

CHAPTER 157 — H.F.No. 659

An act relating to retirement; St. Paul teachers retirement fund association; removing an expiration date on authority to provide post retirement increases in certain instances; authorizing reduced early retirement in certain instances; amending Laws 1979, Chapter 109, Section 1.

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

Section 1. Laws 1979, Chapter 109, Section 1, is amended to read:

Section 1. Authorization is hereby granted in accordance with Minnesota Statutes, Section 354A.12, for the St. Paul teachers retirement fund association to amend its bylaws as follows:

(1) Paragraph 9 of Section 3 of Article IV of the bylaws may be amended to provide a lump sum payment to annuitants and survivor benefit recipients who have been receiving annuities or benefits for at least three years, payable three months following the end of a fiscal year. The payments shall only be made if the investment income of the fund during the preceding fiscal year was in excess of 5-1/2 percent of the asset value of the fund at the end of that fiscal year. The amount that each eligible annuitant or benefit recipient shall be entitled to receive shall be determined as follows:

(a) The years of service of each annuitant as credited by the fund and the years of service of each person on behalf of whom a survivor benefit is paid as credited by the fund shall be totaled;

(b) The dollar amount equal to one-half of one percent of the asset value of the fund at the end of the previous fiscal year shall be determined;

(c) The dollar amount determined pursuant to clause (b) shall be divided by the aggregate years of credited service totaled pursuant to clause (a), the result to be considered the bonus figure per year of service credit;

(d) For each eligible annuitant and benefit recipient, the payment shall be equal to the bonus figure per year of service credit determined pursuant to clause (c) multiplied by each year of service credited for that person by the fund.

~~Authority to provide the post retirement adjustment shall expire on December 31, 1982.~~

(2) A new paragraph may be added to Section 2 of Article IV of the bylaws to provide that any active member of the fund with service credit prior to July 1, 1978 who elects in the social security referendum to become a coordinated member shall be entitled to a retirement annuity when otherwise qualified, the calculation of which shall utilize the formula specified in Laws 1977, Chapter 429, Section 61 for that portion of credited service which was

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served prior to July 1, 1978 and the new coordinated formula specified in the bylaws for the remainder of credited service, both applied to the average salary as specified in Paragraph 2 of Section 1 of Article IX. The formula percentages to be used in calculating the coordinated portion of a retirement annuity on coordinated service shall recognize the coordinated service as a continuation of any service prior to July 1, 1978.

(3) Paragraph 5 of Section 3 of Article IV of the bylaws in effect on June 1, 1978 may be amended to provide that the recomputation of a disability benefit in an amount equal to a service pension shall occur when the member attains the age of 60 years and shall be recomputed without any reduction for early retirement, and that if the disability terminates prior to age 60 the member shall be eligible for benefits as provided in Paragraph 1 of Section 3 of Article IV and the years of service and final average salary accrued to disability termination date would be used as provided in Paragraph 5 of Section 3 of Article IV of the bylaws in effect June 1, 1978 and that Paragraph 3 of Section 4 of Article IV be amended to conform to this provision.

(4) Article VIII of the bylaws in effect July 1, 1978 may be amended by adding a new section 5 providing augmentation of benefits in the same manner as Minnesota Statutes 1978, Section 354.55, Subdivision 11.

Sec. 2. **AUTHORITY TO AMEND BYLAWS.**

Authorization is hereby granted in accordance with Minnesota Statutes, Section 354A.12, Subdivision 4, for the St. Paul teachers retirement fund association to amend Paragraph 2, Clause (e) of Section 3 of Article IV of the bylaws of the association in effect on June 1, 1978, to provide that a service pension from the basic program is payable when a member retires after having attained the age of at least 55 years and having credit for at least ten years of service, which service pension shall be reduced by one-half of one percent for each month that the retiree is under the age of 65 years to and including the age of 60 years and reduced by one-fourth of one percent for each month that the retiree is under the age of 60 years to and including the age of 55 years.

Sec. 3. **EFFECTIVE DATE.**

This act is effective on the day following final enactment.

Approved May 8, 1981

CHAPTER 158 — H.F.No. 681

An act relating to retirement; reducing a certain deduction from amounts available to pay post-retirement adjustments; appropriating funds; amending Minnesota Statutes 1980, Section 11A.18, Subdivision 9.

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