30, delete "current"

1.6 Page 35, line 31, after "30" insert "of the calendar year immediately before the
1.7 adjustment"

1.8 Page 36, line 17, strike "18" and insert "12"

1.9 Page 36, line 18, delete "current" and after "30" insert "of the calendar year
1.10 immediately before the adjustment"

1.11 Page 36, line 22, delete "current"

1.12 Page 36, line 23, after "30" insert "of the calendar year immediately before the
1.13 adjustment"

1.14 Page 37, after line 32, insert:

1.15 "Sec. 6. Minnesota Statutes 2014, section 356.415, subdivision 1b, is amended to read:

1.16 Subd. 1b. **Annual postretirement adjustments; PERA; general employees**

1.17 **retirement plan and local government correctional retirement plan.** (a) Retirement

1.18 annuity, disability benefit, or survivor benefit recipients of the general employees

1.19 retirement plan of the Public Employees Retirement Association and the local government

1.20 correctional service retirement plan are entitled to a postretirement adjustment annually

1.21 on January 1, as follows:

1.22 (1) for each successive January 1 until funding stability is restored for the applicable
1.23 retirement plan, a postretirement increase of one percent must be applied each year,
1.24 effective on January 1, to the monthly annuity or benefit amount of each annuitant or
1.25 benefit recipient who has been receiving an annuity or benefit for at least 12 full months as
1.26 of the ~~current~~ June 30 of the calendar year immediately before the adjustment;

1.27 (2) for each successive January 1 until funding stability is restored for the applicable
1.28 retirement plan, for each annuitant or benefit recipient who has been receiving an annuity
1.29 or a benefit for at least one full month, but less than 12 full months as of the ~~current~~ June
1.30 30 of the calendar year immediately before the adjustment, an annual postretirement
1.31 increase of 1/12 of one percent for each month the person has been receiving an annuity or
1.32 benefit must be applied;

1.33 (3) for each January 1 following the restoration of funding stability for the applicable
1.34 retirement plan, a postretirement increase of 2.5 percent must be applied each year,
1.35 effective January 1, to the monthly annuity or benefit amount of each annuitant or benefit

2.1 recipient who has been receiving an annuity or benefit for at least 12 full months as of the
 2.2 ~~current~~ June 30 of the calendar year immediately before the adjustment; and

2.3 (4) for each January 1 following restoration of funding stability for the applicable
 2.4 retirement plan, for each annuity or benefit recipient who has been receiving an annuity or
 2.5 a benefit for at least one full month, but less than 12 full months as of the ~~current~~ June
 2.6 30 of the calendar year immediately before the adjustment, an annual postretirement
 2.7 increase of 1/12 of 2.5 percent for each month the person has been receiving an annuity or
 2.8 benefit must be applied.

2.9 (b) Funding stability is restored when the market value of assets of the applicable
 2.10 retirement plan equals or exceeds 90 percent of the actuarial accrued liabilities of the
 2.11 applicable plan in the two most recent consecutive actuarial valuations prepared under
 2.12 section 356.215 and the standards for actuarial work by the approved actuary retained by
 2.13 the Public Employees Retirement Association under section 356.214.

2.14 (c) After having met the definition of funding stability under paragraph (b), the
 2.15 increase provided in paragraph (a), clauses (1) and (2), rather than an increase under
 2.16 subdivision 1, is again to be applied in a subsequent year or years if the market value of
 2.17 assets of the applicable plan equals or is less than:

2.18 (1) 85 percent of the actuarial accrued liabilities of the applicable plan for two
 2.19 consecutive actuarial valuations; or

2.20 (2) 80 percent of the actuarial accrued liabilities of the applicable plan for the most
 2.21 recent actuarial valuation.

2.22 (d) An increase in annuity or benefit payments under this section must be made
 2.23 automatically unless written notice is filed by the annuitant or benefit recipient with the
 2.24 executive director of the Public Employees Retirement Association requesting that the
 2.25 increase not be made.

2.26 **EFFECTIVE DATE.** This section is effective June 30, 2015."

2.27 Page 40, lines 2 and 14, delete "~~current~~" and before the semicolon insert "of the
 2.28 calendar year immediately before the adjustment"

2.29 Page 40, lines 6 and 17, delete "~~current~~" and before the comma insert "of the
 2.30 calendar year immediately before the adjustment"

2.31 Page 40, line 18, after "30" insert "of the calendar year immediately before the
 2.32 adjustment"

2.33 Page 41, line 21, delete "~~current~~" and after "30" insert "of the calendar year
 2.34 immediately before the adjustment"

2.35 Page 41, line 23, delete "~~current~~"

- 3.1 Page 41, line 24, after "30" insert " of the calendar year immediately before the
- 3.2 adjustment"
- 3.3 Page 42, line 14, delete "current" and after "30" insert " of the calendar year
- 3.4 immediately before the adjustment"
- 3.5 Page 42, line 16, delete "current"
- 3.6 Page 42, line 17, after "30" insert " of the calendar year immediately before the
- 3.7 adjustment"
- 3.8 Page 43, line 9, delete "current" and after "30" insert " of the calendar year
- 3.9 immediately before the adjustment"
- 3.10 Page 43, line 11, delete "current"
- 3.11 Page 43, line 12, after "30" insert " of the calendar year immediately before the
- 3.12 adjustment"
- 3.13 Renumber the sections in sequence
- 3.14 Amend the title accordingly