



TO: Members of the Legislative Commission on Pensions and Retirement

FROM: Ed Burek, Deputy Director *EB*

RE: Summary of 2009 Legislative Session Pension Legislation

DATE: June 3, 2009

This memo summarizes the 2009 Legislative Session pension provisions. Most of the pension provisions passed in the Omnibus Retirement Bill, SF 191 (Betzold), enacted as Laws 2009, Chapter 169. A few other provisions of relevance to the Commission passed in appropriations bills, tax bills, other substantive bills, or in a Revisor bill.

The first major section, Fund-Specific Legislation, summarizes all pension-related legislation for individual plans and for plans of a specific category, such as the first class city teacher plans, local police and paid fire plans, or volunteer fire plans. The second major section, General Pension Provisions, summarizes pension legislation applying to all public plans or to miscellaneous plan groupings. The third major section, Miscellaneous Provisions, mentions legislation which is not related directly to pension plan law but which is of interest to Legislative Commission on Pensions and Retirement members and public sector retirees.

## I. FUND-SPECIFIC LEGISLATION

### A. Minnesota State Retirement System (MSRS)

#### **General State Employees Retirement Plan (MSRS-General)**

1. Minnesota Post Retirement Investment Fund (Post Fund) Dissolution Conforming Changes. *Laws 2009, Ch. 169, Art. 1, Sec. 9-17. Source: SF 777 (Betzold); HF 1111 (Murphy, M.)*
  - (1) An MSRS applicable-law provision specifying that annuities are computed based on law in effect on the last day of pay is moved to a more suitable statutory location.
  - (2) The MSRS fund provision and fund disbursement provisions are revised to eliminate participation in the Post Fund.
  - (3) The MSRS provision requiring the State Board of Investment (SBI) to invest MSRS assets is revised by removing transfers to the Post Fund.
  - (4) New subdivisions are added to the MSRS disability benefit provision, retirement benefit, and surviving spouse provisions specifying that the applicable benefit is eligible for 2.5 percent annual post-retirement adjustments under new Section 356.415, rather than Post Fund adjustments.
  - (5) A provision dealing with the 1978 merger of Metropolitan Transit Commission-Transit Operating Division into MSRS-General is revised by eliminating requirements to transfer retiree assets to the Post Fund.
  - (6) A deferred annuitant Metropolitan Transit Commission-Transit Operating Division provision in MSRS-General statutes is revised by eliminating requirements to transfer retiree assets to the Post Fund upon retirement, and by specifying that benefits are eligible for 2.5 percent annual post-retirement adjustments under new Section 356.415, rather than Post Fund adjustments.
2. Extension of Time Limit for Filing Disability Application. The deadline for filing a disability benefit application is extended from 180 days (approximately six months) to 18 months. *Laws 2009, Ch. 169, Art. 2, Sec. 9. Source: SF 191 (Betzold); HF 723 (Murphy, M.)*
3. Revisions in Transportation Pilots Plan. The Pilots Plan provisions are closed by restricting the provisions to those who elected that coverage before June 1, 2008, and by repealing the Pilots Plan election provision. The age 62 eligibility limit for disability benefits is removed, and disability benefits (75 percent of current salary) will be paid from the MSRS-General Fund and the State Airports Fund in combination, rather than from the State Airports Fund alone. Payments can be made for five years or until normal retirement age, whichever is earlier, rather than terminating at age 62. *Laws 2009, Ch. 169, Art. 12, Sec. 1-3, 17. Source: SF 605 (Betzold); HF 757 (Murphy, M.)*

4. Revisor Bill: Correction of Leave of Absence Payment Provision. A reference to a previously repealed provision is removed from the MSRS leave of absence payment provision. *Laws 2009, Ch. 86, Art. 1, Sec. 64. Source: SF 1096 (Moua); HF 1171 (Jackson)*
5. Special Law: Exception to Disability Deadline for Certain Silver Bay Employee. An injured former Silver Bay, MN, Veterans Home employee is authorized to file an MSRS-General disability benefit application after the general law deadline. *Laws 2009, Ch. 169, Art. 12, Sec. 14. Source: SF 305 (Bakk); HF 122 (Dill)*
6. Special Law: Allowable Service Credit Revision for Certain Job-Share Employees. Job share state employees who provided at least half-time service are to receive service credit comparable to other employees who provided at least half-time service and who were not in this program, including a revised prospective annuity calculation and payment for any applicable retirees. *Laws 2009, Ch. 169, Art. 12, Sec. 15. Source: SF 750 (Betzold); HF 982 (Murphy, M.)*

#### **Correctional State Employees Retirement Plan (MSRS-Correctional)**

1. Minnesota Post Retirement Investment Fund (Post Fund) Dissolution Conforming Changes. *Laws 2009, Ch. 169, Art. 1, Sec. 18-22. Source: SF 777 (Betzold); HF1111 (Murphy, M.)*
  - (1) The MSRS-Correctional provision requiring SBI to invest plan assets is revised by removing transfers to the Post Fund.
  - (2) The MSRS-Correctional fund disbursement provision is revised by removing language which required transfers to, and disbursements from, the Post Fund.
  - (3) New subdivisions are added to MSRS-Correctional retirement annuity, disability, and survivor annuity provisions specifying that the applicable benefit is eligible for 2.5 percent annual post-retirement adjustments under new Section 356.415, rather than Post Fund adjustments.
2. Occupational Disability Definition Added. An occupational disability definition is added to the plan, defined as a disabling condition that is expected to prevent the correctional employee, for at least a year, for performing the normal duties of that employee's position. *Laws 2009, Ch. 169, Art. 2, Sec. 4. Source: SF 193 (Betzold); HF 727 (Murphy, M.)*
3. Duty Disability, Physical and Psychological Definition Added. A duty disability, physical and psychological definition is added to the plan, defined as an occupational disability that is the direct result of an injury incurred during, or a disease arising from, the performance of normal duties or less frequent duties. *Laws 2009, Ch. 169, Art. 2, Sec. 5. Source: SF 193 (Betzold); HF 727 (Murphy, M.)*
4. Regular Disability, Physical and Psychological Definition Added. A regular disability, physical and psychological definition is added to the plan, defined as an occupational disability arising from injury or disease not at work or from activities at work that do not present inherent dangers specific to covered positions. *Laws 2009, Ch. 169, Art. 2, Sec. 5. Source: SF 193 (Betzold); HF 727 (Murphy, M.)*
5. Normal Duties Definition. A normal duties definition is added to the plan, defined as tasks designated in the job description other than less frequent duties. *Laws 2009, Ch. 169, Art. 2, Sec. 7. Source: SF 193 (Betzold); HF 727 (Murphy, M.)*
6. Less Frequent Duties Definition. A less frequent duties definition is added to the plan, defined as tasks designated in the job description which are occasionally performed. *Laws 2009, Ch. 169, Art. 2, Sec. 8. Source: SF 193 (Betzold); HF 727 (Murphy, M.)*
7. Extension of Time Limit for Filing Disability Application. The deadline for filing a disability benefit application is extended from 180 days (approximately six months) to 18 months. *Laws 2009, Ch. 169, Art. 2, Sec. 12. Source: SF 191 (Betzold); HF 723 (Murphy, M.)*
8. Duty Disability Benefit Requirements. To qualify for the job-related benefit specified in existing law, new disability applicants will now be required to meet the new, more restrictive, duty disability standard. *Laws 2009, Ch. 169, Art. 2, Sec. 10. Source: SF 193 (Betzold); HF 727 (Murphy, M.)*

9. Non-Job-Related Disability Benefit Revisions. The non-job-related disability benefit provision is revised by making the provision also applicable to individuals with injuries while at work that do not meet the duty disability standard, by requiring at least three years of service in order to qualify, and by eliminating the minimum benefit (computed as though the individual had 15 years of service). *Laws 2009, Ch. 169, Art. 2, Sec. 11. Source: SF 193 (Betzold); HF 727 (Murphy, M.)*
10. Disabilitant Transfer to Retirement Status at Age 55. The medical/psychological evidence provision and the status at normal retirement age provision are revised by indicating that disabilitants will transfer to retirement status at age 55, rather than at age 65. *Laws 2009, Ch. 169, Art. 2, Sec. 13-14. Source: SF 191 (Betzold); HF 723 (Murphy, M.)*
11. Automotive Mechanic Added to Plan, Automotive Mechanic Lead Removed. Any individual in an automotive mechanic position is added to the plan, provided the individual has 75 percent inmate contact, retroactive to May 29, 2007. In an uncoded provision, the automotive mechanic lead position is removed from the plan. *Laws 2009, Ch. 169, Art. 3, Sec. 1-2. Source: SF 921 (Betzold); HF 1124 (Murphy, M.)*

### **Elected State Officers Retirement Plan**

1. Minnesota Post Retirement Investment Fund (Post Fund) Dissolution Conforming Revision. The Elected State Officers Retirement Plan benefit adjustment provision is revised by stating that benefits will be adjusted by 2.5 percent annually under new Section 356.415, while procedures to index to Post Fund adjustments are removed. *Laws 2009, Ch. 169, Art. 1, Sec. 27. Source: SF 777 (Betzold); HF 1111 (Murphy, M.)*

### **Judges Retirement Plan**

1. Minnesota Post Retirement Investment Fund (Post Fund) Dissolution Conforming Changes. *Laws 2009, Ch. 169, Art. 1, Sec. 74-76. Source: SF 777 (Betzold); HF 1111 (Murphy, M.)*
  - (1) The Judges Retirement Plan fund creation and disbursement provision, and the fund investment provision, are revised by eliminating statements requiring Post Fund transfers.
  - (2) The Judges Retirement Plan benefits provision is revised by adding a subdivision specifying that all retirement, disability, and survivor benefits will be escalated by 2.5 percent annually under Minnesota Statutes, Section 356.415.

