

1.1 ..... moves to amend H.F. No. 1908; S.F. No. 1774, as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2014, section 353.651, is amended by adding a  
1.4 subdivision to read:

1.5 **Subd. 6. Former local police and paid fire relief association postretirement**  
1.6 **adjustment.** (a) The executive director of the Public Employees Retirement Association  
1.7 shall adjust the service pension or disability benefit for any person who was a former  
1.8 member of a local salaried police or firefighters relief association that was governed by  
1.9 Minnesota Statutes 2012, section 69.77, that consolidated with the public employees police  
1.10 and fire retirement plan under Minnesota Statutes 2012, chapters 353A and 353B, and who  
1.11 elected to retain or whose benefit was a result of an election to retain the calculation of  
1.12 the service pension or disability benefit under the former local police or firefighters relief  
1.13 association laws, articles of incorporation, and bylaws. The postretirement adjustment  
1.14 must be according to paragraph (b).

1.15 (b) Effective July 1, 2016, the service pension and disability benefit of persons  
1.16 described in paragraph (a) must be adjusted as follows: all persons receiving a service  
1.17 pension based on 20 years or more of service or a disability benefit must have their  
1.18 benefits increased to \$38,000 annually or by 20 percent, whichever is less.

1.19 (c) Benefits as adjusted by paragraph (b) must continue to be adjusted on January  
1.20 1, 2017, and each successive January 1, by the postretirement adjustment rate under  
1.21 section 356.415, subdivision 1c.

1.22 (d) The estimated increase in the actuarial accrued liability of the public employees  
1.23 police and fire retirement plan for the postretirement adjustments in this subdivision is  
1.24 \$2,390,000, as of July 1, 2014. In order to fund the postretirement adjustments provided  
1.25 in this subdivision, the supplemental state aid authorized in section 423A.022 that would  
1.26 otherwise terminate under section 423A.022, subdivision 5, must continue for an additional  
1.27 one year and must be payable solely to the public employees police and fire retirement plan.

- 2.1 **EFFECTIVE DATE.** This section is effective the day following final enactment
- 2.2 and the postretirement adjustment under paragraph (b) is first payable July 1, 2016."