

## ONE HUNDRED FIRST DAY

St. Paul, Minnesota, Tuesday, May 17, 2016

The Senate met at 11:00 a.m. and was called to order by the President.

**CALL OF THE SENATE**

Senator Bakk imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

Prayer was offered by the Chaplain, Rev. Michael Carlson.

The members of the Senate gave the pledge of allegiance to the flag of the United States of America.

The roll was called, and the following Senators answered to their names:

Abeler	Dibble	Housley	Newman	Senjem
Anderson	Dziedzic	Ingebrigtsen	Ortman	Sheran
Bakk	Eaton	Jensen	Osmek	Sieben
Benson	Eken	Johnson	Pappas	Skoe
Bonoff	Fischbach	Kent	Pederson	Sparks
Brown	Franzen	Kiffmeyer	Pratt	Stumpf
Carlson	Gazelka	Koenen	Reinert	Thompson
Chamberlain	Goodwin	Latz	Rest	Tomassoni
Champion	Hall	Limmer	Rosen	Torres Ray
Clausen	Hann	Lourey	Ruud	Weber
Cohen	Hawj	Marty	Saxhaug	Westrom
Dahle	Hayden	Miller	Scalze	Wiger
Dahms	Hoffman	Nelson	Schmit	Wiklund

The President declared a quorum present.

The reading of the Journal was dispensed with and the Journal, as printed and corrected, was approved.

**EXECUTIVE AND OFFICIAL COMMUNICATIONS**

The following communications were received.

May 12, 2016

The Honorable Sandra L. Pappas  
President of the Senate

Dear Madam President:

Please be advised that I have received, approved, signed and deposited in the Office of the Secretary of State, Chapter 99, S.F. No. 2539; Chapter 100, S.F. No. 2869; Chapter 101, S.F. No.

2896; Chapter 102, S.F. No. 2986; Chapter 103, S.F. No. 107; Chapter 104, S.F. No. 3272; Chapter 105, S.F. No. 2430; Chapter 106, S.F. No. 2498; Chapter 111, S.F. No. 2555 and Chapter 112, S.F. No. 2426.

Sincerely,  
Mark Dayton, Governor

May 16, 2016

The Honorable Kurt L. Daudt  
Speaker of the House of Representatives

The Honorable Sandra L. Pappas  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 2016 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and Date Approved 2016	Date Filed 2016
	2718	97	1:21 p.m. May 12	May 12
	2927	98	1:21 p.m. May 12	May 12
2539		99	1:22 p.m. May 12	May 12
2869		100	1:23 p.m. May 12	May 12
2896		101	1:23 p.m. May 12	May 12
2986		102	1:23 p.m. May 12	May 12
107		103	1:24 p.m. May 12	May 12
3272		104	1:24 p.m. May 12	May 12
2430		105	1:25 p.m. May 12	May 12
2498		106	1:25 p.m. May 12	May 12
	2954	107	1:25 p.m. May 12	May 12
	2870	108	1:26 p.m. May 12	May 12
	71	109	1:26 p.m. May 12	May 12
	2478	110	1:27 p.m. May 12	May 12
2555		111	1:27 p.m. May 12	May 12
2426		112	1:28 p.m. May 12	May 12

Sincerely,  
Steve Simon  
Secretary of State

May 17, 2016

The Honorable Sandra L. Pappas  
President of the Senate

Dear Senator Pappas:

Pursuant to Senate Rule 8.2, the following appointment has been withdrawn from the following committee and placed on the Confirmation Calendar:

From the Committee on Health, Human Services and Housing, to which was referred the following appointment as reported in the Journal for April 16, 2015:

MINNESOTA HOUSING FINANCE AGENCY  
Craig Klausing

Sincerely,  
JoAnne M. Zoff  
Secretary of the Senate

### REPORTS OF COMMITTEES

Senator Bakk moved that the Committee Reports at the Desk be now adopted. The motion prevailed.

**Senator Bakk, from the Committee on Rules and Administration, to which was referred**

**H.F. No. 1372** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
1372	1196				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 1372 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 1372, the second engrossment; and insert the language after the enacting clause of S.F. No. 1196, the second engrossment; further, delete the title of H.F. No. 1372, the second engrossment; and insert the title of S.F. No. 1196, the second engrossment.

And when so amended H.F. No. 1372 will be identical to S.F. No. 1196, and further recommends that H.F. No. 1372 be given its second reading and substituted for S.F. No. 1196, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

**Senator Bakk, from the Committee on Rules and Administration, to which was referred**

**H.F. No. 2607** for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2607	2325				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

**Senator Bakk, from the Committee on Rules and Administration, to which was referred**

**H.F. No. 2294** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
2294	1753				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 2294 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 2294, the first engrossment; and insert the language after the enacting clause of S.F. No. 1753; further, delete the title of H.F. No. 2294, the first engrossment; and insert the title of S.F. No. 1753.

And when so amended H.F. No. 2294 will be identical to S.F. No. 1753, and further recommends that H.F. No. 2294 be given its second reading and substituted for S.F. No. 1753, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

**Senator Bakk, from the Committee on Rules and Administration, to which was referred**

**H.F. No. 3142** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
3142	2475				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 3142 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 3142, the second engrossment; and insert the language after the enacting clause of S.F. No. 2475, the second engrossment; further, delete the title of H.F. No. 3142, the second engrossment; and insert the title of S.F. No. 2475, the second engrossment.

And when so amended H.F. No. 3142 will be identical to S.F. No. 2475, and further recommends that H.F. No. 3142 be given its second reading and substituted for S.F. No. 2475, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

**Senator Bakk, from the Committee on Rules and Administration, to which was referred**

**H.F. No. 3384** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
3384	3230				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 3384 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 3384, the second engrossment; and insert the language after the enacting clause of S.F. No. 3230, the second engrossment; further, delete the title of H.F. No. 3384, the second engrossment; and insert the title of S.F. No. 3230, the second engrossment.

And when so amended H.F. No. 3384 will be identical to S.F. No. 3230, and further recommends that H.F. No. 3384 be given its second reading and substituted for S.F. No. 3230, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

**Senator Bakk, from the Committee on Rules and Administration, to which was referred**

**H.F. No. 3469** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
3469	3213				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 3469 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 3469, the second engrossment; and insert the language after the enacting clause of S.F. No. 3213, the first engrossment; further, delete the title of H.F. No. 3469, the second engrossment; and insert the title of S.F. No. 3213, the first engrossment.

And when so amended H.F. No. 3469 will be identical to S.F. No. 3213, and further recommends that H.F. No. 3469 be given its second reading and substituted for S.F. No. 3213, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

**Senator Bakk, from the Committee on Rules and Administration, to which was referred**

**H.F. No. 3489** for comparison with companion Senate File, reports the following House File was found not identical with companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
3489	3079				

Pursuant to Rule 45, the Committee on Rules and Administration recommends that H.F. No. 3489 be amended as follows:

Delete all the language after the enacting clause of H.F. No. 3489, the first engrossment; and insert the language after the enacting clause of S.F. No. 3079; further, delete the title of H.F. No. 3489, the first engrossment; and insert the title of S.F. No. 3079.

And when so amended H.F. No. 3489 will be identical to S.F. No. 3079, and further recommends that H.F. No. 3489 be given its second reading and substituted for S.F. No. 3079, and that the Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Amendments adopted. Report adopted.

**Senator Bakk, from the Committee on Rules and Administration, to which was referred**

**H.F. No. 3588** for comparison with companion Senate File, reports the following House File was found identical and recommends the House File be given its second reading and substituted for its companion Senate File as follows:

GENERAL ORDERS		CONSENT CALENDAR		CALENDAR	
H.F. No.	S.F. No.	H.F. No.	S.F. No.	H.F. No.	S.F. No.
3588	3181				

and that the above Senate File be indefinitely postponed.

Pursuant to Rule 45, this report was prepared and submitted by the Secretary of the Senate on behalf of the Committee on Rules and Administration. Report adopted.

**SECOND READING OF HOUSE BILLS**

H.F. Nos. 1372, 2607, 2294, 3142, 3384, 3469, 3489 and 3588 were read the second time.

**INTRODUCTION AND FIRST READING OF SENATE BILLS**

The following bills were read the first time.

**Senator Dzedzic introduced—**

**S.F. No. 3623:** A bill for an act relating to labor relations; clarifying terms related to meatpacking workers; providing for notification in languages other than English and Spanish; amending Minnesota Statutes 2014, sections 179.86, subdivisions 1, 3; 181.635, subdivision 2.

Referred to the Committee on Jobs, Agriculture and Rural Development.

**Senator Sheran introduced—**

**S.F. No. 3624:** A bill for an act relating to health; prohibiting the use of tobacco, tobacco-related devices, and electronic cigarettes in sports stadiums; amending Minnesota Statutes 2014, sections 144.412; 144.413, by adding a subdivision; 144.417, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 144.

Referred to the Committee on Health, Human Services and Housing.

**Senators Dzedzic, Tomassoni and Dibble introduced—**

**S.F. No. 3625:** A bill for an act relating to environment; establishing advisory task force on green roofs; requiring a report; appropriating money.

Referred to the Committee on Environment and Energy.

**Senator Chamberlain introduced—**

**S.F. No. 3626:** A bill for an act relating to transportation; providing loan forgiveness for certain railroad bridge work.

Referred to the Committee on Finance.

**MOTIONS AND RESOLUTIONS****Senator Ingebrigtsen introduced –**

**Senate Resolution No. 283:** A Senate resolution honoring Kathryn LeBrasseur for receiving the Service to Mankind award from the Alexandria Sertoma Chapter.

Referred to the Committee on Rules and Administration.

**Senators Bakk and Hann introduced –**

**Senate Resolution No. 284:** A Senate resolution commemorating the lives and work of deceased Senators.

The Honorable Norbert P. Arnold, 1967-1976

The Honorable Leo T. Foley, 1997-2010

The Honorable James Gustafson, 1985-1992

The Honorable Jerome M. Hughes, 1967-1992

The Honorable Pat Piper, 1987-2000  
The Honorable J. Robert Stassen, 1973-1976

**WHEREAS**, those in public office need an uncommon dedication to meet the demands upon their time, resources, and talents; and

**WHEREAS**, in the history of the Minnesota Senate, there have been countless Senators who have left a heritage of noble deeds, thoughts, and acts; and

**WHEREAS**, in their endeavors to legislate for the public good of this state, they strove to represent fairly the rights of the people; and

**WHEREAS**, their spirits continually challenge, enlighten, and encourage those who remain to honestly and diligently exercise the work of the government for the public good; and

**WHEREAS**, Senators of today take courage and inspiration from those noble servants of another time who believed it was better to serve than to be served; and

**NOW, THEREFORE, BE IT RESOLVED** by the Senate of the State of Minnesota that it recognizes the tremendous contributions of the following deceased Senators: the Honorable Norbert P. Arnold, 1967-1976, the Honorable Leo T. Foley, 1997-2010, the Honorable James Gustafson, 1985-1992, the Honorable Jerome M. Hughes, 1967-1992, the Honorable Pat Piper, 1987-2000, and the Honorable J. Robert Stassen, 1973-1976. Their dedication to the public good is a source of inspiration to, and is worthy of emulation by, their present-day colleagues.

**BE IT FURTHER RESOLVED** that the Secretary of the Senate is directed to prepare an enrolled copy of this resolution, to be authenticated by the Secretary's signature and that of the Chair of the Senate Rules and Administration Committee, and transmit it to appropriate relatives of those commemorated by this resolution.

Senator Bakk moved the adoption of the foregoing resolution. The motion prevailed. So the resolution was adopted.

The members of the Senate paused to offer a moment of silence in memory of the deceased Senators.

#### **MOTIONS AND RESOLUTIONS - CONTINUED**

Senator Bakk moved that H.F. No. 3925 be taken from the table and given a second reading. The motion prevailed.

**H.F. No. 3925:** A bill for an act relating to Iron Range resources and rehabilitation; modifying duties of the commissioner; creating a Legislative-Citizen Commission; providing legislative oversight; modifying appropriations and distributions; making conforming changes; requiring a study; appropriating money; amending Minnesota Statutes 2014, sections 116J.423, subdivision 1; 116J.424; 298.001, by adding a subdivision; 298.018, subdivision 1; 298.17; 298.22; 298.221; 298.2211, subdivisions 3, 6; 298.2213; 298.2214, subdivision 2; 298.223; 298.227; 298.27; 298.28, subdivisions 7, 7a, 9c, 9d, 11; 298.292, subdivision 2; 298.294; 298.296; 298.2961; 298.297; 298.298; 298.46.

H.F. No. 3925 was read the second time.

Senator Bakk moved that H.F. No. 3925 be laid on the table. The motion prevailed.

### RECESS

Senator Bakk moved that the Senate do now recess subject to the call of the President. The motion prevailed.

After a brief recess, the President called the Senate to order.

### CALL OF THE SENATE

Senator Jensen imposed a call of the Senate. The Sergeant at Arms was instructed to bring in the absent members.

### MOTIONS AND RESOLUTIONS - CONTINUED

Without objection, remaining on the Order of Business of Motions and Resolutions, the Senate reverted to the Orders of Business of Messages From the House, First Reading of House Bills and Reports of Committees.

### MESSAGES FROM THE HOUSE

Madam President:

I have the honor to announce the passage by the House of the following Senate Files, herewith returned: S.F. Nos. 2713 and 2802.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned May 16, 2016

Madam President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

**S.F. No. 1440:** A bill for an act relating to health; making changes to the Minnesota prescription monitoring program; amending Minnesota Statutes 2014, section 152.126, subdivisions 1, 3, 5, 6; repealing Laws 2014, chapter 286, article 7, section 4.

Senate File No. 1440 is herewith returned to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned May 16, 2016

Senator Rosen moved that the Senate do not concur in the amendments by the House to S.F. No. 1440, and that a Conference Committee of 3 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Madam President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

**S.F. No. 498:** A bill for an act relating to data practices; classifying portable recording system data; establishing requirements for the destruction of data; requiring policies; imposing requirements on vendors and providing for damage awards; amending Minnesota Statutes 2014, section 13.82, subdivision 15, by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 626.

Senate File No. 498 is herewith returned to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned May 16, 2016

Senator Latz moved that the Senate do not concur in the amendments by the House to S.F. No. 498, and that a Conference Committee of 3 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Madam President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

**S.F. No. 3018:** A bill for an act relating to agriculture; making various policy and technical changes to agricultural-related provisions; modifying certain agricultural-related appropriations; amending Minnesota Statutes 2014, sections 17.53, subdivision 16; 18B.345; 28A.085, subdivision 1; 31.122; 31.94; Minnesota Statutes 2015 Supplement, sections 41A.14; 583.215; Laws 2015, First Special Session chapter 4, article 1, section 2, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 216B; repealing Laws 2015, First Special Session chapter 4, article 2, section 81.

Senate File No. 3018 is herewith returned to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned May 16, 2016

Senator Sparks moved that the Senate do not concur in the amendments by the House to S.F. No. 3018, and that a Conference Committee of 3 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Madam President:

I have the honor to announce the passage by the House of the following Senate File, AS AMENDED by the House, in which amendments the concurrence of the Senate is respectfully requested:

**S.F. No. 3368:** A bill for an act relating to transportation; modifying permit requirements for temporary use of certain rights-of-way; amending Minnesota Statutes 2014, section 160.27, by adding subdivisions; Minnesota Statutes 2015 Supplement, section 160.27, subdivision 10.