### **Legislators Retirement Plan**

1. Minnesota Post Retirement Investment Fund (Post Fund) Dissolution Conforming Changes. *Laws 2009, Ch. 169, Art. 1, Sec. 1-5. Source: SF 777 (Betzold); HF 1111 (Murphy, M.)*
  - (1) The Legislators Retirement Plan contribution provision is revised by adding a subdivision creating a Legislators Retirement Fund in the state treasury, consisting of the reserves of the Legislators Plan transferred from the dissolved Post Fund.
  - (2) A Legislators Retirement Plan annuity appropriation provision is revised to clarify that retirement annuities are payable from the retirement fund created in the state treasury, or from the general fund, whichever is applicable, and all references to benefits payable from the Post Fund are removed.
  - (3) The Legislators Retirement Plan retirement annuity and survivor benefit provisions are revised to specify that the benefit is eligible for 2.5 percent annual post-retirement adjustments under new Section 356.415, and reference to Post Fund adjustments is removed.
  - (4) The Legislators Retirement Plan retirement allowance appropriation provision is revised by specifying that payment of retirement annuities for pre-2003 retired legislators will occur from the Legislators Retirement fund until its assets are exhausted, and then from the state general fund, and by specifying that all benefits are eligible for 2.5 percent annual post-retirement adjustments under new section 356.415, while statements requiring adjustments for the Post fund are removed.

## State Patrol Retirement Plan

1. Minnesota Post Retirement Investment Fund (Post Fund) Dissolution Conforming Revisions. *Laws 2009, Ch. 169, Art. 1, Sec. 23-26. Source: SF 777 (Betzold); HF 1111 (Murphy, M.)*
  - (1) The State Patrol Retirement Plan fund revenue provision is revised by removing all language requiring transfers to the Post Fund.
  - (2) The State Patrol Retirement Plan retirement, survivor, and disability benefit provisions are revised by adding subdivisions specifying that benefits will be escalated by 2.5 percent annual post-retirement adjustments under new Section 356.415.
2. Conforming Cross-Reference Change. A mandatory retirement age provision applicable to certain State Patrol Plan members has a cross-reference revised to conform with a recodification of State Patrol Plan definitions. *Laws 2009, Ch. 169, Art. 2, Sec. 1. Source: SF 546 (Betzold); HF 726 (Murphy, M.)*
3. Duty Disabling, Inclusion in Employer Paid Health Care Provision. The State Patrol Plan is included in the duty disabled public safety officer employer-paid health care insurance coverage mandate under Minnesota Statutes, Section 299A.465. The MSRS executive director will determine for duty-disabled State Patrol Plan members whether they meet the qualification standards. *Laws 2009, Ch. 169, Art. 2, Sec. 2. Source: SF 546 (Betzold); HF 726 (Murphy, M.)*
4. Conforming Cross-Reference Changes. Cross-references in the State Patrol officer exclusion from MSRS-General provision, in the fund creation and membership provision and in the dependent children benefit/family maximum provision are revised to reference the new definition section created by recodification of State Patrol Retirement Plan definitions. *Laws 2009, Ch. 169, Art. 2, Sec. 3, 16, 23. Source: SF 546 (Betzold); HF 726 (Murphy, M.)*
5. New Definition Section. A new definition section is added, recodifying and reorganizing the existing plan definitions. New definitions of regular disability, duty disability, normal duties, and less frequent duties, identical in substance to the definitions added to MSRS-Correctional, are added to the State Patrol Plan and the previous definitions are repealed. *Laws 2009, Ch. 169, Art. 2, Sec. 15, 24. Source: SF 546 (Betzold); HF 726 (Murphy, M.)*
6. Language Moved to New Sections. The workers' compensation leave of absence language and the plan's Uniformed Service Employment and Reemployment Rights Act (USERRA)-compliant break-in-service provision are moved from the repealed definition section to new sections. *Laws 2009, Ch. 169, Art. 2, Sec. 17-18. Source: SF 546 (Betzold); HF 726 (Murphy, M.)*
7. Injury Disability Provision Renamed and Made More Restrictive. The State Patrol Plan injury disability provision is renamed the duty disability provision, and to qualify for benefits under that provision disability benefit applicants will need to meet the more restrictive definition of duty disability. *Laws 2009, Ch. 169, Art. 2, Sec. 19. Source: SF 546 (Betzold); HF 726 (Murphy, M.)*
8. Disabled While Not On Duty Provision Renamed and Coverage Revised. The State Patrol Plan disabled while not on duty provision is renamed the regular disability provision, and the provision will be applicable to disability applicants who meet the regular disability standard. *Laws 2009, Ch. 169, Art. 2, Sec. 20. Source: SF 546 (Betzold); HF 726 (Murphy, M.)*
9. Deadline for Filing Disability Application. A requirement that disability applications be filed within 18 months of termination of service is added to the plan, consistent with the requirements previously or newly stated for MSRS-Correctional and MSRS-General. *Laws 2009, Ch. 169, Art. 2, Sec. 21. Source: SF 191 (Betzold); HF 723 (Murphy, M.)*
10. Revised Age Limit for Disabling Electing Optional Annuity. A disabling may, in lieu of death while active spousal coverage, elect an optional annuity within 90 days of reaching age 55 rather than age 65. *Laws 2009, Ch. 169, Art. 2, Sec. 22. Source: SF 191 (Betzold); HF 723 (Murphy, M.)*
11. Obsolete Contribution Rate Phase-In Language Removed. Obsolete contribution rate phase-in language is removed from the plan's employee and employer contribution provisions. *Laws 2009, Ch. 169, Art. 4, Sec. 3-4. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*

## Unclassified State Employees Retirement Program (MSRS-Unclassified)

1. Minnesota Post Retirement Investment Fund (Post Fund) Dissolution Conforming Revisions. *Laws 2009, Ch. 169, Art. 1, Sec. 28-30. Source: SF 777 (Betzold); HF 1111 (Murphy, M.)*
  - (1) The MSRS-Unclassified retirement annuity reserve provision is revised by specifying that participant shares will be transferred to the MSRS-General Fund rather than to the Post Fund, and the benefit will escalate by 2.5 percent annual post-retirement adjustments under new Section 356.415.
  - (2) The MSRS-Unclassified disability and survivor annuity provisions are revised by adding new subdivisions specifying that the benefit will escalate by 2.5 percent annual post-retirement adjustments under new Section 356.415.

## B. Public Employees Retirement Association (PERA)

### All PERA Plans

1. Allowable Service Provision Revisions, Including Revised USERRA Compliant Military Break-In-Service Clarification. The PERA allowable service provision is revised by revising periodic repetitive leave and Uniformed Service Employment and Reemployment Rights Act (USERRA)-compliant service credit language to permit contributions within 30 days, rather than 20 days, of termination of service; by revising service credit eligibility for USERRA-compliant military break service to require return work with the same governmental subdivision rather than any governmental subdivision; and by clarifying that allowable service includes service during a period of reduced salary during a period of workers' compensation. *Laws 2009, Ch. 169, Art. 4, Sec. 5. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
2. Revised Full Actuarial Value Purchase of Military Service. The PERA full actuarial value purchase of service credit for military service provision is revised by prohibiting the purchase if service credit has been purchased for the period in another plan, other than a volunteer fire plan; by prohibiting the purchase if the separation from military service was less than honorable; and by requiring payment before termination of plan membership or public service. *Laws 2009, Ch. 169, Art. 4, Sec. 6. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
3. Cancellation of Interest if Under \$10. The PERA executive director duties provision is revised by clarifying authority to use the plan actuary, and by permitting the board to cancel accrued interest payments under \$10 if the employer has taken a credit to correct a member deduction taken in error. *Laws 2009, Ch. 169, Art. 4, Sec. 8. Source: Commission amendment related to SF 578 (Betzold); HF 1123 (Murphy, M.) and SF 1179 (Betzold)*
4. Revisions in PERA Erroneous Receipts and Disbursements Procedures. The PERA erroneous receipts/disbursements provision in statute is revised by specifying that interest will be paid to employees when excess contributions are refunded to the employee, and a statute of limitations is added limiting adjustments to the fiscal year in which the error is discovered and the prior two fiscal years unless there is evidence of fraud or abuse, in which case a longer period may apply. All returned employer contributions are without interest and will be done by a credit against future contributions. Notwithstanding this provision, correcting errors may be waived if the cost of the correction exceeds the refund or overpayment. Any fees for penalties for reporting ineligible employees or salary must be paid by the employing unit. If a government subdivision wants the new statute of limitations language to apply to adjustments in process as of the effective date (the day after final enactment), the government body is authorized to pass a resolution to that effect within 90 days. *Laws 2009, Ch. 169, Art. 4, Sec. 11, 50. Source: SF 578 (Betzold); HF 1123 (Murphy, M.), SF 1179 (Betzold), and Commission Amendment S0191-20A*
5. Revised Procedures, PERA Recovery of Overpayments. The PERA overpayments recovery provision is revised by providing that when an overpayment of contributions causes a benefit overpayment, the amount of the benefit overpayment recapture must be netted against the refund of the excess contributions. *Laws 2009, Ch. 169, Art. 4, Sec. 12. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
6. Special Procedures for City of Duluth and Duluth Airport Authority: Erroneous Receipts and Disbursements Procedures. An uncoded provision provides erroneous receipts and disbursements procedures for the City of Duluth and the Duluth Airport Authority, if approved

locally, relating to invalid salary reported to PERA between January 1, 1997, and October 23, 2008. Under the procedure, PERA will send refunds plus six percent interest to the government subdivision on behalf of applicable active employees. For applicable deferred members, PERA will send refunds plus interest to the former member's last known address. For individuals who are now receiving benefits, the amount of benefit overpayments must be netted against any employee contribution overpayments plus interest. If a net amount is owed to the individual, PERA must pay that amount. If the benefit overpayment exceeds the overpayment of employee contributions, the net benefit overpayment is the obligation of the governmental subdivision. PERA will give the government subdivision a credit against future contributions for the amount of prior employer contribution overpayments, without interest, and net benefit overpayment amounts. *Laws 2009, Ch. 169, Art. 4, Sec. 49. Source: Commission Amendment S0191-20A, related to SF 578 (Betzold); HF 1123 (Murphy, M.), and SF 1179 (Betzold)*

