A bill for an act

relating to retirement; various statewide and major local retirement plans; revising the process for the submission and review of proposed public pension plan administrative legislation; amending Minnesota Statutes 2006, section 356B.05.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2006, section 356B.05, is amended to read:

356B.05 PROPOSED PUBLIC PENSION ~~ADMINISTRATION~~ PLAN ADMINISTRATIVE LEGISLATION.

Subdivision 1. **Required proposal filing.** ~~(a)~~ Proposed administrative legislation recommended by or on behalf of ~~the Minnesota State Retirement System, the Public Employees Retirement Association, the Teachers Retirement Association, the Minneapolis Employees Retirement Fund, or a first class city teachers retirement fund association, and proposed retirement-related legislation recommended by the Minnesota State Colleges and Universities system~~ a covered retirement plan or entity must be ~~presented to~~ filed with the executive director of the Legislative Commission on Pensions and Retirement, with the chair of the State and Local Governmental Operations Committee of the senate, and with the chair of the Governmental Operations and Veterans Affairs Policy Committee of the house of representatives on or before October 1 of each year.

Subd. 2. **Consequences of nonfiling.** Proposed public pension plan administrative legislation must be filed by the designated date in order for the proposed administrative legislation to be ~~acted upon~~ considered by the commission and by the standing committees during the upcoming legislative session.

Subd. 3. **Pension commission staff response.** The executive director or the deputy executive director of the Legislative Commission on Pensions and Retirement shall provide written comments on the proposed administrative provisions to the ~~public pension~~ covered retirement plans or entities by November 15 of each year.

Subd. 4. **Mandated subjects for revision recommendations; schedule.** ~~(b)~~ (a) Proposed administrative legislation recommended by or on behalf of a ~~public employee pension~~ covered retirement plan or ~~system~~ entity under ~~paragraph (a)~~ subdivision 1 must address the following subjects and provisions:

(1) authorizing allowable service credit for leaves of absence and related circumstances, by October 1, 2008;

(2) governing offsets or deductions from the amount of disability benefits, by October 1, 2009;

(3) authorizing the purchase of allowable service credit for prior uncredited periods, by October 1, 2010;

~~(4) governing subsequent employment earnings by reemployed annuitants; and~~

~~(5)~~ (4) authorizing retroactive effect for retirement annuity or benefit applications~~.~~, by October 1, 2011;

(5) defining covered salary, by October 1, 2012;

(6) defining allowable service for ongoing public employment, by October 1, 2013;

(7) covering labor organization employees, by October 1, 2014;

(8) applying for disability benefits, by October 1, 2015; and

(9) applying for and paying death refunds, by October 1, 2016.

(c) Where possible and desirable, taking into account the differences among the public pension plans in existing law and the unique characteristics of the individual public pension ~~fund~~ plan memberships, uniform provisions relating to paragraph ~~(b)~~ (a) for all applicable public ~~pension~~ retirement plans must be presented for consideration during the specified legislative session.

(d) Supporting documentation setting forth the policy rationale for each set of uniform provisions must accompany the proposed administrative legislation. Supporting documentation includes a narrative statement of the administrative problem to be resolved and a summary of the intended proposed solution to that administrative problem. Proposed administrative legislation that omits supporting documentation does not represent a complete proposal and may not be considered to have been filed in a timely manner.

Subd. 5. **Covered retirement plans and entities.** The retirement plans and entities covered by this section are:

(1) the Minnesota State Retirement System;

(2) the Public Employees Retirement Association;

(3) the Teachers Retirement Association;

(4) the Minneapolis Employees Retirement Fund;

(5) the Duluth Teachers Retirement Fund Association;

(6) the St. Paul Teachers Retirement Fund Association; and

(7) the Minnesota State Colleges and Universities System.

Sec. 2. **EFFECTIVE DATE.**

Section 1 is effective July 1, 2007.