Senate File No. 3368 is herewith returned to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned May 16, 2016

Senator Koenen moved that the Senate do not concur in the amendments by the House to S.F. No. 3368, and that a Conference Committee of 3 members be appointed by the Subcommittee on Conference Committees on the part of the Senate, to act with a like Conference Committee appointed on the part of the House. The motion prevailed.

Madam President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 3 members of the House, on the amendments adopted by the House to the following Senate File:

**S.F. No. 1111:** A bill for an act relating to transportation; requiring drivers to stop vehicles at the direction of a school bus flagger; providing that bus driver is not subject to seat belt fines arising out of violations by certain passengers; amending Minnesota Statutes 2014, sections 169.444, subdivisions 2, 7, by adding subdivisions; 169.686, subdivision 1.

There has been appointed as such committee on the part of the House:

Swedzinski, Uglem and Persell.

Senate File No. 1111 is herewith returned to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned May 17, 2016

Madam President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 3 members of the House, on the amendments adopted by the House to the following Senate File:

**S.F. No. 2428:** A bill for an act relating to human services; extending the legislative task force on child protection; amending Laws 2015, chapter 71, article 1, section 125.

There has been appointed as such committee on the part of the House:

Kresha, Bennett and Norton.

Senate File No. 2428 is herewith returned to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned May 17, 2016

Madam President:

I have the honor to announce that the House has acceded to the request of the Senate for the appointment of a Conference Committee, consisting of 3 members of the House, on the amendments adopted by the House to the following Senate File:

**S.F. No. 2760:** A bill for an act relating to state lands; providing for valuation of bond-financed property; modifying provisions for sale and exchange of state land; modifying prior sales authorization; providing for release of certain reversionary interest; designating state waysides and forests; adding to and deleting from state forests and parks; authorizing sales, conveyances, and exchange of certain state lands; amending Minnesota Statutes 2014, sections 85.013, by adding a subdivision; 89.021, by adding a subdivision; 92.115, by adding a subdivision; 94.3495, subdivisions 2, 3, 7; Minnesota Statutes 2015 Supplement, section 94.10, subdivision 2; Laws 2012, chapter 236, section 28, subdivisions 2, 5, 9; proposing coding for new law in Minnesota Statutes, chapter 94.

There has been appointed as such committee on the part of the House:

Kiel, Hackbarth and Ecklund.

Senate File No. 2760 is herewith returned to the Senate.

Patrick D. Murphy, Chief Clerk, House of Representatives

Returned May 17, 2016

Madam President:

I have the honor to announce the passage by the House of the following House Files, herewith transmitted: H.F. Nos. 1291, 3333, 2841, 2844 and 3211.

Patrick D. Murphy, Chief Clerk, House of Representatives

Transmitted May 16, 2016

### FIRST READING OF HOUSE BILLS

The following bills were read the first time.

**H.F. No. 1291:** A bill for an act relating to judiciary; considering county attorney as attorney for any town in which a violation occurs for purposes of allocation of court fines, penalties, and forfeitures; amending Minnesota Statutes 2014, section 484.90, subdivision 6.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 1681, now on General Orders.

**H.F. No. 3333:** A bill for an act relating to health; modifying the schedules of controlled substances; amending Minnesota Statutes 2015 Supplement, section 152.02, subdivisions 2, 5.

Referred to the Committee on Rules and Administration for comparison with S.F. No. 3031, now on General Orders.

**H.F. No. 2841:** A bill for an act relating to solid waste; providing for management of metropolitan landfill contingency action trust account; amending Minnesota Statutes 2014, section 473.845, subdivision 1.

Senator Hayden, designee of the Chair of the Committee on Rules and Administration, moved that H.F. No. 2841 be laid on the table. The motion prevailed.

**H.F. No. 2844:** A bill for an act relating to natural resources; modifying off-road vehicle provisions; providing for David Dill memorial trail; modifying disposition of certain receipts; modifying report requirements; modifying game and fish penalty and enforcement provisions; modifying fees and requirements to take game and fish; modifying commissioner's duties; providing for elk management; requiring rulemaking; providing criminal penalties; appropriating money; amending Minnesota Statutes 2014, sections 3.7371, by adding a subdivision; 84.798, subdivision 2; 84.8035; 85.015, subdivision 13; 97A.045, subdivision 7; 97A.055, subdivision 4; 97A.075, subdivision 1; 97A.201, subdivision 2, by adding a subdivision; 97A.301, subdivision 1; 97A.338; 97A.405, subdivision 2; 97A.420, subdivision 1; 97A.421, subdivision 2a; 97A.451, subdivision 6; 97A.473, subdivisions 3, 5, 5a; 97A.474, subdivision 3; 97A.475, subdivisions 2, 3; 97B.035, subdivision 1; 97B.071; 97B.086; 97B.305; 97B.516; 97B.731, subdivision 3; 97B.811, subdivision 4a; 97C.401, subdivision 2; Minnesota Statutes 2015 Supplement, sections 97B.041; 97B.063; proposing coding for new law in Minnesota Statutes, chapters 97B; 97C; repealing Minnesota Statutes 2014, section 97A.075, subdivision 5.

Referred to the Committee on Finance.

**H.F. No. 3211:** A bill for an act relating to pari-mutuel horse racing; authorizing advance deposit wagering; providing for horse-racing revenue; appropriating money; amending Minnesota Statutes 2014, sections 240.08, subdivision 1; 240.13, subdivision 4; 240.15, subdivision 2; 240.25, subdivision 1; Minnesota Statutes 2015 Supplement, sections 240.01, by adding subdivisions; 240.08, subdivision 2; 240.10; 240.15, subdivisions 1, 6; 240.22; proposing coding for new law in Minnesota Statutes, chapter 240.

Referred to the Committee on Taxes.

## REPORTS OF COMMITTEES

### Senator Latz from the Committee on Judiciary, to which was referred

**S.F. No. 3609:** A bill for an act relating to civil actions; recognizing a property right in a person's name, voice, signature, photograph, or likeness; prohibiting unauthorized use; providing remedies; proposing coding for new law as Minnesota Statutes, chapter 564.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

"Section 1. [604.25] CLAIM FOR COMMERCIAL APPROPRIATION.

(a) For purposes of this section, "governing instrument" means a will, trust, or other dispositive or nominative document recognized by law.

(b) A claim for commercial appropriation as it exists in common law is transferable and descendible, in whole or in part, by contract, by means of a governing instrument, or by intestacy under chapter 524. The claim survives the death of an individual and exclusively vests in the persons entitled to the claim under a contract, governing instrument, or intestacy.

(c) The claim survives for a period of 50 years after death of the individual, subject to the applicable statute of limitations.

(d) The rights and remedies provided for in this section are cumulative and are in addition to other rights and remedies under law.

**EFFECTIVE DATE.** This section is effective the day following final enactment and applies to causes of action that accrue on or after that date. This section applies to the rights of a deceased individual who was domiciled in Minnesota at the time of the individual's death."

Delete the title and insert:

"A bill for an act relating to civil actions; providing for survival of commercial appropriation claims; proposing coding for new law in Minnesota Statutes, chapter 604."

And when so amended the bill do pass.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

**Senator Torres Ray from the Committee on State and Local Government, to which was referred**

**S.F. No. 588:** A bill for an act relating to retirement; general state employees retirement plan of the Minnesota State Retirement System; modifying disability application deadlines in certain instances; amending Minnesota Statutes 2014, section 352.113, subdivisions 2, 4.

Reports the same back with the recommendation that the bill be amended as follows:

Delete everything after the enacting clause and insert:

**"ARTICLE 1**

**MSRS, TRA, AND SPTRFA POST-RETIREMENT ADJUSTMENT REVISIONS  
SPTRFA SUPPLEMENTAL EMPLOYER CONTRIBUTION**

Section 1. Minnesota Statutes 2014, section 354A.12, subdivision 2a, is amended to read:

Subd. 2a. **Employer regular and additional contributions.** (a) The employing units shall make the following employer contributions to the teachers retirement fund association:

(1) for any each coordinated member of the St. Paul Teachers Retirement Fund Association, the employing unit shall make a regular employer contribution to the retirement fund association in an amount equal to the designated percentage of the salary of the coordinated member as provided below:

after June 30, 2014	5.5 percent
after June 30, 2015	6 percent
after June 30, 2016	6.25 percent
after June 30, 2017	6.5 percent
<u>after June 30, 2018</u>	<u>7.0 percent</u>

(2) for ~~any~~ each basic member of the St. Paul Teachers Retirement Fund Association, the employing unit shall make a regular employer contribution to the respective retirement fund in an amount according to the schedule below:

after June 30, 2014	9 percent of salary
after June 30, 2015	9.5 percent of salary
after June 30, 2016	9.75 percent of salary
after June 30, 2017	10 percent of salary
<u>after June 30, 2018</u>	<u>10.5 percent of salary</u>

(3) for a each basic member of the St. Paul Teachers Retirement Fund Association, the employing unit shall make an additional employer contribution to the respective fund in an amount equal to 3.64 percent of the salary of the basic member;

(4) for a each coordinated member of the St. Paul Teachers Retirement Fund Association, the employing unit shall make an additional employer contribution to the respective fund in an amount equal to 3.84 percent of the coordinated member's salary.

(b) The regular and additional employer contributions must be remitted directly to the St. Paul Teachers Retirement Fund Association at least once each month. Delinquent amounts are payable with interest under the procedure in subdivision 1a.

(c) Payments of regular and additional employer contributions for school district or technical college employees who are paid from normal operating funds must be made from the appropriate fund of the district or technical college.

(d) When an employer contribution rate changes for a fiscal year, the new contribution rate is effective for the entire salary paid by the employer with the first payroll cycle reported.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 2. Minnesota Statutes 2015 Supplement, section 354A.29, subdivision 7, is amended to read:

Subd. 7. **Eligibility for payment and calculation of postretirement adjustments.** (a) Annually, after June 30, the board of trustees of the St. Paul Teachers Retirement Fund Association must determine the amount of any postretirement adjustment using the procedures in this subdivision ~~and subdivision 8 or 9, whichever is applicable.~~

(b) On January 1, each person who has been receiving an annuity or benefit under the articles of incorporation, the bylaws, or this chapter, whose effective date of benefit commencement occurred on or before July 1 of the immediately preceding calendar year ~~immediately before the adjustment,~~

is eligible to receive a postretirement increase ~~as specified in subdivision 8 or 9~~ as determined under paragraph (c), clause (1) or (2), whichever applies.

(c) The amount provided for under this subdivision is the full postretirement increase to be applied as a permanent increase to the regular payment of each eligible member.

(1) A one percent postretirement increase shall apply for any eligible member whose effective date of benefit commencement occurred on or before January 1 of the immediately preceding calendar year.

(2) A one-half of one percent postretirement increase shall apply for any eligible member whose effective date of benefit commencement occurred after January 1 of the immediately preceding calendar year.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 3. Minnesota Statutes 2015 Supplement, section 356.215, subdivision 8, is amended to read:

Subd. 8. **Interest and salary assumptions.** (a) The actuarial valuation must use the applicable following interest assumption:

(1) select and ultimate interest rate assumption

plan	ultimate interest rate assumption
teachers retirement plan	8.5%

The select preretirement interest rate assumption for the period through June 30, 2017, is eight percent.

(2) single rate interest rate assumption

plan	interest rate assumption
general state employees retirement plan	8%
correctional state employees retirement plan	8
State Patrol retirement plan	8
legislators retirement plan, and for the constitutional officers calculation of total plan liabilities	0
judges retirement plan	8
general public employees retirement plan	8
public employees police and fire retirement plan	8
local government correctional service retirement plan	8
St. Paul teachers retirement plan	8
Bloomington Fire Department Relief Association	6

local monthly benefit volunteer firefighter relief associations	5
monthly benefit retirement plans in the statewide volunteer firefighter retirement plan	6

(b)(1) If funding stability has been attained, the valuation of each public pension and retirement plan enumerated in section 356.20, subdivision 2, clauses (2), (4), (8), (11), and (13), must use a postretirement adjustment rate actuarial assumption equal to the postretirement adjustment rate specified in section ~~354A.27, subdivision 7; 354A.29, subdivision 9;~~ or 356.415, subdivision ~~† 1b, 1c, 1e, or 1f,~~ whichever applies.

(2) If funding stability has not been attained, the valuation of each public pension and retirement plan enumerated in section 356.20, subdivision 2, clauses (2), (4), (8), (11), and (13), must use a select postretirement adjustment rate actuarial assumption equal to the postretirement adjustment rate specified in section ~~354A.27, subdivision 6a; 354A.29, subdivision 8;~~ or 356.415, subdivision ~~†a, 1b, 1c, †d, 1e, or 1f,~~ whichever applies, for a period ending when the approved actuary estimates that the plan will attain the defined funding stability measure, and thereafter an ultimate postretirement adjustment rate actuarial assumption equal to the postretirement adjustment rate under section ~~354A.27, subdivision 7; 354A.29, subdivision 9;~~ or 356.415, subdivision ~~† 1b, 1c, 1e, or 1f,~~ for the applicable period or periods beginning when funding stability is projected to be attained.

(3) The valuation of each public pension and retirement plan enumerated in section 356.20, subdivision 2, clauses (1), (3), (5), and (12), must use a postretirement adjustment rate actuarial assumption equal to the postretirement adjustment rate specified in section 354A.29 or 356.415, subdivision 1a or 1d, whichever applies.

(c) The actuarial valuation must use the applicable following single rate future salary increase assumption, the applicable following modified single rate future salary increase assumption, or the applicable following graded rate future salary increase assumption:

(1) single rate future salary increase assumption

plan	future salary increase assumption
legislators retirement plan	5%
judges retirement plan	2.75
Bloomington Fire Department Relief Association	4

(2) age-related future salary increase age-related select and ultimate future salary increase assumption or graded rate future salary increase assumption

plan	future salary increase assumption
local government correctional service retirement plan	assumption B
St. Paul teachers retirement plan	assumption A

For plans other than the St. Paul teachers retirement plan and the local government correctional service retirement plan, the select calculation is: during the designated select period, a designated

percentage rate is multiplied by the result of the designated integer minus T, where T is the number of completed years of service, and is added to the applicable future salary increase assumption. The designated select period is ten years and the designated integer is ten for the local government correctional service retirement plan and 15 for the St. Paul Teachers Retirement Fund Association. The designated percentage rate is 0.2 percent for the St. Paul Teachers Retirement Fund Association.