### **General Employee Retirement Plan (PERA-General)**

1. Minnesota Post Retirement Investment Fund (Post Fund) Dissolution Conforming Changes. *Laws 2009, Ch. 169, Art. 1, Sec. 31-38. Source: SF 777 (Betzold); HF 1111 (Murphy, M.)*
  - (1) The provision requiring PERA to use the State Board of Investment to invest all PERA assets is revised by removing transfers to the Post Fund, and by revising a reference regarding purchase and sale of securities.
  - (2) The PERA fund income, disbursement provision is revised by removing all reference to the Post Fund.
  - (3) The PERA-General retirement annuity provisions, surviving spouse provisions, disability provision, and partial re-employment disability provision are revised by specifying that annuities will be increased by 2.5 percent annually under the new Minnesota Statutes, Section 356.415.
2. Expansion of PERA Staff Participation in State Post Retirement Option Program. The PERA staff inclusion in the state Post Retirement Option Program is expanded to include all state employees with PERA coverage. *Laws 2009, Ch. 169, Art. 4, Sec. 1. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
3. Removal of Obsolete Language from PERA-General Contribution Provisions. The PERA employee and employer contribution provisions are revised by removing obsolete contribution increase phase-in language. *Laws 2009, Ch. 169, Art. 4, Sec. 9-10. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
4. Clarification of Basic Member Disabilitant Status at Normal Retirement Age. The PERA-General disability provision is revised by clarifying that disability benefit eligibility ends at normal retirement age. *Laws 2009, Ch. 169, Art. 4, Sec. 13, 16. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
5. Prohibition Against Simultaneously Drawing Disability Benefits and Retirement Benefits Moved to New Subdivision. Language prohibiting individuals from simultaneously receiving disability benefits and a retirement annuity from the plan is moved to a new subdivision. *Laws 2009, Ch. 169, Art. 4, Sec. 14-15. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
6. PERA Post Retirement Option Program (PRO) Established. Basic or coordinated members who worked at least half time during the previous five year period are eligible for the program if they are at least age 62 and satisfy requirements for commencement of an annuity. A PERA covered employer may offer the individual a PRO position which is no more than half-time and at least a 25 percent reduction from prior hours. Reemployed annuitant exempt earnings limits and length of separation requirements are waived while in the program. A position may be renewed but not after the individual reaches Social Security normal retirement age. Under a revised PERA termination of membership definition, entering the PRO program triggers termination of membership. The program expires on June 30, 2011. *Laws 2009, Ch. 169, Art. 6, Sec. 1-2. Source: SF 749 (Betzold); HF 950 (Murphy, M.)*
7. PERA-General Coverage Authorized for Staff of Minneapolis Firefighters Relief Association and Minneapolis Police Relief Association. Staff of the Minneapolis fire and police relief associations who are not covered by the local relief association plan are authorized to elect PERA-General coverage, and to purchase, at full actuarial value and within one year, past

service provided to the relief association. *Laws 2009, Ch. 169, Art. 12, Sec. 4-6, 8-10. Source: SF 699 (Betzold); HF 741 (Kahn)*

8. Special Law: Purchase of Service Credit for Omitted Contribution Period for Elizabeth Municipal Liquor Store Employee. A part-time Elizabeth municipal liquor store employee who was not reported for PERA-General coverage in a timely manner is authorized to pay the employee contribution plus 8.5 percent interest for the omitted contribution period, and the employer must pay the remainder of the full actuarial value. *Laws 2009, Ch. 169, Art. 12, Sec. 11. Source: SF 197 (Skogen); HF 318 (Nornes)*
9. Special Law: PERA-General Revocation of Annuity for Underwood Municipal Liquor Store Employee. An Underwood municipal liquor store employee is authorized to withdraw retirement annuity applications or revoke annuities from PERA-General, TRA, or both, and to resume active PERA-General membership. *Laws 2009, Ch. 169, Art. 12, Sec. 12. Source: Commission Amendment LCPR09-02A (Skogen)*
10. Special Law: PERA-General Revocation of Coverage for Roseville Teaching Assistant. A Roseville school district teaching assistant with prior MSRS-General and PERA-General coverage may elect to be retroactively excluded from PERA coverage for recent teaching assistant service and instead be eligible for deferred annuities augmentation from the two plans. *Laws 2009, Ch. 169, Art. 12, Sec. 13. Source: SF 223 (Wiger); HF 231 (Lillie)*
11. Special Law: Disability Benefit Application Permitted. A Hennepin County employee with several breaks in service due to health conditions is permitted to apply for a disability benefit despite insufficient service following the last leave. *Laws 2009, Ch. 169, Art. 12, Sec. 16. Source: SF 1311 (Hann); HF 1409 (Loon)*

#### **Local Government Correctional Employees Retirement Plan (PERA-Correctional)**

1. Minnesota Post Retirement Investment Fund (Post Fund) Dissolution Conforming Changes. *Laws 2009, Ch. 169, Art. 1, Sec. 55-59. Source: SF 777 (Betzold); HF 1111 (Murphy, M.)*
  - (1) The plan's investment provision and fund disbursement provision are revised by removing all references to participation in the Post Fund.
  - (2) The plan's retirement, disability, and survivor benefit provisions are revised by adding a subdivision specifying that benefits will be escalated by 2.5 percent under Minnesota Statutes, Section 356.415.

#### **PERA Privatized Employees Chapter (Chapter 353F)**

1. Weiner Memorial Medical Center Added to Privatized Employees Chapter. The Weiner Memorial Medical Center is added to the definition of medical facility, giving the privatized employees access to the treatment provided under PERA's privatized employee chapter. *Laws 2009, Ch. 169, Art. 4, Sec. 20. Source: Commission Amendment LCPR09-01A*
2. Extension for Filing Clearwater County Hospital Certificate of Approval. The governing body of Clearwater County and its chief administrative officer have until January 1, 2010, rather than January 1, 2009, to file approval of the privatization legislation. *Laws 2009, Ch. 169, Art. 4, Sec. 48. Source: SF 1625 (Skoe); HF 1923 (Sailer)*

#### **Public Employees Police and Fire Retirement Plan (PERA-P&F)**

1. Minnesota Post Retirement Investment Fund (Post Fund) Dissolution Conforming Changes. *Laws 2009, Ch. 169, Art. 1, Sec. 39-54. Source: SF 777 (Betzold); HF 1111 (Murphy, M.)*
  - (1) The PERA-P&F retirement, disability, and death benefit surviving spouse benefit provisions are revised by adding a subdivision specifying that annuities will be increased by 2.5 percent annually under the new Minnesota Statutes, Section 356.415.
  - (2) The PERA-P&F disabilitant transfer to retirement status provision is revised by indicating that the retirement benefit, which includes any prior adjustments, will include any prior increases under the new Minnesota Statutes, Section 356.415.

- (3) A PERA-P&F consolidation account transfer-of-assets provision is revised by removing Post fund participation language.
  - (4) The definition of ineligible investments in the PERA relief association consolidation chapter is revised by removing a cross-reference to the Post Fund.
  - (5) The definition of postretirement adjustment in the PERA relief association consolidation chapter is revised to refer to the new 2.5 percent adjustments under Minnesota Statutes, Section 356.415 rather than the Post Fund
  - (6) A Commission action provision in the PERA relief association consolidation chapter is revised to refer to the new 2.5 percent adjustments under Minnesota Statutes, Section 356.415 rather than the Post Fund.
  - (7) A State Board of Investment action provision in the PERA relief association consolidation chapter is revised by removing a reference to the Post Fund.
  - (8) The election of coverage provision in the PERA relief association consolidation chapter by retirees, active members, and surviving spouse election provision if the member is killed in the line of duty are revised to refer to the new 2.5 percent adjustments under Minnesota Statutes, Section 356.415 rather than the Post Fund.
  - (9) An establishment of consolidation account provision in the PERA relief association consolidation chapter is revised by eliminating language requiring transfers to the Post Fund.
  - (10) A collection of late contributions provision in the PERA relief association consolidation chapter is revised by revising a cross-reference, to be consistent with repeal of a Post Fund transfer requirement.
  - (11) A levy and bonding authority provision in the PERA relief association consolidation chapter is revised by correcting a cross-reference to be consistent with repeal of a Post Fund transfer requirement.
2. Employee and Employer Contribution Rate Provisions Clarified. The PERA-P&F employee and employer contribution rate provisions are revised by removing obsolete contribution rate increase phase-in language. *Laws 2009, Ch. 169, Art. 4, Sec. 17-18. Source: SF 518 (Betzold); HF 1123 (Murphy, M.)*

### C. Voluntary Statewide Volunteer Fire Plan

This section deals with the creation of the new Voluntary Statewide Lump-Sum Volunteer Firefighter Retirement Plan within PERA, to be coded as Minnesota Statutes, Chapter 353G.

