

1.1 *Unofficial engrossment of amendment LCPR14-01A as amended by the*
1.2 *Commission on March 4, 2014*

1.3 moves to amend S.F. No.; H.F. No., as follows:

1.4 Page ..., after line ..., insert:

1.5 "Sec. Minnesota Statutes 2013 Supplement, section 356.415, subdivision 1c,
1.6 is amended to read:

1.7 Subd. 1c. **Annual postretirement adjustments; PERA-police and fire.** (a)
1.8 Retirement annuity, disability benefit, or survivor benefit recipients of the public
1.9 employees police and fire retirement plan are entitled to a postretirement adjustment
1.10 annually on January 1, until funding stability is restored, as follows:

1.11 (1) for each annuitant or benefit recipient whose annuity or benefit effective date is
1.12 on or before June 1, 2014, who has been receiving the annuity or benefit for at least 12
1.13 full months as of the immediate preceding June 30, an amount equal to one percent in
1.14 each year; or

1.15 (2) for each annuitant or benefit recipient whose annuity or benefit effective date is
1.16 on or before June 1, 2014, who has been receiving the annuity or benefit for at least one
1.17 full month, but not less than 11 months, as of the immediate preceding June 30, an amount
1.18 equal to 1/12 of one percent for each month of annuity or benefit receipt; and

1.19 (3) for each annuitant or benefit recipient whose annuity or benefit effective date
1.20 is after June 1, 2014, unless section ... [CO. SHERIFF TEMPORARY PROVISION]
1.21 applies, who will have been receiving an annuity or benefit for at least 36 full months as of
1.22 the immediate preceding June 30, an amount equal to one percent; or

1.23 (4) for each annuitant or benefit recipient whose annuity or benefit effective date
1.24 is after June 1, 2014, unless section ... [CO. SHERIFF TEMPORARY PROVISION]
1.25 applies, who has been receiving the annuity or benefit for at least 25 full months, but less
1.26 than 36 months as of the immediate preceding June 30, an amount equal to 1/12 of one
1.27 percent for each full month of annuity or benefit receipt during the fiscal year in which the
1.28 annuity or benefit was effective.

1.29 (b) Retirement annuity, disability benefit, or survivor benefit recipients of the public
1.30 employees police and fire retirement plan are entitled to a postretirement adjustment
1.31 annually on each January 1 following the restoration of funding stability as defined under
1.32 paragraph (c) and during the continuation of funding stability as defined under paragraph
1.33 (c), as follows:

1.34 (1) for each annuitant or benefit recipient who has been receiving the annuity or
1.35 benefit for at least 36 full months as of the immediate preceding June 30, an amount
1.36 equal to the percentage increase in the Consumer Price Index for urban wage earners and

2.1 clerical workers all items index published by the Bureau of Labor Statistics of the United
2.2 States Department of Labor between the immediate preceding June 30 and the June 30
2.3 occurring 12 months previous, but not to exceed 2.5 percent; and

2.4 (2) for each annuitant or benefit recipient who has been receiving the annuity
2.5 or benefit for at least 25 full months, but less than 36 full months, as of the immediate
2.6 preceding June 30, an amount equal to 1/12 of the percentage increase in the Consumer
2.7 Price Index for urban wage earners and clerical workers all items index published by
2.8 the Bureau of Labor Statistics of the United States Department of Labor between the
2.9 immediate preceding June 30 and the June 30 occurring 12 months previous for each full
2.10 month of annuity or benefit receipt during the fiscal year in which the annuity or benefit
2.11 was effective, but not to exceed 1/12 of 2.5 percent for each full month of annuity or
2.12 benefit receipt during the fiscal year in which the annuity or benefit was effective.

2.13 (c) Funding stability is restored when the market value of assets of the public
2.14 employees police and fire retirement plan equals or exceeds 90 percent of the actuarial
2.15 accrued liabilities of the applicable plan in the two most recent consecutive actuarial
2.16 valuations prepared under section 356.215 and under the standards for actuarial work of
2.17 the Legislative Commission on Pensions and Retirement by the approved actuary retained
2.18 by the Public Employees Retirement Association under section 356.214.

2.19 (d) After having met the definition of funding stability under paragraph (c), a full
2.20 or prorated increase, as provided in paragraph (a), clause (1), (2), (3), or (4), whichever
2.21 applies, rather than adjustments under paragraph (b), is again applied in a subsequent year
2.22 or years if the market value of assets of the public employees police and fire retirement
2.23 plan equals or is less than:

2.24 (1) 85 percent of the actuarial accrued liabilities of the applicable plan for two
2.25 consecutive actuarial valuations; or

2.26 (2) 80 percent of the actuarial accrued liabilities of the applicable plan for the most
2.27 recent actuarial valuation.

2.28 (e) An increase in annuity or benefit payments under this section must be made
2.29 automatically unless written notice is filed by the annuitant or benefit recipient with the
2.30 executive director of the Public Employees Retirement Association requesting that the
2.31 increase not be made.

2.32 **EFFECTIVE DATE; EXPIRATION DATE.** This section is effective the day
2.33 following final enactment and expires on February 2, 2015.

2.34 Sec. **COUNTY SHERIFF TEMPORARY PROVISION; APPLICATION OF**
2.35 **POSTRETIREMENT ADJUSTMENT WAITING PERIOD.**

3.1 Subdivision 1. **Application.** Notwithstanding Minnesota Statutes, section 356.415,
3.2 subdivision 1c, paragraph (a), to the contrary, this section applies to a county sheriff who:
3.3 (1) terminates membership in the public employees police and fire retirement plan
3.4 after June 30, 2014, and by the final day in office in January 2015 as reported by the county;
3.5 (2) is at least age 50 but less than age 55 on the date of membership termination;
3.6 (3) is at least partially vested under Minnesota Statutes, section 353.01, subdivision
3.7 47, and meets all applicable requirements for receipt of a retirement annuity from the
3.8 public employees police and fire retirement plan; and
3.9 (4) has as the effective date for the commencement of the retirement annuity the day
3.10 following the date on which termination of public employees police and fire retirement
3.11 plan membership occurs.

3.12 Subd. 2. **Waiting period for initial postretirement adjustment eligibility.** A
3.13 person to whom subdivision 1 applies is eligible to receive the initial postretirement
3.14 adjustment under Minnesota Statutes, section 356.415, subdivision 1c, paragraph (a),
3.15 clause (1) or (2), whichever applies, rather than under Minnesota Statutes, section
3.16 356.415, subdivision 1c, paragraph (a), clause (3) or (4).

3.17 Subd. 3. **Expiration.** This section expires on February 2, 2015.

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