The ultimate future salary increase assumption is:

age	A	B
16	5.9%	8.75%
17	5.9	8.75
18	5.9	8.75
19	5.9	8.75
20	5.9	8.75
21	5.9	8.5
22	5.9	8.25
23	5.85	8
24	5.8	7.75
25	5.75	7.5
26	5.7	7.25
27	5.65	7
28	5.6	6.75
29	5.55	6.5
30	5.5	6.5
31	5.45	6.25
32	5.4	6.25
33	5.35	6.25
34	5.3	6
35	5.25	6
36	5.2	5.75
37	5.15	5.75
38	5.1	5.75
39	5.05	5.5
40	5	5.5
41	4.95	5.5
42	4.9	5.25
43	4.85	5

44	4.8	5
45	4.75	4.75
46	4.7	4.75
47	4.65	4.75
48	4.6	4.75
49	4.55	4.75
50	4.5	4.75
51	4.45	4.75
52	4.4	4.75
53	4.35	4.75
54	4.3	4.75
55	4.25	4.5
56	4.2	4.5
57	4.15	4.25
58	4.1	4
59	4.05	4
60	4	4
61	4	4
62	4	4
63	4	4
64	4	4
65	4	3.75
66	4	3.75
67	4	3.75
68	4	3.75
69	4	3.75
70	4	3.75

## (3) service-related ultimate future salary increase assumption

general state employees retirement plan of the Minnesota State Retirement System	assumption A
general employees retirement plan of the Public Employees Retirement Association	assumption B
Teachers Retirement Association	assumption C
public employees police and fire retirement plan	assumption D

State Patrol retirement plan

assumption E

correctional state employees retirement plan of the  
Minnesota State Retirement System

assumption F

service length	A	B	C	D	E	F
1	10.25%	11.78%	12%	12.75%	7.75%	5.75%
2	7.85	8.65	9	10.75	7.25	5.6
3	6.65	7.21	8	8.75	6.75	5.45
4	5.95	6.33	7.5	7.75	6.5	5.3
5	5.45	5.72	7.25	6.25	6.25	5.15
6	5.05	5.27	7	5.85	6	5
7	4.75	4.91	6.85	5.55	5.75	4.85
8	4.45	4.62	6.7	5.35	5.6	4.7
9	4.25	4.38	6.55	5.15	5.45	4.55
10	4.15	4.17	6.4	5.05	5.3	4.4
11	3.95	3.99	6.25	4.95	5.15	4.3
12	3.85	3.83	6	4.85	5	4.2
13	3.75	3.69	5.75	4.75	4.85	4.1
14	3.55	3.57	5.5	4.65	4.7	4
15	3.45	3.45	5.25	4.55	4.55	3.9
16	3.35	3.35	5	4.55	4.4	3.8
17	3.25	3.26	4.75	4.55	4.25	3.7
18	3.25	3.25	4.5	4.55	4.1	3.6
19	3.25	3.25	4.25	4.55	3.95	3.5
20	3.25	3.25	4	4.55	3.8	3.5
21	3.25	3.25	3.9	4.45	3.75	3.5
22	3.25	3.25	3.8	4.35	3.75	3.5
23	3.25	3.25	3.7	4.25	3.75	3.5
24	3.25	3.25	3.6	4.25	3.75	3.5
25	3.25	3.25	3.5	4.25	3.75	3.5
26	3.25	3.25	3.5	4.25	3.75	3.5
27	3.25	3.25	3.5	4.25	3.75	3.5
28	3.25	3.25	3.5	4.25	3.75	3.5
29	3.25	3.25	3.5	4.25	3.75	3.5

30 or more    3.25            3.25            3.5            4.25            3.75            3.5

(d) The actuarial valuation must use the applicable following payroll growth assumption for calculating the amortization requirement for the unfunded actuarial accrued liability where the amortization retirement is calculated as a level percentage of an increasing payroll:

plan	payroll growth assumption
general state employees retirement plan of the Minnesota State Retirement System	3.5%
correctional state employees retirement plan	3.5
State Patrol retirement plan	3.5
judges retirement plan	2.75
general employees retirement plan of the Public Employees Retirement Association	3.5
public employees police and fire retirement plan	3.5
local government correctional service retirement plan	3.5
teachers retirement plan	3.75
St. Paul teachers retirement plan	4

(e) The assumptions set forth in paragraphs (c) and (d) continue to apply, unless a different salary assumption or a different payroll increase assumption:

(1) has been proposed by the governing board of the applicable retirement plan;

(2) is accompanied by the concurring recommendation of the actuary retained under section 356.214, subdivision 1, if applicable, or by the approved actuary preparing the most recent actuarial valuation report if section 356.214 does not apply; and

(3) has been approved or deemed approved under subdivision 18.

**EFFECTIVE DATE.** This section is effective June 30, 2016.

Sec. 4. Minnesota Statutes 2015 Supplement, section 356.215, subdivision 11, is amended to read:

Subd. 11. **Amortization contributions.** (a) In addition to the exhibit indicating the level normal cost, the actuarial valuation of the retirement plan must contain an exhibit for financial reporting purposes indicating the additional annual contribution sufficient to amortize the unfunded actuarial accrued liability and must contain an exhibit for contribution determination purposes indicating the additional contribution sufficient to amortize the unfunded actuarial accrued liability. For the retirement plans listed in subdivision 8, paragraph (c), but excluding the legislators retirement plan, the additional contribution must be calculated on a level percentage of covered payroll basis by the established date for full funding in effect when the valuation is prepared, assuming annual payroll growth at the applicable percentage rate set forth in subdivision 8, paragraph (d). For all other retirement plans and for the legislators retirement plan, the additional annual contribution must be calculated on a level annual dollar amount basis.

(b) For any retirement plan other than a retirement plan governed by paragraph (d), (e), (f), (g), (h), (i), or (j), if there has not been a change in the actuarial assumptions used for calculating the actuarial accrued liability of the fund, a change in the benefit plan governing annuities and benefits payable from the fund, a change in the actuarial cost method used in calculating the actuarial accrued liability of all or a portion of the fund, or a combination of the three, which change or changes by itself or by themselves without inclusion of any other items of increase or decrease produce a net increase in the unfunded actuarial accrued liability of the fund, the established date for full funding is the first actuarial valuation date occurring after June 1, 2020.

(c) For any retirement plan, if there has been a change in any or all of the actuarial assumptions used for calculating the actuarial accrued liability of the fund, a change in the benefit plan governing annuities and benefits payable from the fund, a change in the actuarial cost method used in calculating the actuarial accrued liability of all or a portion of the fund, or a combination of the three, and the change or changes, by itself or by themselves and without inclusion of any other items of increase or decrease, produce a net increase in the unfunded actuarial accrued liability in the fund, the established date for full funding must be determined using the following procedure:

(i) the unfunded actuarial accrued liability of the fund must be determined in accordance with the plan provisions governing annuities and retirement benefits and the actuarial assumptions in effect before an applicable change;

(ii) the level annual dollar contribution or level percentage, whichever is applicable, needed to amortize the unfunded actuarial accrued liability amount determined under item (i) by the established date for full funding in effect before the change must be calculated using the interest assumption specified in subdivision 8 in effect before the change;

(iii) the unfunded actuarial accrued liability of the fund must be determined in accordance with any new plan provisions governing annuities and benefits payable from the fund and any new actuarial assumptions and the remaining plan provisions governing annuities and benefits payable from the fund and actuarial assumptions in effect before the change;

(iv) the level annual dollar contribution or level percentage, whichever is applicable, needed to amortize the difference between the unfunded actuarial accrued liability amount calculated under item (i) and the unfunded actuarial accrued liability amount calculated under item (iii) over a period of 30 years from the end of the plan year in which the applicable change is effective must be calculated using the applicable interest assumption specified in subdivision 8 in effect after any applicable change;

(v) the level annual dollar or level percentage amortization contribution under item (iv) must be added to the level annual dollar amortization contribution or level percentage calculated under item (ii);

(vi) the period in which the unfunded actuarial accrued liability amount determined in item (iii) is amortized by the total level annual dollar or level percentage amortization contribution computed under item (v) must be calculated using the interest assumption specified in subdivision 8 in effect after any applicable change, rounded to the nearest integral number of years, but not to exceed 30 years from the end of the plan year in which the determination of the established date for full funding using the procedure set forth in this clause is made and not to be less than the period of years beginning in the plan year in which the determination of the established date for full funding

using the procedure set forth in this clause is made and ending by the date for full funding in effect before the change; and

(vii) the period determined under item (vi) must be added to the date as of which the actuarial valuation was prepared and the date obtained is the new established date for full funding.

(d) For the general employees retirement plan of the Public Employees Retirement Association, the established date for full funding is June 30, 2031.

(e) For the Teachers Retirement Association, the established date for full funding is June 30, ~~2037~~ 2046.

(f) For the correctional state employees retirement plan of the Minnesota State Retirement System, the established date for full funding is June 30, 2038.

(g) For the judges retirement plan, the established date for full funding is June 30, 2038.

(h) For the public employees police and fire retirement plan, the established date for full funding is June 30, 2038.

(i) For the St. Paul Teachers Retirement Fund Association, the established date for full funding is June 30, 2042. In addition to other requirements of this chapter, the annual actuarial valuation must contain an exhibit indicating the funded ratio and the deficiency or sufficiency in annual contributions when comparing liabilities to the market value of the assets of the fund as of the close of the most recent fiscal year.

(j) For the general state employees retirement plan of the Minnesota State Retirement System, the established date for full funding is June 30, 2040.

(k) For the retirement plans for which the annual actuarial valuation indicates an excess of valuation assets over the actuarial accrued liability, the valuation assets in excess of the actuarial accrued liability must be recognized as a reduction in the current contribution requirements by an amount equal to the amortization of the excess expressed as a level percentage of pay over a 30-year period beginning anew with each annual actuarial valuation of the plan.

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

Sec. 5. Minnesota Statutes 2015 Supplement, section 356.415, subdivision 1a, is amended to read:

Subd. 1a. **Annual postretirement adjustments; Minnesota State Retirement System plans other than the State Patrol and judges retirement plan plans.** (a) Retirement annuity, disability benefit, or survivor benefit recipients of the legislators retirement plan, including constitutional officers as specified in chapter 3A, the general state employees retirement plan, the correctional state employees retirement plan, and the unclassified state employees retirement program are entitled to a postretirement adjustment annually on January 1, as follows:

(1) ~~for each successive January 1, if the definition of funding stability under paragraph (b) has not been met as of the prior July 1 for or with respect to the applicable retirement plan, effective January 1, 2017, through December 31, 2017,~~ a postretirement increase of ~~two~~ 1.75 percent must be applied each year, effective on January 1, to the monthly annuity or benefit of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 12 full months as of the June 30 of the calendar year immediately before the adjustment; ~~and~~

(2) for each successive January 1, if the definition of funding stability under paragraph (b) has not been met as of the prior July 1 for or with respect to the applicable retirement plan, effective January 1, 2017, through December 31, 2017, for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the June 30 of the calendar year immediately before the adjustment, an annual postretirement increase of 1/12 of two 1.75 percent for each month that the person has been receiving an annuity or benefit must be applied;

(3) effective January 1, 2018, a postretirement increase of two percent must be applied to the monthly annuity or benefit of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 12 full months as of the June 30 of the calendar year immediately before the adjustment; and

(4) effective January 1, 2018, for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the June 30 of the calendar year immediately before the adjustment, an annual postretirement increase of 1/12 of two percent for each month that the person has been receiving an annuity or benefit must be applied.

~~(b) Increases under this subdivision for the general state employees retirement plan or the correctional state employees retirement plan terminate on December 31 of the calendar year in which two prior consecutive actuarial valuations prepared by the approved actuary under sections 356.214 and 356.215 and the standards for actuarial work promulgated by the Legislative Commission on Pensions and Retirement indicate that the market value of assets of the retirement plan equals or exceeds 90 percent of the actuarial accrued liability of the retirement plan and increases under subdivision 1 recommence after that date. Increases under this subdivision for the legislators retirement plan established under chapter 3A, including the constitutional officers specified in that chapter, and for the unclassified state employees retirement program, terminate on December 31 of the calendar year in which two prior consecutive actuarial valuations prepared by the approved actuary under sections 356.214 and 356.215 and the standards for actuarial work promulgated by the Legislative Commission on Pensions and Retirement indicate that the market value of assets of the general state employees retirement plan equals or exceeds 90 percent of the actuarial accrued liability of the retirement plan and increases under subdivision 1 recommence after that date.~~

~~(c) After having met the definition of funding stability under paragraph (b), the increase provided in paragraph (a), clauses (1) and (2), rather than an increase under subdivision 1, for the general state employees retirement plan or the correctional state employees retirement plan, is again to be applied in a subsequent year or years if the market value of assets of the applicable plan equals or is less than:~~

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

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

~~(d) After having met the definition of funding stability under paragraph (b), the increase provided in paragraph (a), clauses (1) and (2), rather than an increase under subdivision 1, for the legislators retirement plan, including the constitutional officers, and for the unclassified state~~

employees retirement program, is again to be applied in a subsequent year or years if the market value of assets of the general state employees retirement plan equals or is less than:

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

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

(e) (b) An increase in annuity or benefit payments under this subdivision must be made automatically unless written notice is filed by the annuitant or benefit recipient with the executive director of the applicable covered retirement plan requesting that the increase not be made.

**EFFECTIVE DATE.** This section is effective June 30, 2016.

Sec. 6. Minnesota Statutes 2015 Supplement, section 356.415, subdivision 1d, is amended to read:

Subd. 1d. **Teachers Retirement Association annual postretirement adjustments.** (a) Retirement annuity, disability benefit, or survivor benefit recipients of the Teachers Retirement Association are entitled to a postretirement adjustment annually on January 1, as follows:

(1) ~~for each January 1 until funding stability is restored;~~ effective January 1, 2017, through December 31, 2017, a postretirement increase of ~~two one~~ one percent must be applied ~~each year, effective on January 1,~~ to the monthly annuity or benefit amount of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 12 full months as of the June 30 of the calendar year immediately before the adjustment;

(2) ~~for each January 1 until funding stability is restored~~ effective January 1, 2017, through December 31, 2017, for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the June 30 of the calendar year immediately before the adjustment, an annual postretirement increase of 1/12 of ~~two one~~ one percent for each month the person has been receiving an annuity or benefit must be applied;

(3) ~~for each January 1 following the restoration of funding stability~~ effective January 1, 2018, and thereafter, a postretirement increase of ~~2.5 two~~ two percent must be applied ~~each year, effective January 1,~~ to the monthly annuity or benefit amount of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 12 full months as of the June 30 of the calendar year immediately before the adjustment; and

(4) ~~for each January 1 following the restoration of funding stability~~ effective January 1, 2018, and thereafter, for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the June 30 of the calendar year immediately before the adjustment, an annual postretirement increase of 1/12 of ~~2.5 two~~ two percent for each month the person has been receiving an annuity or benefit must be applied.

(b) ~~Funding stability is restored when the market value of assets of the Teachers Retirement Association equals or exceeds 90 percent of the actuarial accrued liabilities of the Teachers Retirement Association in the two most recent prior actuarial valuations prepared under section 356.215 and the standards for actuarial work by the approved actuary retained by the Teachers Retirement Association under section 356.214.~~

~~(c) After having met the definition of funding stability under paragraph (b), the increase provided in paragraph (a), clauses (1) and (2), rather than an increase under subdivision 1, or the increase under paragraph (a), clauses (3) and (4), is again to be applied in a subsequent year or years if the market value of assets of the plan equals or is less than:~~

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

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

~~(d) (b) An increase in annuity or benefit payments under this section must be made automatically unless written notice is filed by the annuitant or benefit recipient with the executive director of the Teachers Retirement Association requesting that the increase not be made.~~

~~(e) (c) The retirement annuity payable to a person who retires before becoming eligible for Social Security benefits and who has elected the optional payment as provided in section 354.35 must be treated as the sum of a period-certain retirement annuity and a life retirement annuity for the purposes of any postretirement adjustment. The period-certain retirement annuity plus the life retirement annuity must be the annuity amount payable until age 62, 65, or normal retirement age, as selected by the member at retirement, for an annuity amount payable under section 354.35. A postretirement adjustment granted on the period-certain retirement annuity must terminate when the period-certain retirement annuity terminates.~~

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

Sec. 7. Minnesota Statutes 2015 Supplement, section 356.415, subdivision 1e, is amended to read:

Subd. 1e. **Annual postretirement adjustments; State Patrol retirement plan.** (a) Retirement annuity, disability benefit, or survivor benefit recipients of the State Patrol retirement plan are entitled to a postretirement adjustment annually on January 1 if the definition of funding stability under paragraph (b) has not been met, as follows:

(1) a postretirement increase of one percent must be applied each year, effective on January 1, to the monthly annuity or benefit of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 12 full months as of the June 30 of the calendar year immediately before the adjustment; and

(2) for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the June 30 of the calendar year immediately before the adjustment, an annual postretirement increase of 1/12 of one percent for each month that the person has been receiving an annuity or benefit must be applied.