1. Plan and Fund Creation. The voluntary statewide lump-sum volunteer firefighter retirement plan and fund are created, to be administered by PERA, invested by the State Board of Investment (SBI), audited by the Legislative Auditor, and represented by the Attorney General. *Laws 2009, Ch. 169, Art. 9, Sec. 11. Source: SF 504 (Betzold); HF 825 (Murphy, M.)*
2. Creation of Volunteer Fire Account within Supplemental Fund. A volunteer fire account is created within the SBI Supplemental Fund to invest the assets of the voluntary statewide lump-sum volunteer firefighter retirement fund. *Laws 2009, Ch. 169, Art. 9, Sec. 1-2. Source: SF 504 (Betzold); HF 825 (Murphy, M.)*
3. Voluntary Statewide Lump-Sum Volunteer Firefighter Retirement Plan Defined. For purposes of the fire state aid program, the voluntary statewide lump-sum volunteer firefighter retirement plan means the plan established by newly enacted Minnesota Statutes, Chapter 353G. *Laws 2009, Ch. 169, Art. 9, Sec. 3. Source: SF 504 (Betzold); HF 825 (Murphy, M.)*
4. Voluntary Statewide Lump-Sum Volunteer Firefighter Retirement Plan State Aid Qualification. For purposes of qualifying for state aid, the PERA executive director will certify to that coverage on behalf of the participating municipalities, while a municipal official or independent nonprofit firefighting corporation secretary, whichever applies, will certify the fire personnel and fire equipment. *Laws 2009, Ch. 169, Art. 9, Sec. 4-5. Source: SF 504 (Betzold); HF 825 (Murphy, M.)*
5. Voluntary Statewide Lump-Sum Volunteer Firefighter Retirement Plan, Apportionment of Fire Aid, Minimum Floor Aid, and Appeal Rights. The fire aid/minimum floor aid provision is revised to include municipalities participating in the voluntary statewide plan. For participants

in the statewide plan, the aid will be transmitted to PERA and PERA will credit the aid against the municipality's contribution requirements. The voluntary statewide volunteer fire plan may appeal an aid allocation to the Commissioner of Revenue. *Laws 2009, Ch. 169, Art. 9, Sec. 6-9. Source: SF 504 (Betzold); HF 825 (Murphy, M.)*

6. Definition of Terms: New Chapter 353G, Voluntary Statewide Lump-Sum Volunteer Firefighter Retirement Plan. For purposes of the new chapter, the terms advisory board, board, Commissioner of Finance, executive director, fund, good time service credit, member, municipality, plan, retirement board, retirement plan, standards for actuarial work, State Board of Investment, and volunteer firefighter, are defined. Good time service credit means the length of the service credit for an active firefighter as reported by the respective fire chief based on the minimum firefighter activity standards of the fire department, either monthly or annually. Volunteer firefighter means an active department member engaging in fire suppression, emergency response, fire education, or fire prevention on an on-call basis. *Laws 2009, Ch. 169, Art. 9, Sec. 10. Source: SF 504 (Betzold); HF 825 (Murphy, M.)*
7. Advisory Board Created. An advisory board is created to advise PERA regarding statewide volunteer fire plan matters, composed of a Minnesota Association of Townships appointee, two League of Minnesota Cities appointees, a Minnesota State Fire Chiefs Association appointee, two Minnesota State Fire Department Association appointees, and a representative from the Office of the State Auditor. *Laws 2009, Ch. 169, Art. 9, Sec. 12. Source: SF 504 (Betzold); HF 825 (Murphy, M.)*
8. Statewide Plan Coverage Election. The municipality or independent nonprofit firefighting corporation can elect coverage by the statewide plan. The process is initiated by requesting a cost analysis, to be based on the service pension level closest to the relief association's current level rounded up, using financial and demographic information available from the State Auditor. If there is no relief association, the cost analysis would be based on the lowest service pension level provided in the statewide plan. The State Board of Investment (SBI) will review the association's portfolio for consistency with permissible investment law and SBI investment policy. The municipality or independent nonprofit firefighting corporation has 90 days from the date the cost analysis becomes available to approve or disapprove coverage by the statewide plan. If approved, the local relief association special fund is dissolved as of December 31, statewide plan coverage commences and special fund assets are transferred to an account in the statewide plan fund. Statewide plan coverage commences on January 1. The voluntary statewide plan is the successor in interest to the local plan fund. *Laws 2009, Ch. 169, Art. 9, Sec. 14-15. Source: SF 504 (Betzold); HF 825 (Murphy, M.)*
9. Service Credit Procedure and Treatment of Military Leaves. The fire chief will notify individuals about the determination of good time service credit for the prior year by late January, with individuals having 60 days to contest any determinations. By March 31, the fire chief must provide the good time service credit determinations to PERA. Individuals providing military service must be credited with a full year of good time service credit for each year of service, up to the applicable limits under the Uniformed Service Employment and Reemployment Rights Act (USERRA). If the individual fails to return to provide fire services within the timelines required by USERRA, the applicable service credit is forfeited. *Laws 2009, Ch. 169, Art. 9, Sec. 16. Source: SF 504 (Betzold); HF 825 (Murphy, M.)*
10. Retirement Plan Funding Requirements; Required Contributions. Annually, PERA will determine the funding requirements of each volunteer firefighter account in the voluntary statewide lump-sum volunteer firefighter retirement fund. The requirements are the sum of the account's annual accruing liability, a proportional portion of the plan's administrative expenses, and the account's amortization contribution, with the amortization contributions set at one-tenth of the unfunded actuarial accrued liability of the account. If there are three years of funding surpluses, a credit of one-tenth of the surplus is taken to reduce the contribution requirement. The required contribution is the amount of the funding requirements in excess of the most recent fire state aid amount attributable to the fire department. Unpaid required contributions are subject to regular PERA collection procedures. *Laws 2009, Ch. 169, Art. 9, Sec. 17. Source: SF 504 (Betzold); HF 825 (Murphy, M.)*
11. Vesting; Benefits. Volunteer firefighters with at least five years of good time service credit who are at least age 50 and separated from active fire department service for at least 30 days may apply for a benefit. Firefighters partially vest with five years of good time service credit and

fully vest with at least 20 years of good time service credit. For plan members who retire before rendering at least five years of service under the statewide plan, a service pension at the benefit level of the prior volunteer fire relief association is payable as an alternative. *Laws 2009, Ch. 169, Art. 9, Sec. 18. Source: SF 504 (Betzold); HF 825 (Murphy, M.)*

12. Deferred Service Pension. Volunteer firefighters who vest for a service pension but are under age 50 when terminating active fire department service are entitled to a deferred service pension payable without any interest over the deferral period. *Laws 2009, Ch. 169, Art. 9, Sec. 19. Source: SF 504 (Betzold); HF 825 (Murphy, M.)*
13. Benefit Levels, Ancillary Benefits, and Changing Benefit Levels. The statewide plan will offer 16 levels of service pension, from a low of \$500 to a high of \$7,500 per year of good time service credit. Annually, after obtaining a cost estimate from PERA for a new service pension level, the governing body of the entity operating the fire department may approve the selection of a higher service pension level. Retiring volunteer firefighters also qualify for the 1988 state supplemental lump-sum benefit. The only ancillary benefit the plan offers is a survivor benefit equal to a service pension assuming the member had died at age 50. *Laws 2009, Ch. 169, Art. 9, Sec. 20-21. Source: SF 504 (Betzold); HF 825 (Murphy, M.)*
14. Pension Portability. A volunteer firefighter with at least five years of good time service credit in two or more accounts in the statewide plan can receive a combined service pension based on all periods, with the total benefit amount equal to the sum of the benefit amounts payable from each applicable account. *Laws 2009, Ch. 169, Art. 9, Sec. 22. Source: SF 504 (Betzold); HF 825 (Murphy, M.)*
15. Purchase of Annuity Contracts. In lieu of a direct receipt of a lump-sum service pension, a retiring volunteer firefighter may request that the voluntary statewide lump-sum volunteer firefighter retirement plan purchase an annuity contract from an insurance company if the insurance company is licensed to do business in Minnesota and annuity payments do not begin before age 50. *Laws 2009, Ch. 169, Art. 9, Sec. 23. Source: SF 504 (Betzold); HF 825 (Murphy, M.)*
16. Transfers to Individual Retirement Account (IRA) Permitted. In lieu of direct receipt, a retiring volunteer firefighter who is at least age 50 may elect to have the service pension amount transferred on an institution-to-institution basis to an individual retirement account. *Laws 2009, Ch. 169, Art. 9, Sec. 24. Source: SF 504 (Betzold); HF 825 (Murphy, M.)*
17. Exemption from Garnishment. The voluntary statewide lump-sum volunteer firefighter retirement plan assets and benefits are exempt from assignment or garnishment, except in cases of marital dissolutions. *Laws 2009, Ch. 169, Art. 9, Sec. 25, 27. Source: SF 504 (Betzold); HF 825 (Murphy, M.)*
18. Adding Plan to Reporting Provision. The voluntary statewide lump-sum volunteer firefighter retirement plan is added to the list of retirement plans covered by the annual public pension plan financial reporting requirement. *Laws 2009, Ch. 169, Art. 9, Sec. 26. Source: SF 504 (Betzold); HF 825 (Murphy, M.)*
19. Adding Plan to Major Plan Appeal Procedure. The voluntary statewide lump-sum volunteer firefighter retirement plan is added to the PERA, MSRS, and TRA appeal procedure provision. *Laws 2009, Ch. 169, Art. 9, Sec. 28. Source: SF 504 (Betzold); HF 825 (Murphy, M.)*
20. Eligibility for Supplemental Lump Sum Benefit. Recipients of distributions from the statewide volunteer firefighter plan are made eligible for the 1988 state supplemental lump-sum volunteer firefighter benefit, and the statewide plan is made eligible to be reimbursed by the state for supplemental benefits paid. *Laws 2009, Ch. 169, Art. 9, Sec. 29-31. Source: SF 504 (Betzold); HF 825 (Murphy, M.)*

#### **D. Teachers Retirement Association (TRA)**

1. Minnesota Post Retirement Investment Fund (Post Fund) Dissolution Conforming Changes. *Laws 2009, Ch. 169, Art. 1, Sec. 60-69. Source: SF 777 (Betzold); HF 1111 (Murphy, M.)*

- (1) The plan provision requiring all assets to be invested by the State Board of Investment is revised by removing all references to the Post Fund.
  - (2) The plan's fund provision and money purchase annuity provisions are revised by correcting citations and eliminating reference to the Post Fund.
  - (3) The retirement annuity provision (including an accelerated annuity provision), survivor benefit, and disability benefit provisions are revised by adding subdivisions stating that the annuities will increase by 2.5 percent annually under Minnesota Statutes, Section 356.415.
  - (4) The TRA/Minneapolis Teachers Retirement Fund Association (MTRFA) consolidation transfer of assets provision is revised by clarifying a reference to the former Post Fund provision.
  - (5) The TRA/MTRFA consolidation benefit calculation provision is revised by clarifying a reference to the former Post Fund provision, with future 2.5 percent adjustments provided by Minnesota Statutes, Section 356.415.
2. Fiscal Year Definition Moved. The definition of fiscal year is moved to TRA's definition section. *Laws 2009, Ch. 169, Art. 4, Sec. 21, 51. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
  3. Employee Contribution Provision Simplified. TRA's employee contribution rate provision is clarified and simplified by removing obsolete language. *Laws 2009, Ch. 169, Art. 4, Sec. 22. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
  4. Annuity Accrual Date Revisions. TRA's annuity accrual date provision is revised to permit the retirement annuity to accrue as early as the day after termination of service, rather than on the 16<sup>th</sup> of the month if application is made before the 15<sup>th</sup> of the month, or on the first of the following month if application is made after the 16<sup>th</sup> of the month. *Laws 2009, Ch. 169, Art. 4, Sec. 23. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
  5. Use of Fiscal Year Comparisons in Reemployed Annuitant Exempt Earnings Limit Provision. TRA's reemployed annuitant exempt earning limit provision is revised by comparing salary to exempt limits on a fiscal year basis, rather than on a calendar year basis. *Laws 2009, Ch. 169, Art. 4, Sec. 24. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
  6. Revision in Refund Provisions, Netting of Disability Benefits Received. TRA's death before retirement refund provision and TRA's main refund provision are revised by requiring permanent disability benefits received by the member prior to death to be subtracted from any death refund otherwise payable to heirs. *Laws 2009, Ch. 169, Art. 4, Sec. 25, 28. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
  7. Clarification of TRA Disability Determination Provision. The disability determination provision is simplified by removing redundant language requiring the examining medical practitioners to be selected by the executive director. *Laws 2009, Ch. 169, Art. 4, Sec. 26. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
  8. Authority to Waive Disabilitant Physical Examinations. The executive director is given authority to waive disability medical examinations. *Laws 2009, Ch. 169, Art. 4, Sec. 27. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
  9. Reemployed Annuitant Payroll Reporting Revision. School districts will report reemployed annuitant salaries through the regular payroll cycle reporting process rather than annually. *Laws 2009, Ch. 169, Art. 4, Sec. 29-30. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
  10. Full Actuarial Value Military Service Credit Purchase Provision Added. A full actuarial value military service credit purchase provision is added to the plan, permitting individuals who served prior to becoming teachers, or who failed to make payment within the timelines required by TRA's Uniformed Service Employment and Reemployment Rights Act (USERRA)-compliant provision, to receive service credit for the initial call to military service without voluntary extension. Payment must occur prior to termination of teaching service and is not permitted if the discharge from service was less than honorable. *Laws 2009, Ch. 169, Art. 4, Sec. 31. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
  11. Clarification of Deferred Annuity Augmentation Provision. TRA's deferred annuity augmentation provision is revised by removing obsolete or incorrect references and by clarifying

the provision. *Laws 2009, Ch. 169, Art. 4, Sec. 32. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*

12. Expanded Authority to Name Qualified Needs Trust. The qualified needs trust provision in Minnesota Statutes, Chapter 356, is expanded to permit TRA active disable, deferred, or retiring members, rather than just retiring members, to designate a qualified needs trust. *Laws 2009, Ch. 169, Art. 4, Sec. 42. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
13. Technical Corrections. The cross-reference to a Public Employees Labor Relations Act (PELRA) provision is corrected in a TRA insurance provision, and due to its merger into TRA, the Minneapolis Teachers Retirement Fund Association is removed from an applicable plan list in a proportionate annuity provision. *Laws 2009, Ch. 169, Art. 11, Sec. 1-2. Source: Commission amendment S0191-16A.*

#### **E. First Class City Teacher Plans**

##### **Duluth Teachers Retirement Fund Association (DTRFA)**

##### **St. Paul Teachers Retirement Fund Association (SPTRFA)**

1. Employer Contribution Provision Clarified. The first class city teacher plan employer regular and employer additional contribution provision is clarified by removing unnecessary language and by removing obsolete employer additional contribution language. *Laws 2009, Ch. 169, Art. 4, Sec. 34. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
2. New Provision: Erroneous Receipts, Payments Provision. The contribution section is revised by adding subdivisions to handle erroneous receipts. Any erroneous employee/employer contributions must terminate and the employer must refund the employee overpayments with interest. Erroneous employer contributions will be handled by a credit against future employer contributions. Benefit overpayments will be recovered by direct payment or by reduction of monthly annuities until the overpayment is recaptured. If benefit overpayments are due to prior erroneous employee/employer contributions, any refund of prior contribution amounts must be netted against the benefit overpayment. Unless fraud or other misconduct is involved the adjustment period for handling erroneous contributions or benefit overpayments is limited to the fiscal year in which the error is detected and the prior two fiscal years. Corrections will not be made if the cost of the correction exceeds the amount of the refund or overpayment. The employer is responsible for payment of any fees or penalties assessed by the Internal Revenue Service. *Laws 2009, Ch. 169, Art. 4, Sec. 35-38. Source: Commission Amendment S0191-21A to SF 578 (Betzold); HF 1123 (Murphy, M.), and SF 1179 (Betzold)*
3. Authority to Waive Disabiltant Physical Examinations. The executive director is given authority to waive medical examinations for disabiltants. *Laws 2009, Ch. 169, Art. 4, Sec. 39. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
4. SPTRFA: New Temporary Post-Retirement Adjustment Procedure. The existing SPTRFA post-retirement adjustment procedure, an automatic two percent per year plus an additional investment performance based adjustment with total adjustment capped at five percent annually, is replaced by a Consumer Price Index (CPI)-based adjustment capped at five percent. Individuals retired at least three months receive a prorated adjustment. The new procedures expire on June 30, 2011. *Laws 2009, Ch. 169, Art. 7. Source: SF 686 (Pappas)*

#### **F. Minneapolis Employees Retirement Fund (MERF)**

1. Correction of Post Retirement Adjustment Procedure. A post-retirement adjustment limitation that was incorrectly included when MERF's Minnesota Post Retirement Investment Fund authority was moved in 2008 is eliminated. The change is retroactive from June 30, 2008. *Laws 2009, Ch. 169, Art. 11, Sec. 3. Source: Commission amendment to SF 777 (Betzold); HF 1111 (Murphy, M.)*
2. Technical Revision: Service Credit Purchase Procedure. The fund-specific service credit purchase payment procedure, which largely duplicated the full actuarial value general law service credit purchase provision, is revised to use that general law. *Laws 2009, Ch. 169, Art. 11, Sec. 4, 7. Source: Commission amendment S0191-16A.*

**G. Minnesota State Colleges and Universities System (MnSCU) Higher Education Individual Retirement Account Plan (IRAP) and Supplemental Fund**

1. Transfer of Coverage to TRA Upon Attaining Tenure. A faculty member who is an IRAP member and who achieves tenure after June 30, 2009 may elect to transfer coverage to the Teachers Retirement Association (TRA). The election must be made within one year of achieving tenure and the individual is required to purchase in TRA past service for the entire period of time covered under IRAP. The purchase is at full actuarial value. This treatment expires on June 30, 2014. *Laws 2009, Ch. 169, Art. 6, Sec. 3. Source: SF 1267 (Olson, M.); HF 1528 (Kahn)*

**H. Local Police and Paid Fire Relief Associations**

1. Revisor's Bill: Correction of Local Police and Paid Fire Funding Provision. An incorrect reference is removed from a provision governing local police and paid fire relief association funding requirements. *Laws 2009, Ch. 86, Art. 1, Sec. 70. Source: SF 1096 (Moua); HF 1171 (Jackson)*
2. Minneapolis Fire Relief Association Board Size Revision. The Minneapolis Firefighters Relief Association board composition provision is revised to allow the number of board members to be specified in the bylaws, not to exceed ten members, rather than requiring by law that there be ten members. *Laws 2009, Ch. 169, Art. 8, Sec. 4. Source: SF 1878 (Betzold); HF 1983 (Kahn)*
3. Fairmont Police Relief Association Extension of Amortization Date. The amortization date for the Fairmont Police Relief Association is extended ten years, from December 31, 2010, to December 31, 2020. Local approval is required. *Laws 2009, Ch. 169, Art. 8, Sec. 1. Source: SF 1191 (Rosen); HF 1383 (Gunther)*