(b) Increases under paragraph (a) for the State Patrol retirement plan terminate on December 31 of the calendar year in which two prior consecutive actuarial valuations for the plan prepared by the approved actuary under sections 356.214 and 356.215 and the standards for actuarial work promulgated by the Legislative Commission on Pensions and Retirement indicates that the market value of assets of the retirement plan equals or exceeds 85 percent of the actuarial accrued liability of the retirement plan. Thereafter, increases under paragraph (a) become effective again on the December 31 of the calendar year in which the actuarial valuation, or prior consecutive actuarial

valuations for the plan prepared by the approved actuary under sections 356.214 and 356.215 and the standards for actuarial work promulgated by the Legislative Commission on Pensions and Retirement indicates that the market value of the assets of the retirement plan equals or is less than 80 percent of the actuarial accrued liability of the retirement plan for two years, or equals or is less than 75 percent of the actuarial accrued liability of the retirement plan for one year and increases under paragraph (c) commence after that date.

(c) Retirement annuity, disability benefit, or survivor benefit recipients of the State Patrol retirement plan are entitled to a postretirement adjustment annually on January 1 if the definition of funding stability under paragraph (b) has been met, as follows:

(1) a postretirement increase of 1.5 percent must be applied each year, effective on January 1, to the monthly annuity or benefit of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 12 full months as of the June 30 of the calendar year immediately before the adjustment; and

(2) for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the June 30 of the calendar year immediately before the adjustment, an annual postretirement increase of 1/12 of 1.5 percent for each month that the person has been receiving an annuity or benefit must be applied.

(d) Increases under paragraph (c) for the State Patrol retirement plan terminate on December 31 of the calendar year in which two prior consecutive actuarial valuations prepared by the approved actuary under sections 356.214 and 356.215 and the standards for actuarial work adopted by the Legislative Commission on Pensions and Retirement indicates that the market value of assets of the retirement plan equals or exceeds 90 percent of the actuarial accrued liability of the retirement plan and increases under subdivision 1 recommence paragraph (e) commence after that date.

(e) Retirement annuity, disability benefit, or survivor benefit recipients of the State Patrol retirement plan are entitled to a postretirement adjustment annually on January 1 if the definition of funding stability under paragraph (d) has been met, as follows:

(1) a postretirement increase of 2.5 percent must be applied each year, effective on January 1, to the monthly annuity or benefit of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 12 full months as of the June 30 of the calendar year immediately before the adjustment; and

(2) for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the June 30 of the calendar year immediately before the adjustment, an annual postretirement increase of 1/12 of 2.5 percent for each month that the person has been receiving an annuity or benefit must be applied.

(e) (f) An increase in annuity or benefit payments under this subdivision must be made automatically unless written notice is filed by the annuitant or benefit recipient with the executive director of the applicable covered retirement plan requesting that the increase not be made.

**EFFECTIVE DATE.** This section is effective June 30, 2016.

Sec. 8. Minnesota Statutes 2015 Supplement, section 356.415, subdivision 1f, is amended to read:

Subd. 1f. **Annual postretirement adjustments; Minnesota State Retirement System judges retirement plan.** ~~(a) The increases provided under this subdivision are in lieu of increases under subdivision 1 or 1a for retirement annuity, disability benefit, or survivor benefit recipients of the judges retirement plan.~~

~~(b) (a) Retirement annuity, disability benefit, or survivor benefit recipients of the judges retirement plan are entitled to a postretirement adjustment annually on January 1 if the definition of funding stability under paragraph (b) has not been met, as follows:~~

~~(1) a postretirement increase of 1.75 percent must be applied each year, effective on January 1, to the monthly annuity or benefit of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 12 full months as of the June 30 of the calendar year immediately before the adjustment; and~~

~~(2) for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the June 30 of the calendar year immediately before the adjustment, an annual postretirement increase of 1/12 of 1.75 percent for each month that the person has been receiving an annuity or benefit must be applied.~~

~~(c) (b) Increases under this subdivision paragraph (a) terminate on December 31 of the calendar year in which two prior consecutive actuarial valuations prepared by the approved actuary under sections 356.214 and 356.215 and the standards for actuarial work promulgated by the Legislative Commission on Pensions and Retirement indicates that the market value of assets of the judges retirement plan equals or exceeds 70 percent of the actuarial accrued liability of the retirement plan; and increases under subdivision 1 or 1a, whichever is applicable, begin on the January 1 next following paragraph (c) commence after that date.~~

~~(c) Retirement annuity, disability benefit, or survivor benefit recipients of the judges retirement plan are entitled to a postretirement adjustment annually on January 1 if the definition of funding stability under paragraph (d) has not been met, as follows:~~

~~(1) a postretirement increase of two percent must be applied each year, effective on January 1, to the monthly annuity or benefit of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 12 full months as of the June 30 of the calendar year immediately before the adjustment; and~~

~~(2) for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the June 30 of the calendar year immediately before the adjustment, an annual postretirement increase of 1/12 of two percent for each month that the person has been receiving an annuity or benefit must be applied.~~

~~(d) Increases under paragraph (c) terminate on December 31 of the calendar year in which two prior consecutive actuarial valuations prepared by the approved actuary under sections 356.214 and 356.215 and the standards for actuarial work adopted by the Legislative Commission on Pensions and Retirement indicates that the market value of assets of the judges retirement plan equals or exceeds 90 percent of the actuarial accrued liability of the retirement plan and increases under paragraph (e) commence after that date.~~

~~(e) Retirement annuity, disability benefit, or survivor benefit recipients of the judges retirement plan are entitled to a postretirement adjustment annually on January 1 if the definition of funding stability under paragraph (d) has been met, as follows:~~

(1) a postretirement increase of 2.5 percent must be applied each year, effective on January 1, to the monthly annuity or benefit of each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least 12 full months as of the June 30 of the calendar year immediately before the adjustment; and

(2) for each annuitant or benefit recipient who has been receiving an annuity or a benefit for at least one full month, but less than 12 full months as of the June 30 of the calendar year immediately before the adjustment, an annual postretirement increase of 1/12 of 2.5 percent for each month that the person has been receiving an annuity or benefit must be applied.

(d) (f) An increase in annuity or benefit payments under this subdivision must be made automatically unless written notice is filed by the annuitant or benefit recipient with the executive director of the applicable covered retirement plan requesting that the increase not be made.

**EFFECTIVE DATE.** This section is effective June 30, 2016.

Sec. 9. Minnesota Statutes 2014, section 490.121, subdivision 25, is amended to read:

Subd. 25. **Tier I.** "Tier I" is the benefit program of the retirement plan with a membership specified by section 490.1221, paragraph (b), and governed by sections 356.415, ~~subdivisions 1 and subdivision 1f~~; and 490.121 to 490.133, except as modified in sections 490.121, subdivision 21f, paragraph (b); 490.1222; 490.123, subdivision 1a, paragraph (b); and 490.124, subdivision 1, paragraphs (c) and (d).

**EFFECTIVE DATE.** This section is effective June 30, 2016.

Sec. 10. Minnesota Statutes 2014, section 490.121, subdivision 26, is amended to read:

Subd. 26. **Tier II.** "Tier II" is the benefit program of the retirement plan with a membership specified by section 490.1221, paragraph (c), and governed by sections 356.415, ~~subdivisions 1 and subdivision 1f~~; 490.121 to 490.133, as modified in section 490.121, subdivision 21f, paragraph (b); 490.1222; 490.123, subdivision 1a, paragraph (b); and 490.124, subdivision 1, paragraphs (c) and (d).

**EFFECTIVE DATE.** This section is effective June 30, 2016.

Sec. 11. **REPEALER.**

(a) Minnesota Statutes 2015 Supplement, section 356.415, subdivision 1, is repealed.

(b) Minnesota Statutes 2015 Supplement, section 354A.29, subdivisions 8 and 9, are repealed.

**EFFECTIVE DATE.** Paragraph (a) is effective June 30, 2016. Paragraph (b) is effective July 1, 2016.

## ARTICLE 2

### MINNESOTA STATE RETIREMENT SYSTEM ADMINISTRATIVE PROVISIONS

Section 1. Minnesota Statutes 2015 Supplement, section 3A.03, subdivision 2, is amended to read:

Subd. 2. **Refund.** (a) A former member who has made contributions under subdivision 1 and who is no longer a member of the legislature is entitled to receive, upon written application to the executive director on a form prescribed by the executive director, a refund from the general fund of all contributions credited to the member's account with interest computed as provided in section 352.22, subdivision 2.

(b) The refund of contributions as provided in paragraph (a) terminates all rights of a former member of the legislature and the survivors of the former member under this chapter.

(c) If the former member of the legislature again becomes a member of the legislature after having taken a refund as provided in paragraph (a), the member is a member of the unclassified employees retirement program of the Minnesota State Retirement System.

(d) However, the member may reinstate the rights and credit for service previously forfeited under this chapter if the member repays all refunds taken, plus interest at the rate of 8.5 percent until June 30, 2015, and eight percent thereafter compounded annually from the date on which the refund was taken to the date on which the refund is repaid. Repayment must be made as provided in section 352.23, paragraph (d).

(e) No person may be required to apply for or to accept a refund.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 2. Minnesota Statutes 2014, section 3A.03, subdivision 3, is amended to read:

Subd. 3. **Legislators retirement fund.** (a) The legislators retirement fund, a special retirement fund, is created within the state treasury. The legislators retirement fund must be credited with any investment proceeds on the assets of the retirement fund.

(b) The payment of annuities under section 3A.115, paragraph (b), is appropriated from the legislators retirement fund.

(c) The legislators retirement fund may receive transfers of general fund proceeds.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 3. Minnesota Statutes 2014, section 16A.14, subdivision 2a, is amended to read:

Subd. 2a. **Exceptions.** The allotment and encumbrance system does not apply to:

(1) appropriations for the courts or the legislature;

(2) payment of unemployment benefits; and

(3) transactions within the defined contribution funds administered by the Minnesota State Retirement System.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 4. Minnesota Statutes 2014, section 352.03, subdivision 5, is amended to read:

Subd. 5. **Executive director, deputy director, and assistant director.** (a) The board shall appoint an executive director, in this chapter called the director, of the system must be appointed by the board on the basis of fitness education, experience in the retirement field, and leadership ability to manage and lead system staff, and ability to assist the board in setting a vision for the system. The

director must have had at least five years' experience on the administrative staff of a major retirement system in either an executive level management position or in a position with responsibility for the governance, management, or administration of a retirement plan.

(b) The executive director, deputy director, and assistant director must be in the unclassified service but appointees may be selected from civil service lists if desired. The salary of the executive director must be as provided by section 15A.0815. The salary of the deputy director and assistant director must be set in accordance with section 43A.18, subdivision 3.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 5. Minnesota Statutes 2014, section 352.03, subdivision 6, is amended to read:

Subd. 6. **Duties and powers of executive director.** The management of the system is vested in the director, who is the executive and administrative head of the system. The director may appoint a deputy director and an assistant director with the approval of the board. The director shall be advisor to the board on matters pertaining to the system and shall also act as the secretary of the board. The director shall:

- (1) attend meetings of the board;
- (2) prepare and recommend to the board appropriate rules to carry out this chapter;
- (3) establish and maintain an adequate system of records and accounts following recognized accounting principles and controls;
- ~~(4) designate an assistant director with the approval of the board;~~
- (5) ~~(4)~~ appoint any employees, both permanent and temporary, that are necessary to carry out the provisions of this chapter;
- ~~(6)~~ ~~(5)~~ organize the work of the system as the director deems necessary to fulfill the functions of the system, and define the duties of its employees and delegate to them any powers or duties, subject to the control of the director and under conditions the director may prescribe. Appointments to exercise delegated power must be by written order and shall be filed with the secretary of state;
- ~~(7)~~ ~~(6)~~ with the advice and consent of the board, contract for the services of an approved actuary, professional management services, and any other consulting services as necessary and fix the compensation for those services. The contracts are not subject to competitive bidding under chapter 16C. Any approved actuary retained by the executive director shall function as the actuarial advisor of the board and the executive director, and may perform actuarial valuations and experience studies to supplement those performed by the actuary retained under section 356.214. Any supplemental actuarial valuations or experience studies shall be filed with the executive director of the Legislative Commission on Pensions and Retirement. Professional management services may not be contracted for more often than once in six years. Copies of professional management survey reports must be transmitted to the secretary of the senate, the chief clerk of the house of representatives, and the Legislative Reference Library as provided by section 3.195, and to the executive director of the commission at the time as reports are furnished to the board. Only management firms experienced in conducting management surveys of federal, state, or local public retirement systems are qualified to contract with the director;

~~(8)~~ (7) with the advice and consent of the board provide in-service training for the employees of the system;

~~(9)~~ (8) make refunds of accumulated contributions to former state employees and to the designated beneficiary, surviving spouse, legal representative, or next of kin of deceased state employees or deceased former state employees, as provided in this chapter;

~~(10)~~ (9) determine the amount of the annuities and disability benefits of employees covered by the system and authorize payment of the annuities and benefits beginning as of the dates on which the annuities and benefits begin to accrue, in accordance with the provisions of this chapter;

~~(11)~~ (10) pay annuities, refunds, survivor benefits, salaries, and necessary operating expenses of the system;

~~(12)~~ (11) certify funds available for investment to the State Board of Investment;

~~(13)~~ (12) with the advice and approval of the board request the State Board of Investment to sell securities when the director determines that funds are needed for the system;

~~(14)~~ (13) prepare and submit to the board and the legislature an annual financial report covering the operation of the system, as required by section 356.20;

~~(15)~~ (14) prepare and submit biennial and annual budgets to the board and with the approval of the board submit the budgets to the Department of Management and Budget; and

~~(16)~~ (15) with the approval of the board, perform other duties required to administer the retirement and other provisions of this chapter and to do its business.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 6. Minnesota Statutes 2015 Supplement, section 352.23, is amended to read:

**352.23 TERMINATION OF RIGHTS; REPAYMENT OF REFUND.**

(a) When any employee accepts a refund as provided in section 352.22, all existing allowable service credits and all rights and benefits to which the employee was entitled before accepting the refund terminate.

(b) Terminated service credits and rights must not ~~again~~ be restored until the former employee acquires at least six months of allowable service credit after taking the last refund. ~~In that event, the employee may repay and repays~~ all refunds previously taken from the retirement fund with interest as provided in paragraph (d).