**I. Volunteer Fire Relief Associations**

1. Clarification of Pension Plan Types. Defined benefit relief association and defined contribution relief association definitions are added. A defined benefit relief association is a relief association offering a lump-sum benefit, monthly benefit, or a lump sum benefit as an alternative to a monthly benefit. A defined contribution relief association is an association offering a service pension based solely on the value of an individual's account balance. *Laws 2009, Ch. 169, Art. 10, Sec. 10-11. Source: SF 1001 (Betzold); HF 1129 (Murphy, M.)*
2. Provisions Restricted to Defined Benefit Plans. The provisions listed below are revised by clarifying that the provisions apply only to defined benefit plans. *Laws 2009, Ch. 169, Art. 10, Sec. 2, 24-35. Source: SF 1001 (Betzold); HF 1129 (Murphy, M.)*
  - (1) The volunteer fire state aid forfeiture provision which requires forfeiture of aid if a relief association revises its plan without necessary municipal approval.
  - (2) The existing law service pension authorization provision (also, relief associations are authorized to define in their bylaws a "month" for monthly service crediting programs, with a minimum of 16 days to constitute a month and a default definition of month as a completed calendar month measured from the entry anniversary date to the same day of the next month.
  - (3) The existing law vesting requirement provision (and by striking the defined contribution vesting provision due to transfer to a new section).
  - (4) The flexible service pension maximum provision.
  - (5) The excess service pension payment penalty provision (and the onus for the collection of overpaid deferred benefit service pension amounts is transferred from the Office of the State Auditor to the relief association treasurer upon receipt of an order from the State Auditor).
  - (6) The existing deferred service pension provision (with language applicable to defined contribution relief associations being stricken and moved to new section.
  - (7) The lump-sum service pension installment payment provision (also, authority is extended to make installment payments on survivor benefits, and relief associations are given authority to compute and pay installments using a reasonable manner specified in the bylaws).
  - (8) The existing law ancillary benefits limitation provision.

- (9) The post-retirement increase provision
  - (10) The service pension repayment provision
  - (11) The bylaw amendment local approval and filing requirement provision.
  - (12) The fire district service credit transfer provision.
  - (13) The combined service pension provision.
3. Use of State Aid if No Relief Association. The volunteer fire state aid provision is revised to permit use of fire state aid to pay PERA-P&F firefighter employer contributions if no relief association exists. *Laws 2009, Ch. 169, Art. 10, Sec. 1. Source: SF 1001 (Betzold); HF 1129 (Murphy, M.)*
  4. Clarification of Dates for Filing Financial Requirements Forms. For lump sum associations which are required to file an annual financial statement, the financial requirement forms must be filed with the State Auditor by March 31; if the lump sum association is required to file a financial report or audit, the due date for the financial requirements forms is June 30. *Laws 2009, Ch. 169, Art. 10, Sec. 3. Source: SF 1001 (Betzold); HF 1129 (Murphy, M.)*
  5. Clarification of Authority to Act Without Municipal Approval. Municipal approval of plan amendment provisions are clarified by stating the applicable year to use in the determination. The trigger, for lump sum and monthly benefit plan associations, to exercise their power to implement a service pension increase without municipal approval is based on the special fund funding ratio reported in the prior year. *Laws 2009, Ch. 169, Art. 10, Sec. 4-5. Source: SF 1001 (Betzold); HF 1129 (Murphy, M.)*
  6. Clarification of Prohibition Regarding Service by Minors. Language prohibiting volunteer fire service by minors is moved to a more appropriate provision, and an exception to the prohibition is provided for minors participating in fire department activities with uninterrupted adult supervision as part of a youth, civic, or educational organization or program. *Laws 2009, Ch. 169, Art. 10, Sec. 7. Source: SF 1001 (Betzold); HF 1129 (Murphy, M.)*
  7. Clarification of Ancillary Benefit Definition. The definition of ancillary benefit is clarified by indicating that the term applies to benefits other than a service pension paid from the special fund. *Laws 2009, Ch. 169, Art. 10, Sec. 9. Source: SF 1001 (Betzold); HF 1129 (Murphy, M.)*
  8. Clarification, Technical Correction of Various Other Definitions. Definitions of fire department, municipality, relief association, special fund, surviving spouse, firefighting service, separate from active service, and volunteer firefighter are clarified. *Laws 2009, Ch. 169, Art. 10, Sec. 13-19. Source: SF 1001 (Betzold); HF 1129 (Murphy, M.)*
  9. New Volunteer Firefighters' Relief Association Authorization Requirements. A new provision authorizes the creation of new volunteer firefighter relief associations or the continuation of existing ones. The bylaws or articles of incorporation must specify whether the relief association is a defined benefit relief association or a defined contribution relief association. *Laws 2009, Ch. 169, Art. 10, Sec. 20. Source: SF 1001 (Betzold); HF 1129 (Murphy, M.)*
  10. Revisions in Relief Association Membership Provision. A subdivision prohibiting minors from being volunteer firefighter relief association members is revised to conform with the relocation of the restriction on minors as firefighters. A new subdivision is added specifying treatment for return to active firefighting after a break in service. Following a break of at least 60 days, a firefighter who returns to service may qualify for a pension on the new service if permitted in the bylaws. If a pension had been paid, any new pension would be based solely on the service after the return, and if a monthly benefit is being paid, the benefit ceases upon return to service and resumes following the final termination. If a pension was not paid, the eventual pension may be based the combination of the new and old service. *Laws 2009, Ch. 169, Art. 10, Sec. 21. Source: SF 1001 (Betzold); HF 1129 (Murphy, M.)*
  11. Generally Applicable Regulations. Paying a service pension or disability benefit prior to separation from service is prohibited unless the person is employed to perform full-time duties within the fire department, a governing body resolution declares that the person would be difficult to replace, and this treatment is authorized under the bylaws. Plan benefits may not be assigned or garnished. Purchase of annuity contracts from an insurance company authorized to do business in this state and transfers to an IRA are permitted. *Laws 2009, Ch. 169, Art. 10, Sec. 22. Source: SF 1001 (Betzold); HF 1129 (Murphy, M.)*

12. Defined Contribution Plan Regulation. A section is added organizing and clarifying the requirements for defined contribution plans. *Laws 2009, Ch. 169, Art. 10, Sec. 23. Source: SF 1001 (Betzold); HF 1129 (Murphy, M.)*
  - (1) Defined contribution lump-sum service pension relief associations are specifically authorized.
  - (2) The service pension eligibility requirements applicable to defined contribution relief associations (including the requirements of separation from service, minimum age 50, and at least five years of covered service); the defined contribution plan vesting schedule, deferred pension procedures, and the defined contribution relief association individual account provisions is moved to this provision;
  - (3) The installment payment authority, the limitation on ancillary benefits, and the bylaw amendment filing requirement are adapted for defined contribution relief associations.
13. Revision of USERRA-Compliant Break-in-Service Provision. The Uniformed Service Employment and Reemployment Rights Act (USERRA)-compliant uniformed service break-in-service provision is revised to treat the individual as though the firefighter as an active relief association member while the individual is providing uniformed service. *Laws 2009, Ch. 169, Art. 10, Sec. 36. Source: S. F. 1001 (Betzold); HF 1129 (Murphy, M.)*
14. Technical Revision of Benefit Uniformity Provision. The partially paid, partially volunteer uniformity provision is updated by clarifying language and removing obsolete references. *Laws 2009, Ch. 169, Art. 10, Sec. 37. Source: S. F. 1001 (Betzold); HF 1129 (Murphy, M.)*
15. Revision of Board of Trustees Membership Provision. The volunteer fire board of trustees provision is revised by specifying that for fire departments operated by or as a joint powers board the relief association board must include the fire chief and two board members appointed by the joint powers board, and for fire departments not associated with an organized municipality, joint powers entity, or township, the board must include the fire chief and two board members appointed from the fire department service area by the county board of commissioners. The former prohibited transaction restriction is moved from Minnesota Statutes, Section 424A.001, Subdivision 7, to this section. *Laws 2009, Ch. 169, Art. 10, Sec. 38. Source: S. F. 1001 (Betzold); HF 1129 (Murphy, M.)*
16. Technical Revisions: Various Provisions. The special fund, general fund, asset and revenue, special fund investment, relief association establishment, state supplemental benefit relief association reimbursement, supplemental benefit in lieu of income tax, and the funding following a consolidation provisions are revised to conform with current language usage conventions. *Laws 2009, Ch. 169, Art. 10, Sections 39, 40, 42-44, 48-49, 53. Source: S. F. 1001 (Betzold); HF 1129 (Murphy, M.)*
17. Revised Authorized Fund Disbursements Provision. The volunteer fire special fund disbursement provision is revised by making technical corrections; by permitting the purchase of casualty insurance from a licensed insurance company in addition to the Volunteer Firefighters Benefits Association; and by permitting, when a lump sum benefit is payable, the designated beneficiary to be a trust created under Chapter 501B. *Laws 2009, Ch. 169, Art. 10, Sec. 41. Source: S. F. 1001 (Betzold); HF 1129 (Murphy, M.)*
18. Municipality Without Relief Association, Authorized Disbursements. The provision governing the use of fire state aid by municipalities without relief associations is clarified, and these municipalities are permitted to use the fire state aid to pay the employer contributions to the PERA-P&F for any paid firefighters. *Laws 2009, Ch. 169, Art. 10, Sec. 45. Source: S. F. 1001 (Betzold); HF 1129 (Murphy, M.)*
19. Revised State Supplemental Benefits Definitions. The volunteer firefighters' lump-sum supplemental benefit definition provision is revised by updating the provision to conform to current language usage conventions, and by using the same definition of surviving spouse and surviving child for supplemental lump-sum volunteer firefighter benefit purposes as is used throughout the volunteer firefighter chapter. *Laws 2009, Ch. 169, Art. 10, Sec. 46. Source: S. F. 1001 (Betzold); HF 1129 (Murphy, M.)*
20. Revised State Supplemental Benefits Payment, and Retroactive Payment Provisions. The state volunteer firefighters' lump-sum supplemental benefit payment provision and the retroactive

payment reimbursement provision are revised by updating the provisions to conform to current language usage conventions, and by removing references to payment of funeral benefits because such payment is no longer an authorized special fund expenditure. *Laws 2009, Ch. 169, Art. 10, Sec. 47, 50. Source: S. F. 1001 (Betzold); HF 1129 (Murphy, M.)*