(c) Repayment of refunds entitles the employee only to credit for service covered by (1) salary deductions; (2) payments previously made in lieu of salary deductions as permitted under law in effect when the payment in lieu of deductions was made; (3) payments made to obtain credit for service as permitted by laws in effect when payment was made; and (4) allowable service previously credited while receiving temporary workers' compensation as provided in section 352.01, subdivision 11, paragraph (a), clause (3).

(d) Payments under this section for repayment of refunds are to be paid with interest at the rate of 8.5 percent until June 30, 2015, and eight percent thereafter compounded annually from the date the refund was taken until the date the refund is repaid. ~~They~~ Repayment may be paid in a lump sum or by payroll deduction in the manner provided in section 352.04. Payment may be made in partial

payments consistent with section 356.44 during employment or in a lump sum up to six months after termination from service.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 7. Minnesota Statutes 2015 Supplement, section 352B.11, subdivision 4, is amended to read:

Subd. 4. **Reentry into state service.** When a former member, who has become separated from state service that entitled the member to membership and has received a refund of retirement payments, reenters the state service in a position that entitles the member to membership, that member shall receive credit for the period of prior allowable state service if the member repays into the fund the amount of the refund, plus interest on it at the rate of 8.5 percent until June 30, 2015, and eight percent thereafter compounded annually, ~~at any time before subsequent retirement.~~ Repayment may be made in installments or in a lump sum. Repayment must be made as provided in section 352.23, paragraph (d).

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 8. Minnesota Statutes 2015 Supplement, section 352D.05, subdivision 4, is amended to read:

Subd. 4. **Repayment of refund.** (a) A participant in the unclassified program may repay regular refunds taken under section 352.22, as provided in section 352.23.

(b) A participant in the unclassified program or an employee covered by the general employees retirement plan who has withdrawn the value of the total shares may repay the refund taken and thereupon restore the service credit, rights and benefits forfeited by paying into the fund the amount refunded plus interest at the rate of 8.5 percent until June 30, 2015, and eight percent thereafter compounded annually from the date that the refund was taken until the date that the refund is repaid. If the participant had withdrawn only the employee shares as permitted under prior laws, repayment must be pro rata.

(c) ~~Except as provided in section 356.441, the repayment of a refund under this section must be made in a lump sum.~~ Repayment must be made as provided in section 352.23, paragraph (d).

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 9. Minnesota Statutes 2015 Supplement, section 490.124, subdivision 12, is amended to read:

Subd. 12. **Refund.** (a) A person who ceases to be a judge is entitled to a refund in an amount that is equal to all of the member's employee contributions to the judges' retirement fund plus interest computed under section 352.22, subdivision 2.

(b) A refund of contributions under paragraph (a) terminates all service credits and all rights and benefits of the judge and the judge's survivors under this chapter.

(c) A person who becomes a judge again after taking a refund under paragraph (a) may reinstate the previously terminated allowable service credit, rights, and benefits by repaying the total amount of the previously received refund. The refund repayment must include interest on the total amount previously received at the annual rate of 8.5 percent until June 30, 2015, and eight percent thereafter,

compounded annually, from the date on which the refund was received until the date on which the refund is repaid. Repayment must be made as provided in section 352.23, paragraph (d).

**EFFECTIVE DATE.** This section is effective July 1, 2016.

### ARTICLE 3

#### TEACHERS RETIREMENT ASSOCIATION ADMINISTRATIVE PROVISIONS

Section 1. Minnesota Statutes 2014, section 354.05, subdivision 2, is amended to read:

Subd. 2. **Teacher.** (a) "Teacher" means:

(1) a person who renders service as a teacher, supervisor, principal, superintendent, librarian, nurse, counselor, social worker, therapist, or psychologist in:

(i) a public school of the state other than in Independent School District No. 625 or in Independent School District No. 709, or in any;

(ii) a charter school, irrespective of the location of the school, or in any; or

(iii) a charitable, penal, or correctional institutions institution of a governmental subdivision, or  
;

(2) a person who is engaged in educational administration in connection with the state public school system, whether the position be a public office or an as employment;

(3) a person who renders service as a charter school director or chief administrative officer, provided, however, that if the charter school director or chief administrative officer is covered by the Public Employees Retirement Association general employees retirement plan on July 1, 2016, the charter school director or chief administrative officer shall continue to be covered by that plan and not by the Teachers Retirement Association;

~~(2)~~ (4) an employee of the Teachers Retirement Association;

~~(3)~~ (5) a person who renders teaching service on a part-time basis and who also renders other services for a single employing unit where the teaching service comprises at least 50 percent of the combined employment salary is a member of the association for all services with the single employing unit or, if less than 50 percent of the combined employment salary, the executive director determines all of the combined service is covered by the association; or

~~(4)~~ (6) a person who is not covered by the plans established under chapter 352D, 354A, or 354B and who is employed by the Board of Trustees of the Minnesota State Colleges and Universities system in an unclassified position as:

(i) a president, vice-president, or dean;

(ii) a manager or a professional in an academic or an academic support program other than specified in item (i);

(iii) an administrative or a service support faculty position; or

(iv) a teacher or a research assistant.

(b) "Teacher" does not mean:

(1) a person who works for a school or institution as an independent contractor as defined by the Internal Revenue Service;

(2) a person who renders part-time teaching service or who is a customized trainer as defined by the Minnesota State Colleges and Universities system if (i) the service is incidental to the regular nonteaching occupation of the person; and (ii) the employer stipulates annually in advance that the part-time teaching service or customized training service will not exceed 300 hours in a fiscal year and retains the stipulation in its records; and (iii) the part-time teaching service or customized training service actually does not exceed 300 hours in a fiscal year;

(3) a person exempt from licensure under section 122A.30;

(4) (2) annuitants of the teachers retirement plan who are employed after retirement by an employing unit that participates in the teachers retirement plan during the course of that reemployment;

(5) (3) a person who is employed by the University of Minnesota;

(6) (4) a member or an officer of any general governing or managing board or body of an employing unit that participates in the teachers retirement plan; or

(7) (5) a person employed by Independent School District No. 625 or Independent School District No. 709 as a teacher as defined in section 354A.011, subdivision 27.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 2. Minnesota Statutes 2014, section 354.05, is amended by adding a subdivision to read:

Subd. 17a. **Former spouse.** "Former spouse" means a person who is no longer a spouse of a member due to dissolution of the marriage, legal separation, or annulment.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 3. Minnesota Statutes 2014, section 354.06, subdivision 2, is amended to read:

Subd. 2. **President; executive director.** The board shall annually elect one of its members as president. It shall elect an executive director, whose salary shall be as provided by section 15A.0815. ~~The salary of the assistant executive director who shall be in the unclassified service, shall be set in accordance with section 43A.18, subdivision 3.~~ The executive director shall serve during the pleasure of the board and be the executive officer of the board, with such duties as the board shall prescribe. The board shall employ all other clerks and employees necessary to properly administer the association. The cost and expense of administering the provisions of this chapter shall be paid by the association. The board shall appoint an executive director shall be appointed by the board on the basis of fitness education, experience in the retirement field and leadership, ability to manage and lead system staff, and ability to assist the board in setting a vision for the system. The executive director shall have had at least five years of experience on the administrative staff of a major retirement system in either an executive-level management position or in a position with responsibility for the governance, management, or administration of a retirement plan.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 4. Minnesota Statutes 2014, section 354.06, subdivision 2a, is amended to read:

Subd. 2a. **Duties of executive director.** The management of the association is vested in the executive director who shall be the executive and administrative head of the association. The executive director shall act as advisor to the board on all matters pertaining to the association and shall also act as the secretary of the board. The executive director shall:

- (1) attend all meetings of the board;
- (2) prepare and recommend to the board appropriate rules to carry out the provisions of this chapter;
- (3) establish and maintain an adequate system of records and accounts following recognized accounting principles and controls;
- (4) designate, as necessary, a deputy executive director and an assistant executive director in the unclassified service, as defined in section 43A.08, whose salaries shall be set in accordance with section 43A.18, subdivision 3, and two assistant executive directors in the classified service, as defined in section 43A.07, with the approval of the board, and appoint such employees, both permanent and temporary, as are necessary to carry out the provisions of this chapter;
- (5) organize the work of the association as the director deems necessary to fulfill the functions of the association, and define the duties of its employees and delegate to them any powers or duties, subject to the director's control and under such conditions as the director may prescribe;
- (6) with the approval of the board, contract and set the compensation for the services of an approved actuary, professional management services, and any other consulting services. These contracts are not subject to the competitive bidding procedure prescribed by chapter 16C. An approved actuary retained by the executive director shall function as the actuarial advisor of the board and the executive director and may perform actuarial valuations and experience studies to supplement those performed by the actuary retained under section 356.214. Any supplemental actuarial valuations or experience studies shall be filed with the executive director of the Legislative Commission on Pensions and Retirement. Copies of professional management survey reports must be transmitted to the secretary of the senate, the chief clerk of the house of representatives, and the Legislative Reference Library as provided by section 3.195, and to the executive director of the commission at the same time as reports are furnished to the board. Only management firms experienced in conducting management surveys of federal, state, or local public retirement systems are qualified to contract with the executive director;
- (7) with the approval of the board, provide in-service training for the employees of the association;
- (8) make refunds of accumulated contributions to former members and to the designated beneficiary, surviving spouse, legal representative, or next of kin of deceased members or deceased former members, under this chapter;
- (9) determine the amount of the annuities and disability benefits of members covered by the association and authorize payment of the annuities and benefits beginning as of the dates on which the annuities and benefits begin to accrue, under this chapter;
- (10) pay annuities, refunds, survivor benefits, salaries, and necessary operating expenses of the association;

(11) prepare and submit to the board and the legislature an annual financial report covering the operation of the association, as required by section 356.20;

(12) certify funds available for investment to the State Board of Investment;

(13) with the advice and approval of the board, request the State Board of Investment to sell securities on determining that funds are needed for the purposes of the association;

(14) prepare and submit biennial and annual budgets to the board and with the approval of the board submit those budgets to the Department of Management and Budget; and

(15) with the approval of the board, perform such other duties as may be required for the administration of the association and the other provisions of this chapter and for the transaction of its business. The executive director may:

(i) reduce all or part of the accrued interest and fines payable by an employing unit for reporting requirements under section 354.52, based on an evaluation of any extenuating circumstances of the employing unit;

(ii) assign association employees to conduct field audits of an employing unit to ensure compliance with the provisions of this chapter; and

(iii) recover overpayments, if not repaid to the association, by suspending or reducing the payment of a retirement annuity, refund, disability benefit, survivor benefit, or optional annuity under this chapter until the overpayment, plus interest, has been recovered.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 5. Minnesota Statutes 2014, section 354.095, is amended to read:

**354.095 MEDICAL LEAVE.**

(a) Upon granting a medical leave, an employing unit must certify the leave to the association on a form specified by the executive director. A member of the association who is on an authorized medical leave of absence is entitled to receive allowable service credit, not to exceed ~~one year~~ five years, for the period of leave, upon making the prescribed payment to the fund under section 354.72. A member may not receive more than one year of allowable service credit during any fiscal year by making payment under this section. A member may not receive disability benefits under section 354.48 and receive allowable service credit under this section for the same period of time.

(b) The executive director shall reject an application for disability benefits under section 354.48 if the member is applying only because an employer-sponsored provider of private disability insurance benefits requires such an application and the member would not have applied for disability benefits in the absence of such requirement. The member shall submit a copy of the disability insurance policy that requires an application for disability benefits from the plan if the member wishes to assert that the application is only being submitted because of the disability insurance policy requirement.

(c) Notwithstanding the provisions of any agreement to the contrary, employee and employer contributions may not be made to receive allowable service credit under this section if the member does not retain the right to full reinstatement both during and at the end of the medical leave.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 6. Minnesota Statutes 2015 Supplement, section 354.44, subdivision 9, is amended to read:

Subd. 9. **Determining applicable law.** A former teacher who returns to covered service following a termination and who is not receiving a retirement annuity under this section must have earned at least ~~85 days~~ one-half year of credited service following the return to covered service to be eligible for improved benefits resulting from any law change enacted subsequent to that termination.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 7. Minnesota Statutes 2014, section 354.45, is amended by adding a subdivision to read:

Subd. 3. **Payment upon death of former spouse.** Upon the death of the former spouse to whom payments are to be made before the end of the specified payment period, payments shall be made according to the terms of a beneficiary form completed by the former spouse or, if no beneficiary form, to the estate of the former spouse.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 8. Minnesota Statutes 2014, section 354.46, subdivision 6, is amended to read:

Subd. 6. **Application.** (a) A beneficiary designation and an application for benefits under this section must be in writing on a form prescribed by the executive director.

(b) Sections 354.55, subdivision 11, and 354.60 apply to a deferred annuity payable under this section.

(c) Unless otherwise specified, the annuity must be computed under section 354.44, subdivision 2 or 6, whichever is applicable.

(d) Each designated beneficiary eligible for a lifetime benefit under this subdivision may apply for an annuity any time after the member's death. The benefit may not begin to accrue more than six months before the date the application is filed with the executive director and may not accrue before the member's death.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 9. Minnesota Statutes 2014, section 354.48, subdivision 1, is amended to read:

Subdivision 1. **Age, service and salary requirements.** A member who is totally and permanently disabled, who has not reached the normal retirement age as defined in section 354.05, subdivision 38, and who has at least three years of credited allowable service at the time that the total and permanent disability begins is entitled to a disability benefit based on this allowable service in an amount provided in subdivision 3. If the disabled member's teaching service has terminated at any time, at least two of the required three years of allowable service must have been rendered after last becoming a member. ~~Any member whose average salary is less than \$75 per month is not entitled to disability benefits.~~

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 10. Minnesota Statutes 2014, section 354.52, subdivision 4, is amended to read:

Subd. 4. **Reporting and remittance requirements.** An employer shall remit all amounts due to the association and furnish a statement indicating the amount due and transmitted with any other information required by the executive director. If an amount due is not received by the association within 14 calendar days of the payroll warrant, the amount accrues interest at an annual rate of 8.5

percent compounded annually from the due date until the amount is received by the association. All amounts due and other employer obligations not remitted ~~within 60 days of notification by the association~~ must ~~may~~ be certified to the commissioner of management and budget who shall deduct the amount from any state aid or appropriation amount applicable to the employing unit.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 11. Minnesota Statutes 2014, section 354.52, subdivision 6, is amended to read:

Subd. 6. **Noncompliance consequences.** (a) An employing unit that does not comply with the reporting requirements under subdivision 2a, 4a, 4b, or 4d, clause (1), must pay a fine of \$5 per calendar day until the association receives the required data.

(b) If the annual base salary required to be reported under subdivision 4d has not been settled or determined as of June 16, the fine commences if the annual base salary has not been reported to the association within 14 days following the settlement date.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 12. Minnesota Statutes 2014, section 423A.02, subdivision 3, is amended to read:

Subd. 3. **Reallocation of amortization state aid.** (a) Seventy percent of the difference between \$5,720,000 and the current year amortization aid distributed under subdivision 1 that is not distributed for any reason to a municipality must be distributed by the commissioner of revenue according to this paragraph. The commissioner shall distribute 60 percent of the amounts derived under this paragraph to the Teachers Retirement Association, and 40 percent to the St. Paul Teachers Retirement Fund Association to fund the unfunded actuarial accrued liabilities of the respective funds. These payments must be made on July 15 each fiscal year. If the St. Paul Teachers Retirement Fund Association ~~or the Duluth Teachers Retirement Fund Association~~ becomes fully funded, the association's eligibility for its portion of this aid ceases. Amounts remaining in the undistributed balance account at the end of the biennium if aid eligibility ceases cancel to the general fund.

(b) In order to receive amortization aid under paragraph (a), before June 30 annually Independent School District No. 625, St. Paul, must make an additional contribution of \$800,000 each year to the St. Paul Teachers Retirement Fund Association.

(c) Thirty percent of the difference between \$5,720,000 and the current year amortization aid under subdivision 1 that is not distributed for any reason to a municipality must be distributed under section 69.021, subdivision 7, paragraph (d), as additional funding to support a minimum fire state aid amount for volunteer firefighter relief associations.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

#### ARTICLE 4

### PUBLIC EMPLOYEES RETIREMENT ASSOCIATION

#### ADMINISTRATIVE PROVISIONS

Section 1. Minnesota Statutes 2015 Supplement, section 353.0162, is amended to read:

**353.0162 REDUCED SALARY PERIODS SALARY CREDIT PURCHASE FOR PERIODS OF REDUCED SALARY.**

(a) A member may purchase ~~additional~~ differential salary credit, as described in paragraph (c), for a period specified in ~~this section~~ paragraph (b).

(b) The applicable period is a period during which the member is receiving a no or reduced salary from the employer while the member is:

(1) receiving ~~temporary~~ workers' compensation payments related to the member's service to the public employer;

(2) on an authorized leave of absence, except that if the authorized leave of absence exceeds 12 months, the period of leave for which differential salary credit may be purchased is limited to 12 months; or

(3) on an authorized ~~partial paid~~ leave of absence as a result of a budgetary or salary savings program offered or mandated by a governmental subdivision, if certified to the executive director by the governmental subdivision.

(c) ~~The~~ Differential salary ~~amount~~ credit is the difference between the ~~average monthly~~ salary received by the member during ~~the a period of reduced salary under this section~~ specified in paragraph (b) and the ~~average monthly~~ salary of the member, excluding overtime, on which contributions to the applicable plan ~~were~~ would have been made during the period of the last six months of covered employment occurring immediately before the period of reduced salary; applied to based on the member's normal employment period, measured in hours or otherwise, as applicable, and rate of pay.

(d) To receive ~~eligible~~ differential salary credit, the member shall pay the plan, by delivering payment to the executive director, an amount equal to:

(1) the applicable employee contribution rate under section 353.27, subdivision 2; 353.65, subdivision 2; or 353E.03, subdivision 1, as applicable, multiplied by the differential salary amount;

(2) plus an employer equivalent payment equal to the applicable employer contribution rate in section 353.27, subdivision 3; 353.65, subdivision 3; or 353E.03, subdivision 2, as applicable, multiplied by the differential salary amount;

(3) plus, if applicable, an equivalent employer additional amount equal to the additional employer contribution rate in section 353.27, subdivision 3a, multiplied by the differential salary amount.

(e) The employer, by appropriate action of its governing body and documented in its official records, may pay the employer equivalent contributions and, as applicable, the equivalent employer additional contributions on behalf of the member.

(f) Payment under this section must include interest on the contribution amount or amounts, whichever applies, at an 8.5 percent annual rate until June 30, 2015, and at an eight percent annual rate thereafter, prorated for applicable months from the date on which the period of reduced salary specified ~~under this section~~ in paragraph (b) terminates to the date on which the payment or payments

are received by the executive director. Payment under this section must be completed within by the earlier earliest of:

(1) 30 days from after termination of public service by the employee under section 353.01, subdivision 11a, ~~or;~~

(2) one year after the termination of the period specified in paragraph (b), as further restricted under this section; or

(3) 30 days after the commencement of a disability benefit.

~~(g) The period for which additional allowable salary credit may be purchased is limited to the period during which the person receives temporary workers' compensation payments or for those business years in which the governmental subdivision offers or mandates a budget or salary savings program, as certified to the executive director by a resolution of the governing body of the governmental subdivision. For an authorized leave of absence, the period for which allowable salary credit may be purchased may not exceed 12 months of authorized leave.~~

~~(h) To purchase (g) If the member has purchased 12 months of differential salary credit for a subsequent period of temporary workers' compensation benefits or subsequent authorized medical leave of absence, the member must return to public service and render a minimum of three months of allowable service to purchase differential salary credit for a subsequent leave of absence.~~

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 2. Minnesota Statutes 2014, section 353.32, subdivision 1, is amended to read:

Subdivision 1. **Before retirement.** If a member or former member ~~who terminated public service~~ dies before retirement or before receiving any retirement annuity and no other payment of any kind is or may become payable to any person, a refund is payable to the designated beneficiary or, if there be none, to the surviving spouse, or, if none, to the legal representative of the decedent's estate. The refund must be in an amount equal to accumulated deductions, less the sum of any disability or survivor benefits that have been paid by the fund, plus annual compound interest thereon at the rate specified in section 353.34, subdivision 2, ~~and less the sum of any disability or survivor benefits, if any, that may have been paid by the fund;~~ provided that a survivor who has a right to benefits under section 353.31 may waive such benefits in writing, except such benefits for a dependent child under the age of 18 years may only be waived under an order of the district court.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 3. Minnesota Statutes 2014, section 353.34, subdivision 2, is amended to read:

Subd. 2. **Refund with interest.** (a) Except as provided in subdivision 1, any person who ceases to be a public employee is entitled to receive a refund in an amount equal to accumulated deductions ~~with,~~ less the sum of any disability benefits that have been paid by the fund, plus annual compound interest to the first day of the month in which the refund is processed.

(b) For a person who ceases to be a public employee before July 1, 2011, the refund interest is at the rate of six percent to June 30, 2011, and at the rate of four percent after June 30, 2011. For a person who ceases to be a public employee after July 1, 2011, the refund interest is at the rate of four percent.

(c) If a person repays a refund and subsequently applies for another refund, the repayment amount, including interest, is added to the fiscal year balance in which the repayment was made.

(d) If the refund payable to a member is based on employee deductions that are determined to be invalid under section 353.27, subdivision 7, the interest payable on the invalid employee deductions is four percent.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 4. Minnesota Statutes 2015 Supplement, section 353.64, subdivision 10, is amended to read:

Subd. 10. **Pension coverage for Hennepin Healthcare System, Inc.; paramedics and emergency medical technicians.** An employee of Hennepin Healthcare System, Inc. is a member of the public employees police and fire retirement plan under sections 353.63 to 353.68 if the person is:

(1) certified as a paramedic or emergency medical technician by the state under section 144E.28, subdivision 4;

(2) employed full time by Hennepin County as:

(i) a paramedic ~~or~~;

(ii) an emergency medical technician by Hennepin County; or

(iii) a supervisor or manager of paramedics or emergency medical technicians; and

(3) not eligible for coverage under the agreement signed between the state and the secretary of the federal Department of Health and Human Services making the provisions of the federal Old Age, Survivors, and Disability Insurance Act applicable to paramedics and emergency medical technicians because the person's position is excluded after that date from application under United States Code, title 42, sections 418(d)(5)(A) and 418(d)(8)(D), and section 355.07.

Hennepin Healthcare System, Inc. shall deduct the employee contribution from the salary of each full-time paramedic and emergency medical technician it employs as required by section 353.65, subdivision 2, shall make the employer contribution for each full-time paramedic and emergency medical technician it employs as required by section 353.65, subdivision 3, and shall meet the employer recording and reporting requirements in section 353.65, subdivision 4.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 5. **REPEALER.**

(a) Minnesota Statutes 2014, section 353.0161, subdivision 1, is repealed.

(b) Minnesota Statutes 2015 Supplement, section 353.0161, subdivisions 2 and 3, are repealed.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

## ARTICLE 5

### ST. PAUL TEACHERS RETIREMENT FUND ASSOCIATION ADMINISTRATIVE PROVISIONS

Section 1. Minnesota Statutes 2014, section 354A.093, subdivision 4, is amended to read:

Subd. 4. **Eligible payment period.** (a) To receive service credit under this section, the contributions specified in this section must be transmitted to the ~~applicable first class city~~ St. Paul Teachers Retirement Fund Association during the period which begins with the date the individual returns to teaching service and which has a duration of three times the length of the uniformed service period, but not to exceed five years.

(b) Notwithstanding paragraph (a), if the payment period determined under paragraph (a) is less than one year, the contributions required under this section to receive service credit may be made within one year from the discharge date.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 2. Minnesota Statutes 2015 Supplement, section 354A.093, subdivision 6, is amended to read:

Subd. 6. **Interest requirements.** The employer shall pay interest on all equivalent employee and employer contribution amounts payable under this section. ~~Interest must be computed at the rate of 8.5 percent until June 30, 2015, and eight percent thereafter compounded annually from the end of each fiscal year of the leave or break in service to the end of the month in which payment is received at the annual compound rate of 8.5 percent for any period, or portion thereof, through June 30, 2015, and eight percent thereafter.~~

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 3. Minnesota Statutes 2015 Supplement, section 354A.096, is amended to read:

**354A.096 MEDICAL LEAVE.**

Any teacher in the coordinated program of the St. Paul Teachers Retirement Fund Association who is on an authorized medical leave of absence and subsequently returns to teaching service is entitled to receive allowable service credit, not to exceed one year, for the period of leave, upon making the prescribed payment to the fund. This payment must include the required employee and employer contributions at the rates specified in section 354A.12, subdivisions 1 and 2a, as applied to the member's average full-time monthly salary rate on the date the leave of absence commenced plus annual interest compounded annually from the end of the fiscal year during which the leave terminates to the end of the month during which payment is made at the rate of 8.5 percent until for any period, or portion thereof, through June 30, 2015, and eight percent thereafter per year from the end of the fiscal year during which the leave terminates to the end of the month during which payment is made. The member must pay the total amount required unless the employing unit, at its option, pays the employer contributions. The total amount required must be paid by the end of the fiscal year following the fiscal year in which the leave of absence terminated or before the member retires, whichever is earlier. Payment must be accompanied by a copy of the resolution or action of the employing authority granting the leave and the employing authority, upon granting the leave, must certify the leave to the association in a manner specified by the executive director. A member may not receive more than one year of allowable service credit during any fiscal year by making payment under this section. A member may not receive disability benefits under section 354A.36 and receive allowable service credit under this section for the same period of time.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 4. Minnesota Statutes 2014, section 354A.38, as amended by Laws 2015, chapter 68, article 2, section 15, is amended to read:

**354A.38 EFFECT OF REFUND; REPAYMENT OF REFUND.**

Subdivision 1. **Effect of refund; termination of service credit.** If a coordinated member or former coordinated member applies for and ~~accepts~~ is issued a refund pursuant to section 354A.37, all allowable service which was credited to the member or former member shall be terminated.

Subd. 2. **Repayment of refund.** A coordinated member with at least two years of allowable service credited subsequent to the member's last application for and ~~acceptance~~ payment of a refund pursuant to section 354A.37 shall be entitled to repay the refund. The amount of the refund repayment shall be calculated pursuant to subdivision 3. If the member has ~~previously applied for and accepted~~ taken more than one refund, ~~and the previous refund or all refunds have not been must be repaid pro rata, then the member shall be entitled only to repay all outstanding refunds and shall not be entitled to repay only the most recent refund.~~

Subd. 3. **Computation of refund repayment amount.** If the coordinated member elects to repay a refund under subdivision 2, the repayment to the fund must be in an amount equal to the refunds the member has accepted been issued plus interest at the rate of 8.5 percent until June 30, 2015, and eight percent thereafter compounded annually from the date that the refund was accepted issued to the date that the refund is repaid at a rate of 8.5 percent for any period, or portion thereof, through June 30, 2015, and eight percent thereafter.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

**ARTICLE 6**

**RETIREMENT SYSTEMS, GENERALLY, ADMINISTRATIVE PROVISIONS**

Section 1. Minnesota Statutes 2014, section 356.30, subdivision 1, is amended to read:

Subdivision 1. **Eligibility; computation of annuity.** (a) Notwithstanding any provisions of the laws governing the retirement plans enumerated in subdivision 3, a person who has met the qualifications of paragraph (b) may elect to receive:

(1) a retirement annuity from each enumerated retirement plan in which the person has at least one-half year of allowable service, based on the allowable service in each plan, and subject to the provisions of paragraph (c); and

(2) augmentation of a deferred annuity calculated at the appropriate rate under the laws governing the applicable enumerated retirement plan.

(b) A person may receive, upon retirement, a retirement annuity ~~from each enumerated retirement plan in which the person has at least one-half year of allowable service~~ annuities as described in paragraph (a), clause (1), and augmentation of a any deferred annuity calculated at the appropriate rate under the laws governing each public pension plan or fund named in subdivision 3, based on the date of the person's initial entry into public employment from the date the person terminated all public service as described in paragraph (a), clause (2), if:

(1) the person has allowable service in any two or more of the enumerated plans;

(2) the person has sufficient allowable service in total that equals or exceeds the applicable service credit vesting requirement of the retirement plan with the longest applicable service credit vesting requirement; and

(3) the person has not begun to receive an annuity from any enumerated plan ~~or the person has made application for benefits from each applicable plan~~ before terminating all public service; and

(4) the effective dates of the retirement annuity with each plan under which the person chooses to receive an annuity are within a one-year period.

(c) The retirement annuity from each plan must be based upon the allowable service, accrual rates, and average salary in the applicable plan except as further specified or modified in the following clauses:

(1) the laws governing annuities must be the law in effect on the date of termination from the last period of public service under a covered retirement plan with which the person earned a minimum of one-half year of allowable service credit during that employment;

(2) the "average salary" on which the annuity from each covered plan in which the employee has credit in a formula plan must be based on the employee's highest five successive years of covered salary during the entire service in covered plans;

(3) the accrual rates to be used by each plan must be those percentages prescribed by each plan's formula as continued for the respective years of allowable service from one plan to the next, recognizing all previous allowable service with the other covered plans;

(4) the allowable service in all the plans must be combined in determining eligibility for and the application of each plan's provisions in respect to reduction in the annuity amount for retirement prior to normal retirement age; and

(5) the annuity amount payable for any allowable service under a nonformula plan of a covered plan must not be affected, but such service and covered salary must be used in the above calculation.

(d) This section does not apply to any person whose final termination from the last public service under a covered plan was before May 1, 1975.

(e) For the purpose of computing annuities under this section, the accrual rates used by any covered plan, except the public employees police and fire plan, the judges retirement fund, and the State Patrol retirement plan, must not exceed 2.7 percent per year of service for any year of service or fraction thereof. The formula percentage used by the judges retirement fund must not exceed 3.2 percent per year of service for any year of service or fraction thereof. The accrual rate used by the public employees police and fire plan and the State Patrol retirement plan must not exceed 3.0 percent per year of service for any year of service or fraction thereof. The accrual rate or rates used by the legislators retirement plan must not exceed 2.5 percent, but this limit does not apply to the adjustment provided under section 3A.02, subdivision 1, paragraph (c).

(f) Any period of time for which a person has credit in more than one of the covered plans must be used only once for the purpose of determining total allowable service.