21. New Subdivision Clarifying Benefits/Funding Provision Following Consolidation. The consolidating volunteer fire benefits and funding provision is revised by adding a subdivision to clarify that the section applies when all relief associations are defined benefit relief associations. *Laws 2009, Ch. 169, Art. 10, Sec. 51. Source: S. F. 1001 (Betzold); HF 1129 (Murphy, M.)*
22. Language Moved and Clarified Covering Benefits After Consolidation. The existing benefits following consolidation provision is moved to a new subdivision, with the added clarification that a consolidation of two defined benefit relief associations must produce a defined benefit relief association as a successor. *Laws 2009, Ch. 169, Art. 10, Sec. 52. Source: S. F. 1001 (Betzold); HF 1129 (Murphy, M.)*
23. New Sections Covering Benefits After Consolidation Relief Associations. A benefit and funding provision is added for consolidations where all relief associations are defined contribution relief associations, which requires the municipalities to provide the same level of funding as before the consolidation occurred, unless the bylaws specify the contributions are wholly voluntary, or unless the municipalities agree in writing to a different level of support. Another new section creates a benefits and funding provision for consolidations where the relief associations include both defined benefit and defined contribution relief associations. *Laws 2009, Ch. 169, Art. 10, Sec. 54-55. Source: S. F. 1001 (Betzold); HF 1129 (Murphy, M.)*
24. Conforming Revision: Cross-References in Annuity Purchase Provision. The volunteer fire annuity purchase authority provision upon dissolution of the relief association is revised to correct cross-references due to language being moved in other sections. *Laws 2009, Ch. 169, Art. 10, Sec. 56. Source: S. F. 1001 (Betzold); HF 1129 (Murphy, M.)*
25. Special Law: Brimson Board Provision. The Brimson Volunteer Firefighters' Relief Association is authorized to have a 10-member board of trustees (six elected from the membership, one trustee from each municipality served by the fire department, and the fire chief), rather than the statutory number of nine members. *Laws 2009, Ch. 169, Art. 10, Sec. 57. Source: S. F. 557 (Bakk); HF 723 (Dill)*
26. Repealed Provisions. Statutory provisions are repealed for purposes of transfer to a different provision as part of the recodification. *Laws 2009, Ch. 169, Art. 10, Sec. 58. Source: SF 1001 (Betzold); HF 1129 (Murphy, M.)*
  - (1) 424A.001, Subd. 7; Prohibited Transactions, moved to 424A.04.
  - (2) 424A.02, Subd. 4; Defined Contribution Service Pensions, moved to new 424A.017.
  - (3) 424A.02, Subd. 6; Service Pension Payment and Nonassignability, moved to new 424A.015 and 424A.017.
  - (4) 424A.02, Subd. 8a; Annuity Contract Purchase, moved to new 424A.015.
  - (5) 424A.02, Subd. 8b; IRA Transfer, moved to new 424A.015.
  - (6) 424B.10 Subd. 1; Post-Consolidation Benefits, replicated in new 424B.10, Subd. 1b.
  - (7) 424A.09, a 1978 benefit transition provision, is repealed as obsolete.
  - (8) Substantive Repealer: 424A.02, Subd. 9b; Requirement for the repayment of a service pension by a retired volunteer firefighter who resumes active firefighting service.
27. Correction of Repealer: Brooklyn Center Volunteer Fire Provisions. A 1989 repealer dealing with Brooklyn Center Volunteer Fire laws is corrected. *Laws 2009, Ch. 169, Art. 11, Sec. 5. Source: Commission Amendment S0191-16A.*
28. Correction of Repealer: Certain Anoka, Edina, and White Bear Lake Provisions. A 2008 repealer is revised to correct references to Anoka, Edina, and White Bear Lake special laws. *Laws 2009, Ch. 169, Art. 11, Sec. 65. Source: Commission Amendment S0191-16A.*

## II. GENERAL PENSION PROVISIONS

This section summarizes provisions applying to all pension plans or to various plan groups.

1. Minnesota Post Retirement Investment Fund (Post Fund) Dissolution. *Laws 2009, Ch. 169, Art. 1, Sec. 6-8, 70-72. Source: SF 777 (Betzold); HF 1111 (Murphy, M.)*
  - (1) A State Board of Investment (SBI) Investment Advisory Council (IAC) provision is revised to conform to the dissolution of the Post Fund, by stating that the IAC will include a retire receiving benefits from a statewide retirement plan rather than a retire receiving benefits from the Post Fund.
  - (2) Two SBI asset investment provisions are revised to eliminate language requiring transfer assets to the Post Fund.
  - (3) The actuarial value of assets computation provision (Minnesota Statutes, Section 356.215, Subdivision 1) is revised by redefining the actuarial value of assets to use a consistently applied 8.5 percent investment earnings assumptions and by incorporating a five year phase-in of market value asset recognition for the dissolved former Post Fund.
  - (4) A provision specifying how amortization contributions are to be determined for most plans (Minnesota Statutes, Section 356.215, Subdivision 11) is revised by eliminating an obsolete requirement relating to the Post Fund.
  - (5) A retirement incentive provision (Minnesota Statutes, Section 356.351) is revised by specifying that annuity factors used in calculation must be determined by the plan's actuary, and by removing references to the Post Fund.
2. Repeal of Obsolete Provisions: Post Fund Dissolution Conforming Revisions. The dissolution of the Minnesota Post Retirement Investment Fund made various provisions obsolete and they were repealed. *Laws 2009, Ch. 169, Art. 1, Sec. 77; Art. 4, Sec. 14. Source: SF 777 (Betzold); HF 1111 (Murphy, M.)*
  - (1) State Board of Investment: Minnesota Statutes, Sections 11A.041, 11A.18, 11A.181.
  - (2) MSRS: Minnesota Statutes, Section 352.119, Subdivision 2,3, and 4.
  - (3) MSRS State Patrol: Minnesota Statutes, Section 352B.26, Subdivisions 1 and 3.
  - (4) Judges Retirement Plan: Minnesota Statutes, Section 490.123, Subdivision 1c and 1e.
  - (5) PERA: Minnesota Statutes, Section 353.271.
  - (6) PERA Local Relief Association Consolidation: Minnesota Statutes, Section 353A.02, Subdivision 20; 353A.09, Subdivision 2 and 3.
  - (7) TRA: Minnesota Statutes, Section 354.05, Subdivision 26; 354.55, Subdivision 14; 354.63.
  - (8) Retirement, Generally: Minnesota Statutes, Section 356.41; 356.43, Subdivision 2.
  - (9) MERF: Minnesota Statutes, Section 422A.01, Subdivision 13; and 422A.06, Subdivision 4.
3. New Post-Retirement Adjustment Provision. A new provision, replacing the Post Fund adjustment, is created specifying post retirement adjustments applicable to statewide retirement plans commencing on January 1, 2010. The increase is 2.5 percent annually. Individuals retired less than one year receive a prorated increase. *Laws 2009, Ch. 169, Art. 1, Sec. 73. Source: SF 777 (Betzold); HF 1111 (Murphy, M.)*
4. State Postretirement Option Program; Elimination of Break Requirements Between Appointments. This applies to state employees, including state employees with PERA coverage. The state Post Retirement Option Program duration provision is revised by eliminating the requirement for participants under age 62 that there be a 30-day break following termination of a Post Retirement Option position before an offer of renewal can be offered. *Laws 2009, Ch. 169, Art. 4, Sec. 2. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
5. Various Plans; Automatic Deposit Provision Revisions. This item applies to all MSRS plans, PERA plans, TRA, first class city teacher plans, MERF, the Minneapolis fire and police relief associations, and IRAP plans. The automatic deposit provision in Minnesota Statutes, Chapter 356, is revised by stating that if an overpayment of benefits occurs following the death of a member, the plan's chief administrative officer is authorized to issue an administrative subpoena requiring the applicable financial institution to disclose the names of all joint and co-owners of the account and a description of withdrawals and deposits to the account. *Laws 2009, Ch. 169, Art. 4, Sec. 40. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*