(g) If the period of duplicated service credit is more than one-half year, or the person has credit for more than one-half year, with each of the plans, each plan must apply its formula to a prorated service credit for the period of duplicated service based on a fraction of the salary on which deductions were

paid to that fund for the period divided by the total salary on which deductions were paid to all plans for the period.

(h) If the period of duplicated service credit is less than one-half year, or when added to other service credit with that plan is less than one-half year, the service credit must be ignored and a refund of contributions made to the person in accord with that plan's refund provisions.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 2. Minnesota Statutes 2015 Supplement, section 356.50, subdivision 2, is amended to read:

Subd. 2. **Service credit procedure.** (a) To obtain the public pension plan allowable service credit, the eligible person under subdivision 1 shall pay the required member contribution amount. The required member contribution amount is the member contribution rate or rates in effect for the pension plan during the period of service covered by the back pay award, applied to the unpaid gross salary amounts of the back pay award including unemployment insurance, workers' compensation, or wages from other sources which reduced the back award. No contributions may be made under this clause for compensation covered by a public pension plan listed in section 356.30, subdivision 3, for employment during the removal period. The person shall pay the required member contribution amount within 60 days of the date of receipt of the back pay award or within 60 days of a billing from the retirement fund, whichever is later.

(b) The public employer who wrongfully discharged the public employee must pay an employer contribution on the back pay award. The employer contribution must be based on the employer contribution rate or rates in effect for the pension plan during the period of service covered by the back pay award, applied to the salary amount on which the member contribution amount was determined under paragraph (a). The employer must pay the interest on both the required member and employer contribution amount must be paid by the employer amounts from the date the contribution amount would have been paid to the date of actual payment at the annual compound rate of 8.5 percent for any period for the Teachers Retirement Association and 8.5 percent until for any period, or portion thereof, through June 30, 2015, and eight percent thereafter, for any other retirement plan listed in section 356.30, subdivision 3, per year, expressed monthly, between the date the contribution amount would have been paid to the date of actual payment. The employer payment must be made within 30 days of the payment under paragraph (a).

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 3. Minnesota Statutes 2015 Supplement, section 356.551, subdivision 2, is amended to read:

Subd. 2. **Determination.** (a) Unless the minimum purchase amount set forth in paragraph (c) applies, the prior service credit purchase amount is an amount equal to the actuarial present value, on the date of payment, as calculated by the chief administrative officer of the pension plan and reviewed by the actuary retained under section 356.214, of the amount of the additional retirement annuity obtained by the acquisition of the additional service credit in this section.

(b) Calculation of this amount must be made using the preretirement interest rate applicable to the public pension plan specified in section 356.215, subdivision 8, and the mortality table adopted for the public pension plan. The calculation must assume continuous future service in the public pension plan until, and retirement at, the age at which the minimum requirements of the fund for normal retirement or retirement with an annuity unreduced for retirement at an early age, including section 356.30, are met with the additional service credit purchased. The calculation must also assume a

full-time equivalent salary, or actual salary, whichever is greater, and a future salary history that includes annual salary increases at the applicable salary increase rate for the plan specified in section 356.215, subdivision ~~4d~~ 8.

(c) The prior service credit purchase amount may not be less than the amount determined by applying, for each year or fraction of a year being purchased, the sum of the employee contribution rate, the employer contribution rate, and the additional employer contribution rate, if any, applicable during that period, to the person's annual salary during that period, or fractional portion of a year's salary, if applicable, plus interest ~~at the annual rate of 8.5 percent until June 30, 2015, and eight percent thereafter~~ compounded annually from the end of the year in which contributions would otherwise have been made to the date on which the payment is received at the rate of 8.5 percent for any period for the Teachers Retirement Association and 8.5 percent for any period, or portion thereof, through June 30, 2015, and eight percent thereafter, for any other retirement plan listed in section 356.30, subdivision 3.

(d) Unless otherwise provided by statutes governing a specific plan, payment must be made in one lump sum within one year of the prior service credit authorization or prior to the member's effective date of retirement, whichever is earlier. Payment of the amount calculated under this section must be made by the applicable eligible person.

(e) However, the current employer or the prior employer may, at its discretion, pay all or any portion of the payment amount that exceeds an amount equal to the employee contribution rates in effect during the period or periods of prior service applied to the actual salary rates in effect during the period or periods of prior service, plus interest ~~at the rate of 8.5 percent a year~~ compounded annually from the date on which the contributions would otherwise have been made to the date on which the payment is made at the rate of 8.5 percent for any period for the Teachers Retirement Association and 8.5 percent for any period, or portion thereof, through June 30, 2015, and eight percent thereafter, for any other retirement plan listed in section 356.30, subdivision 3. If the employer agrees to payments under this subdivision, the purchaser must make the employee payments required under this subdivision within 90 days of the prior service credit authorization. If that employee payment is made, the employer payment under this subdivision must be remitted to the chief administrative officer of the public pension plan within 60 days of receipt by the chief administrative officer of the employee payments specified under this subdivision.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 4. Minnesota Statutes 2014, section 356.635, is amended by adding a subdivision to read:

**Subd. 9a. Definitions.** (a) The following definitions apply for purposes of this subdivision and subdivisions 10 to 12.

(b) "Annual addition" means the sum for the limitation year of all pretax and after-tax contributions made by the member or the member's employer and credited to an account in the name of the member in any defined contribution plan maintained by the employer.

(c) "Compensation" means the compensation actually paid or made available to a member for any limitation year, including all items of remuneration described in Code of Federal Regulations, title 26, section 1.415(c)-2(b), and excluding all items of remuneration described in Code of Federal Regulations, title 26, section 1.415(c)-2(c). Compensation for pension plan purposes for any limitation year shall not exceed the applicable federal compensation limit described in section 356.611, subdivision 2.

(d) "Limitation year" means the calendar year or fiscal year, whichever is applicable to the particular pension plan.

(e) "Maximum permissible benefit" means an annual benefit of \$160,000, automatically adjusted under section 415(d) of the Internal Revenue Code for each limitation year ending after December 31, 2001, payable in the form of a single life annuity. The new limitation shall apply to limitation years ending with or within the calendar year of the date of the adjustment, but a member's benefits shall not reflect the adjusted limit prior to January 1 of that calendar year. The maximum permissible benefit amount shall be further adjusted as follows:

(1) if the member has less than ten years of participation, the maximum permissible benefit shall be multiplied by a fraction, the numerator of which is the number of years (or part thereof, but not less than one year) of participation in the plan, and the denominator of which is ten;

(2) if the annual benefit begins before the member has attained age 62, the determination as to whether the maximum permissible benefit limit has been satisfied shall be made, in accordance with regulations prescribed by the United States secretary of the treasury, by reducing the limit so that the limit, as so reduced, equals an annual benefit, beginning when the annual benefit actually begins, which is equivalent to a \$160,000, as adjusted, annual benefit beginning at age 62; and

(3) if the annual benefit begins after the member has attained age 65, the determination as to whether the maximum permissible benefit limit has been satisfied shall be made, in accordance with regulations prescribed by the United States secretary of the treasury, by increasing the limit so that the limit, as so increased, equals an annual benefit, beginning when the annual benefit actually begins, which is equivalent to a \$160,000, as adjusted, annual benefit beginning at age 65.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 5. Minnesota Statutes 2015 Supplement, section 356.635, subdivision 10, is amended to read:

Subd. 10. **Annual benefit limitations; defined benefit plans.** (a) The annual benefit payable to a member shall not exceed the maximum permissible benefit. If the benefit the member would otherwise receive for a limitation year would result in the payment of an annual benefit in excess of the maximum permissible benefit, the benefit shall be reduced to the extent necessary so the benefit does not exceed the maximum permissible benefit.

(b) For purposes of applying the limits of section 415(b) of the Internal Revenue Code, a retirement limitation in paragraph (a), an annual benefit that is payable in any form other than a single life annuity and that is subject to section 417(e)(3) of the Internal Revenue Code must shall be adjusted to an actuarially equivalent single life annuity that equals, if the annuity starting date is in a plan year beginning after 2005, the annual amount of the single life annuity commencing at the same annuity starting date that has the same actuarial present value as the participant's member's form of benefit, using whichever of the following produces the greatest annual amount:

(1) the interest rate and the mortality table or other tabular factor specified in the plan for adjusting benefits in the same form;

(2) a 5.5 percent interest rate assumption and the applicable mortality table; or

(3) the applicable interest rate under section 417(e)(3) of the Internal Revenue Code and the applicable mortality table, divided by 1.05.

(c) If a member participated in more than one pension plan in which the employer participates, the benefits under each plan must be reduced proportionately to satisfy the limitation in paragraph (a).

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 6. Minnesota Statutes 2014, section 356.635, is amended by adding a subdivision to read:

Subd. 11. **Annual addition limitation; defined contribution plans.** The annual additions by or on behalf of a member to a defined contribution plan for any limitation year shall not exceed the lesser of (1) 100 percent of the member's compensation for the limitation year or (2) the dollar limit in effect for the limitation year under section 415(c)(1)(A) of the Internal Revenue Code, as adjusted by the United States secretary of the treasury under section 415(d)(1)(C) of the Internal Revenue Code.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 7. Minnesota Statutes 2014, section 356.635, is amended by adding a subdivision to read:

Subd. 12. **Incorporation by reference.** Any requirements of section 415(b) and (c) of the Internal Revenue Code and related regulations and agency guidance not addressed by subdivisions 10 and 11 shall be considered incorporated by reference, including provisions applicable to qualified police and firefighters and to survivor and disability benefits. Subdivisions 10 to 12 shall be interpreted in a manner that is consistent with the requirements of section 415(b) and (c) of the Internal Revenue Code and the related regulations.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 8. Minnesota Statutes 2014, section 356.635, is amended by adding a subdivision to read:

Subd. 13. **Correction of errors.** The executive director of each plan may correct an operational, demographic, employer eligibility, or plan document error as the executive director deems necessary or appropriate to preserve and protect the plan's tax qualification under section 401(a) of the Internal Revenue Code, including as provided in the Internal Revenue Service's Employee Plans Compliance Resolution System (EPCRS) or any successor thereto. To the extent deemed necessary by the executive director to implement correction, the executive director may:

- (1) make distributions;
- (2) transfer assets; or
- (3) recover an overpayment by reducing future benefit payments or designating appropriate revenue or source of funding that will restore to the plan the amount of the overpayment.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 9. Minnesota Statutes 2014, section 356.96, subdivision 1, is amended to read:

Subdivision 1. **Definitions.** (a) Unless the language or context clearly indicates that a different meaning is intended, for the purpose of this section, the terms in paragraphs (b) to (e) this subdivision have the meanings given them.

(b) ~~"Chief administrative officer"~~ "Executive director" means the executive director of a covered pension plan or the executive director's designee or representative.

(c) "Covered pension plan" means a plan enumerated in section 356.20, subdivision 2, clauses (1) to (4), (8), and (11) to (14), but does not mean the deferred compensation plan administered under sections 352.965 and 352.97 or to the postretirement health care savings plan administered under section 352.98.

(d) "Governing board" means the Board of Trustees of the Public Employees Retirement Association, the Board of Trustees of the Teachers Retirement Association, or the Board of Directors of the Minnesota State Retirement System.

(e) "Person" ~~includes~~ means an active, retired, deferred, or nonvested inactive participant in a covered pension plan or a beneficiary of a participant, or an individual who has applied to be a participant or who is or may be a survivor of a participant, or the representative of a state agency or other governmental unit that employs active participants in a covered pension plan.

(f) "Petitioner" means a person who has filed a petition for review of an executive director's determination under this section.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 10. Minnesota Statutes 2014, section 356.96, subdivision 2, is amended to read:

Subd. 2. **Right to review appeal to executive director; determination.** A determination made by the chief administrative officer person may appeal a decision by the staff of a covered pension plan regarding a the person's eligibility, benefits, or other rights under the plan with which the person does not agree to the executive director of the plan. The appeal must be in writing and be delivered to the executive director. The executive director may overturn, modify, or affirm the staff's decision. The executive director's determination is subject to review under this section.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 11. Minnesota Statutes 2014, section 356.96, subdivision 3, is amended to read:

Subd. 3. **Notice of determination.** If the applicable chief administrative officer denies an application or a written request, modifies a benefit, or terminates a benefit of a person claiming a right or potential rights under a covered pension plan, the chief administrative officer shall notify that person through a written notice containing: The executive director shall issue a written notice of determination to the person who files an appeal under subdivision 2. The notice of determination must be delivered by certified mail to the address to which the most recent benefit payment was sent or, if that address is that of a financial institution, to the last known address of the person. The notice of determination shall include the following:

(1) a statement of the reasons for the determination;

(2) a notice statement that the person may petition the governing board of the covered pension plan for a review of the determination and that a person's petition for review must be filed in the administrative office of the covered pension plan within no later than 60 days of the receipt after the date of the written notice of the determination;

(3) a statement indicating that a failure to petition for review within 60 days precludes the person from contesting in any other further administrative or judicial review or court procedure the issues determined by the chief administrative officer of the executive director's determination;

(4) a statement indicating that all relevant materials, documents, affidavits, and other records that the person wishes to be reviewed in support of the petition and a list of any witnesses who will testify before the governing board, along with a summary of their testimony, must be filed with and received in the administrative office of the covered pension plan at least 15 days before the date of the hearing under subdivision 10 or as directed by the administrative law judge who conducts a fact-finding conference under subdivision 7, paragraph (b), or a contested case hearing under subdivision 12, paragraph (b); and

(5) a summary of this section, including all filing requirements and deadlines; and

(6) the statement required under subdivision 4, paragraph (a), if applicable.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 12. Minnesota Statutes 2014, section 356.96, subdivision 4, is amended to read:

Subd. 4. **Termination of benefits.** ~~(a) If a covered pension plan decides to the executive director's determination will terminate a benefit that is being paid to a person, before terminating the benefit, the chief administrative officer must, in addition to the other procedures prescribed in this section, provide the individual with written notice of the pending benefit termination by certified mail. The notice must explain the reason for the pending benefit termination. The person must be given an the notice of determination must also state that the person has the opportunity to explain, in writing, in person, by telephone, or by e-mail, the reasons that the benefit should not be terminated.~~

~~(b) If the chief administrative officer is unable to contact the person and notice of determination is returned as undeliverable, and the person cannot be reached by any other reasonable means of communication, and the executive director determines that a failure to terminate the benefit will result in unauthorized payment by a covered pension plan, the chief administrative officer executive director may terminate the benefit immediately upon mailing a written notice containing the information required by subdivision 3 to the address to which the most recent benefit payment was sent and, if that address is that of a financial institution, to the last known address of the person.~~

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 13. Minnesota Statutes 2014, section 356.96, subdivision 5, is amended to read:

Subd. 5. **Petition for review.** ~~(a) Upon receipt of the notice of determination required in subdivision 3, a person who claims a right under subdivision 2 may petition the governing board of the covered pension plan for a review of that decision by the governing board of the covered pension plan the executive director's determination.~~

~~(b) A petition under this section must be sent to the chief administrative officer by mail and must be postmarked The petitioner must file the petition for review with the administrative office of the covered pension plan no later than 60 days after the person received date of the notice of determination required by subdivision 3. Filing of the petition is effective upon mailing or personal delivery. The petition must include the person's petitioner's statement of the reason or reasons that the person believes the decision of the chief administrative officer determination of the executive director should be reversed or modified. The petition may include all documentation and written materials that the petitioner deems to be relevant. In developing a record for review by the board when a decision is appealed, the chief administrative officer may direct that the applicant participate in a fact-finding session conducted by an administrative law judge assigned~~

by the Office of Administrative Hearings and, as applicable, participate in a vocational assessment conducted by a qualified rehabilitation counselor on contract with the applicable retirement system.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 14. Minnesota Statutes 2014, section 356.96, subdivision 6, is amended to read:

Subd. 6. **Failure to petition.** If a timely petition for review under subdivision 5 is not filed with the ~~chief administrative officer,~~ office of the covered pension plan's plan, the executive director's determination is final and is not subject to further administrative or judicial review.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 15. Minnesota Statutes 2014, section 356.96, subdivision 7, is amended to read:

Subd. 7. **Notice of hearing; fact-finding; filing and timing requirements.** (a) After receiving a petition, the ~~chief administrative officer~~ executive director must schedule a timely hearing to review of the petition before the governing board of the covered pension plan or the executive director may defer the scheduling of a hearing until after a fact-finding conference under paragraph (b). The review ~~must be scheduled to take into consideration any necessary accommodations to allow the petitioner to participate in the governing board's review.~~

(b) The executive director may direct the petitioner to participate in a fact-finding conference conducted by an administrative law judge assigned by the Office of Administrative Hearings. The fact-finding conference is an informal proceeding not subject to the provisions of Minnesota Rules, chapter 1400, except that part 1400.7300 shall govern the admissibility of evidence and part 1400.8603 shall govern how the fact-finding conference is conducted. The administrative law judge must issue a report and a recommendation to the governing board.