6. Various Plans; Correction of Qualified Needs Trust. This item applies to all MSRS plans, PERA plans, TRA, first class city teacher plans, MERF, and the Minneapolis fire and police relief associations. The qualified needs trust provision in Minnesota Statutes, Chapter 356 is revised to clarify that it does not take precedence over the mandatory spousal joint-and-survivor provision enacted in 2008. *Laws 2009, Ch. 169, Art. 4, Sec. 41. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
7. All Plans; Maximum Benefit Limitation Provision Revised. This item applies to all plans. For purposes of federal compensation limits for pension purposes, the federal compliance maximum benefit limitation provision (Minnesota Statutes, Section 356.611, Subdivision 3) is revised to indicate that the maximum must be increased for cost of living increases after termination of service, and by eliminating obsolete language. *Laws 2009, Ch. 169, Art. 4, Sec. 43. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
8. All Plans; Compensation Definition Revised. This item applies to all plans. For purposes of federal compensation limits for pension purposes, the definition of compensation (Minnesota Statutes, Section 356.611, Subdivision 4) is revised by clarifying items included or excluded from compensation. *Laws 2009, Ch. 169, Art. 4, Sec. 44. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
9. All Plans; Eligible Plans to Receive Rollovers, and Distributee Definition Revised. This item applies to all plans. For purposes of Internal Revenue Code compliance (Minnesota Statutes, Section 356.635), eligible plans to receive rollovers is revised to include, for rollovers to a non-spousal beneficiary, an account or annuity treated as an inherited IRA under Section 402(c)(11) of the Code, and the distributee definition is revised to include a non-spousal beneficiary who qualifies for a distribution under the plan and is a designated beneficiary under Section 401(a)(9)(E) of the Code. *Laws 2009, Ch. 169, Art. 4, Sec. 45-46. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
10. Major Plans; Revised Appeal Procedure. This item applies to MSRS, PERA, and TRA. The major plan appeal procedure provision is revised to permit the plan's executive director to require the applicant to participate in a fact-finding session conducted by an administrative law judge assigned by the Office of Administrative Hearings and, if applicable, to take part in a vocational assessment. *Laws 2009, Ch. 169, Art. 4, Sec. 47. Source: SF 578 (Betzold); HF 1123 (Murphy, M.)*
11. MnSCU Employees; Early Separation Incentive. This early separation program applies to MnSCU employees, who may be covered by TRA, IRAP, MSRS-Unclassified, or various local plans. MnSCU may offer a targeted early separation incentive including a cash incentive, not to exceed one year's salary, or employer contributions to a postretirement healthcare savings account, or some combination of the two. Minimum eligibility requirements are that the individual be at least age 55 and have at least five years of MnSCU employment. MnSCU may designate specific departments, programs, or positions for inclusion. The cost of the program must be borne by the employer. The Chancellor and president of each college or university must report on the number and types of early separation incentives which are utilized and file the report with the Legislative Reference Library. The program expires on June 30, 2014. *Laws 2009, Ch. 169, Art. 6, Sec. 1-2. Source: SF 1266 (Pappas); HF 1527 (Kahn)*
12. Police and Fire; Amortization, Supplemental Amortization Aid Restart. This provision has implications for all free standing police or paid fire relief associations and for volunteer fire relief associations which may be eligible for volunteer fire minimum floor aid, which is partly funded from reallocated amortization and supplemental amortization aid. Language which prohibited restarting amortization aid to any relief association once it reaches full funding is removed from the amortization aid provision. *Laws 2009, Ch. 169, Art. 8, Sec. 2. Source: SF 2130 (Rosen); HF 2366 (Kahn)*
13. DTRFA, SPTRFA, and TRA; Reallocation of Amortization and Supplemental Amortization Aid. The 70 percent of the reallocated amortization and supplemental amortization aid going to TRA and SPTRFA is reapportioned, with 50 percent, rather than 70 percent, going to TRA; 40 percent, rather than 30 percent, going to SPTRFA, and with DTRFA newly added to the distribution and to receive ten percent. *Laws 2009, Ch. 169, Art. 8, Sec. 3. Source: State Government Finance Amendment H0723A1, derived from HF 2366 (Kahn)*

14. Repeal of Obsolete Pension Commission Third-Party Billing Procedure. An obsolete third-party billing provision for the Legislative Commission on Pensions and Retirement is repealed. *Laws 2009, Ch. 169, Art. 11, Sec. 7. Source: Commission Amendment S0191-16A.*
15. Administrative Revision of Amortization, Additional Amortization, and Supplemental Amortization Aid Provisions. The amortization aid, additional amortization aid, and supplemental amortization aid provisions are revised by reorganizing the provisions, revising cross-references, and specifying annual aid amounts, retroactive to 2004. *Laws 2009, Ch. 88, Art. 12, Sec. 14-17. Source: SF 1257(Bakk), HF 1298 (Lenczewski).*

### III. MISCELLANEOUS PROVISIONS

This section covers miscellaneous legislation which may impact plan active members or retirees, but which does not clearly fall into the domain of pension plan legislation.

1. Clarification of Health/Welfare Contribution Authorization. A public employment benefit authorization provision in the Chapter 471 (Municipal Rights, Powers, Duties) is revised by clarifying employer authority to make negotiated contributions to health and welfare funds for employees, dependents and other eligible persons. *Laws 2009, Ch. 191, Art. 12, Sec. 7. Source: Senate Finance Amendment SC0191A-3 (Metzen), derived from SF 986 (Lynch), 2<sup>nd</sup> Engrossment, Art. 2, Sec. 9.*
2. Repealer: State Board of Investment Data Classification Provision Regarding Venture Capital, Real Estate, and Resource Investments. Laws 2005, Chapter 163, Section 2, which specified that much of the information regarding State Board of Investment venture capital, real estate, and resource investments was nonpublic data, is repealed as part of a Revisor's bill as being obsolete or redundant. *Laws 2009, Ch. 86, Art. 1, Sec. 90. Source: SF 1096 (Moua); HF 1171 (Jackson)*
3. State Board of Investment Reporting Requirements Revisions. The SBI annual report and an executive summary of its quarterly reports must be must included on its web site. Also, the SBI annual report, which includes a list of recipients of SBI investment business, must also include commission or fees paid by SBI, and the investment business recipient list must include SBI's money managers. *Laws 2009, Ch. 101, Art. 2, Sec. 19. Source: SF 2082 (Betzold), Omnibus State Government Appropriations.*
4. Revised Report Filing Requirements. All departments or agencies required to file reports with the Legislature, including the State Board of Investment and the State Auditor, satisfy the Legislative Reference Library report filing requirement by filing two copies, rather than six, with the library, and the report must be available electronically to the Reference Library. Submitting copies to the Secretary of the Senate and Chief Clerk of the House are no longer required. *Laws 2009, Ch. 32, Sec. 1, 4-5. Source: SF 779 (Gimse); HF 801 (Pelowski).*
5. State Board of Investment Divestment from Companies Doing Business in Iran. The State Board of Investment (SBI) must identify all companies subject to sanctions under the Iran Sanctions Act of 1996. Within 90 days of identification SBI must send to the companies notice that SBI will divest if it continues its Iranian operations. If divestment is required, it must be completed within 15 months. *Laws 2009, Ch. 90. Source: SF 131(Bonoff), HF 111 (Winkler).*
6. School District Retiree Health Benefits. A school district may levy to pay for health benefits and other post retirement benefits for retirees if there is a sunset clause in the current collective bargaining agreement for the benefits, and if the district applies for the authority as prescribed by the Commissioner of Education. The total combined levy authority may not exceed \$9.2 million payable in 2010, \$29.9 million in 2011, and thereafter may not exceed the previous year's limit plus \$14 million. *Laws 2009, Ch. 96, Art. 1, Sec. 16. Source: SF 1328 (Stumpf), HF 2 (Greiling); other, more limited language appeared in Ch. 88, Art. 2, Sec. 2. (SF 1298 (Lenczewski))*
7. Voluntary Unpaid Leave of Absence Provision Made Permanent. A state employee voluntary leave of absence provision, which allowed state government appointing authorities to permit state employees to take up to 1040 hours (26 weeks) of leave between June 2007 and July 2009, is extended indefinitely by permitting 1040 hours of leave within each biennium. The purchase of service credit language in the existing law provision, which permits employees on leave to make employee contributions to MSRS with the employer making the employer contributions, is revised to permit contributions to whatever public retirement plan covers the individual, rather than to just to MSRS plans. *Laws 2009, Ch. 101, Art. 2, Sec. 64. Source: SF 2082 (Betzold).*

8. Extra Sick Leave for Veterans with Military Service Related Disabilities. State employees with military-related disabilities who have insufficient sick leave may apply for an additional 40 hours of sick leave to receive treatment, no more than once each fiscal year. *Laws 2009, Ch. 101, Art. 2, Sec. 62. Source: SF 2082 (Betzold).*
9. State Board of Investment and Pension Plan Executive Director Salary Agreements Ratified. The salary increase for the executive directors of MSRS, PERA, and TRA, and the salary administration plan for the State Board of Investment, all approved by the Legislative Coordinating Commission Subcommittee on Employee Relations on July 18, 2008, are ratified. *Laws 2009, Ch. 85, Sec. 1. Source: SF 1036 (Metzen), HF 1218 (Lillie).*
10. Retirement Plan Appropriations. \$1.889 million in first year of the biennium is appropriated to MSRS to cover refunds and benefits payable under the Legislators Retirement Plan, and \$1.937 million in the next year. \$457,000 and \$468,000 are payable to MSRS in the applicable years for the Elected State Officers Retirement Plan benefits. \$9 million in each year of the biennium is appropriated as the state contribution to MERF. TRA receives \$15,454,000 in each year to cover the special direct state aid requirements and special direct state aid matching aid, while the SPTRFA will receive \$2.827 million in each year, and the DTRFA will receive \$346,000. *Laws 2009, Ch. 101, Art. 1, Sec. 20-24. Source: SF 2082 (Betzold).*
11. Revised Meeting Law, Meetings by Electronic Means Permitted. Any state agency, board, commission, or department, including MSRS, PERA, and TRA, may conduct meetings by telephone or other electronic means if all members can hear and participate, if the public can hear and testify, if at least one member is physically present at the regular meeting location, if all votes are conducted by roll call, and if notice of the meeting is posted on the web site at least ten days before the meeting. *Laws 2009, Ch. 80. Source: SF 764 (Moua), HF 456 (Johnson, S.)*