(c) If the petitioner's claim relates to disability benefits, the executive director may direct the petitioner to participate in a vocational assessment conducted by a qualified rehabilitation counselor under contract with the covered pension plan. The counselor must issue a report regarding the assessment to the governing board.

~~(b)~~ (d) Not less than 30 calendar days before the date scheduled for the hearing date before the governing board, the chief administrative officer executive director must provide by mail to notify the petitioner an acknowledgment of the receipt of the person's petition and a follow-up notice of the time and place of the meeting at which the governing board is scheduled to consider the petition and conduct the hearing. If there has been no fact-finding conference under paragraph (b), not less than 15 days before the date scheduled for the hearing, the petitioner and the executive director must provide a copy to the governing board and the other party copies of all relevant documents, documentary evidence, summaries, and recommendations assembled by or on behalf of the plan administration to be considered by the governing board that will be presented and a list of witnesses who will testify, along with a summary of their testimony.

~~(c)~~ all documents and materials that the petitioner wishes to be part of the record for review must be filed with the chief administrative officer and must be received in the offices of the covered pension plan at least 15 days before the date of the meeting at which the petition is scheduled to be heard.

~~(d)~~ A (e) The petitioner may request a continuance postponement of a the date scheduled for the hearing if the request is received by the chief administrative officer within before the governing

board within a reasonable time, but no later than ten calendar days of before the scheduled hearing date of the applicable board meeting. The chief administrative officer must reschedule the review within a reasonable time. only one continuance may be granted to any petitioner. A petitioner shall be granted only one postponement unless the applicable covered pension plan agrees to additional postponements.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 16. Minnesota Statutes 2014, section 356.96, subdivision 8, is amended to read:

Subd. 8. **Record for review.** (a) All evidence, including all records, documents, and affidavits in the possession of the covered pension plan of which the covered pension plan desires to avail itself and be considered by the governing board, and all evidence which the petitioner wishes to present to the governing board, including any evidence which would otherwise be classified by law as "private," must be made part of the hearing record.

(b) ~~The chief administrative officer~~ executive director must provide a copy of the record to each member of the governing board at least seven five days before the scheduled hearing date.

(c) ~~Any additional document, affidavit, or other relevant information that the petitioner requests be part of the record may be admitted with the consent of the governing board. If a fact-finding conference under subdivision 7, paragraph (b), is not conducted, the record is limited to those materials provided to the petitioner in accordance with subdivision 7, paragraph (d), those filed by the petitioner with the covered pension plan in a timely manner in accordance with subdivision 7, paragraph (e), any vocational assessment report under subdivision 7, paragraph (c), and any testimony at the hearing before the governing board. Any additional evidence may be placed in the record pursuant to subdivision 10, paragraph (b).~~

(d) If a fact-finding conference under subdivision 7, paragraph (b), or a contested case hearing under subdivision 12, paragraph (b), is conducted, the record before the governing board must be limited to the following:

- (1) the record from the Office of Administrative Hearings;
- (2) seven-page submissions by the petitioner and a representative of the covered pension plan commenting on the administrative law judge's recommendation; and
- (3) any vocational assessment report under subdivision 7, paragraph (c).

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 17. Minnesota Statutes 2014, section 356.96, subdivision 9, is amended to read:

Subd. 9. **Amended determination.** At any time before the hearing before the governing board, for good cause shown and made part of the records of the plan, ~~the chief administrative officer~~ executive director may reverse, alter, amend, or modify the prior decision which is subject to review under this section by issuing an amended ~~decision~~ determination to the petitioner. Upon doing so, ~~the chief administrative officer~~ executive director may cancel the governing board's scheduled review of the person's petition and ~~shall so~~ notify the petitioner.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 18. Minnesota Statutes 2014, section 356.96, subdivision 10, is amended to read:

Subd. 10. **Board hearing.** (a) The governing board shall hold a timely hearing on a petition for review as part of a regularly scheduled board meeting, or as part of a special meeting if so scheduled. All governing board members who participate in the decision-making process must be familiar with the record. The governing board shall make its decision on a petition solely on the record as submitted and on the proceedings of the hearing.

~~(b) At the hearing, the petitioner, the petitioner's attorney representative, if any, and the chief administrative officer executive director and a representative of the covered pension plan who does not also serve as the governing board's legal advisor during the board's decision-making process, may state and discuss with the governing board their positions with respect to the petition. If no fact-finding conference under subdivision 7, paragraph (b), or contested case hearing under subdivision 12, paragraph (b), was conducted, additional evidence may be received in the form of testimony from previously disclosed witnesses. The governing board may allow further documentation to be placed in the record at the board meeting only with the agreement of both the chief administrative officer executive director and the petitioner. The chief administrative officer executive director may not otherwise participate in the board's decision-making process.~~

~~(b) When a petition presents a contested issue of law, an assistant attorney general may participate and may argue on behalf of the legal position taken by the chief administrative officer if that assistant attorney general does not also serve as the governing board's legal advisor during the board's decision-making process.~~

~~(c) A motion by a board member, supported by a summary of the relevant facts, conclusions and reasons, as properly amended and approved by a majority of the governing board, constitutes the board's final decision. A verbatim statement of the board's final decision must be served upon the petitioner. If the decision is contrary to the petitioner's desired outcome, the notice shall inform the petitioner of the appeal rights set forth in subdivision 13.~~

~~(d) (c) If a petitioner who received timely notice of a scheduled hearing fails to appear, the governing board may nevertheless hear the petition and issue a decision.~~

~~(d) The governing board's decision shall be made upon a motion by a board member and approval by a majority of the governing board. The governing board must issue its decision as a written order containing findings of fact, conclusions of law, and the board's decision no later than 30 days after the hearing. If the decision is contrary to the petitioner's desired outcome, the notice must inform the petitioner of the appeal rights set forth in subdivision 13.~~

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 19. Minnesota Statutes 2014, section 356.96, subdivision 11, is amended to read:

Subd. 11. **Disability medical issues.** ~~(a) If a person petitions the governing board the petitioner seeks to reverse or modify a determination which found by the executive director that there exists no was insufficient medical data supporting to support an application for disability benefits, the governing board may reverse that determination only if there is in fact medical evidence supporting the application. The governing board has the discretion to resubmit a disability benefit application at any time to a medical advisor for reconsideration, and the resubmission may include an instruction that further medical examinations be obtained.~~

~~(b) The governing board may make a determination contrary to the recommendation of the medical advisor only if there is expert medical evidence in the record to support its contrary decision.~~

~~If there is no medical evidence contrary to the opinion of the medical advisor in the record and the medical advisor attests that the decision was made in accordance with the applicable disability standard, the board must follow the decision of the medical advisor regarding the cause of the disability.~~

~~(c) The obligation of the governing board to follow the decision of the medical advisor under paragraph (b) does not apply to instances when the governing board makes a determination different from the recommendation of the medical advisor on issues that do not involve medical issues.~~

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 20. Minnesota Statutes 2014, section 356.96, subdivision 12, is amended to read:

Subd. 12. **Referral for administrative hearing.** ~~(a) Notwithstanding any provision of sections 14.03, 14.06, and 14.57 to 14.69 to the contrary, a challenge to a determination of the chief administrative officer of a covered pension plan~~ A fact-finding conference under subdivision 7, paragraph (b), must be conducted exclusively under the procedures set forth in this section and is not as a contested case under chapter 14.

~~(b) Notwithstanding the provisions of paragraph (a),~~ A governing board, in its sole discretion, may refer a petition brought under this section to the Office of Administrative Hearings for a contested case hearing under sections 14.57 to 14.69.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 21. Minnesota Statutes 2014, section 356.96, subdivision 13, is amended to read:

Subd. 13. **Appeal of the governing board's decision; judicial review.** ~~Within~~ No later than 60 days of after the date of the mailing of the notice of the governing board's decision, the petitioner may appeal the decision by filing a writ of certiorari with the Court of Appeals under section 606.01 and Rule 115 of the Minnesota Rules of Civil Appellate Procedure. Failure by a person to appeal to the Court of Appeals within the 60-day period precludes the person from later raising, in any subsequent administrative hearing or court proceeding, those substantive and procedural issues that reasonably should have been raised upon a timely appeal.

Sec. 22. **REPEALER.**

Minnesota Statutes 2014, sections 356.611, subdivisions 3, 3a, 4, and 5; and 356.96, subdivisions 14 and 15, are repealed.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

## ARTICLE 7

### ACTUARIAL ASSUMPTION CHANGES

Section 1. Minnesota Statutes 2015 Supplement, section 356.215, subdivision 8, is amended to read:

Subd. 8. **Interest and salary assumptions.** (a) The actuarial valuation must use the applicable following interest assumption:

(1) ~~select and ultimate interest rate assumption~~

plan	ultimate interest rate assumption
teachers retirement plan	8.5%

The select preretirement interest rate assumption for the period through June 30, 2017, is eight percent.

(2) ~~single rate interest rate assumption~~

plan	interest rate assumption
general state employees retirement plan	8%
correctional state employees retirement plan	8
State Patrol retirement plan	8
legislators retirement plan, and for the constitutional officers calculation of total plan liabilities	0
judges retirement plan	8
general public employees retirement plan	8
public employees police and fire retirement plan	8
local government correctional service retirement plan	8
<u>teachers retirement plan</u>	<u>8</u>
St. Paul teachers retirement plan	8
Bloomington Fire Department Relief Association	6
local monthly benefit volunteer firefighter relief associations	5
monthly benefit retirement plans in the statewide volunteer firefighter retirement plan	6

(b)(1) If funding stability has been attained, the valuation must use a postretirement adjustment rate actuarial assumption equal to the postretirement adjustment rate specified in section ~~354A.27, subdivision 7~~; 354A.29, subdivision 9<sub>2</sub>, or 356.415, subdivision 1, whichever applies.

(2) If funding stability has not been attained, the valuation must use a select postretirement adjustment rate actuarial assumption equal to the postretirement adjustment rate specified in section ~~354A.27, subdivision 6a~~; 354A.29, subdivision 8<sub>2</sub>, or 356.415, subdivision 1a, 1b, 1c, 1d, 1e, or 1f, whichever applies, for a period ending when the approved actuary estimates that the plan will attain the defined funding stability measure, and thereafter an ultimate postretirement adjustment rate actuarial assumption equal to the postretirement adjustment rate under section ~~354A.27, subdivision 7~~; 354A.29, subdivision 9<sub>2</sub>, or 356.415, subdivision 1, for the applicable period or periods beginning when funding stability is projected to be attained.

(c) The actuarial valuation must use the applicable following single rate future salary increase assumption, the applicable following modified single rate future salary increase assumption, or the applicable following graded rate future salary increase assumption:

(1) single rate future salary increase assumption

plan	future salary increase assumption
legislators retirement plan	5%
judges retirement plan	2.75
Bloomington Fire Department Relief Association	4

(2) age-related future salary increase ~~age-related select and ultimate future salary increase assumption or graded rate future salary increase assumption~~

plan	future salary increase assumption
local government correctional service retirement plan	assumption B
St. Paul teachers retirement plan	assumption A

~~For plans other than the St. Paul Teachers Retirement plan and the local government correctional service retirement plan, the select calculation is: Fund Association, during the a designated select period of 15 years, in addition to the age-based rates shown below, a designated percentage rate of 0.2 percent is multiplied by the result of the ~~designated integer 15~~ minus T, where T is the number of completed years of service, and is added to the applicable future salary increase assumption. The ~~designated select period is ten years and the designated integer is ten for the local government correctional service retirement plan and 15 for the St. Paul Teachers Retirement Fund Association.~~ The designated percentage rate is 0.2 percent for the St. Paul Teachers Retirement Fund Association.~~

The ultimate future salary increase assumption is:

age	A	B
16	5.9%	8.75%
17	5.9	8.75
18	5.9	8.75
19	5.9	8.75
20	5.9	8.75
21	5.9	8.5
22	5.9	8.25
23	5.85	8
24	5.8	7.75
25	5.75	7.5
26	5.7	7.25
27	5.65	7

28	5.6	6.75
29	5.55	6.5
30	5.5	6.5
31	5.45	6.25
32	5.4	6.25
33	5.35	6.25
34	5.3	6
35	5.25	6
36	5.2	5.75
37	5.15	5.75
38	5.1	5.75
39	5.05	5.5
40	5	5.5
41	4.95	5.5
42	4.9	5.25
43	4.85	5
44	4.8	5
45	4.75	4.75
46	4.7	4.75
47	4.65	4.75
48	4.6	4.75
49	4.55	4.75
50	4.5	4.75
51	4.45	4.75
52	4.4	4.75
53	4.35	4.75
54	4.3	4.75
55	4.25	4.5
56	4.2	4.5
57	4.15	4.25
58	4.1	4
59	4.05	4
60	4	4
61	4	4

62	4	4
63	4	4
64	4	4
65	4	3.75
66	4	3.75
67	4	3.75
68	4	3.75
69	4	3.75
70	4	3.75

(3) service-related ultimate future salary increase assumption

general state employees retirement plan of the Minnesota State Retirement System	assumption A
general employees retirement plan of the Public Employees Retirement Association	assumption B
Teachers Retirement Association	assumption C
public employees police and fire retirement plan	assumption D
State Patrol retirement plan	assumption E
correctional state employees retirement plan of the Minnesota State Retirement System	assumption F

service length	A	B	C	D	E	F
1	<del>10.25</del> <u>14%</u>	<del>11.78</del> <u>11.5%</u>	<del>12</del> <u>9.5%</u>	12.75%	7.75%	5.75%
2	<del>7.85</del> <u>11.5</u>	<del>8.65</del> <u>8.5</u>	<del>9</del> <u>9.5</u>	10.75	7.25	5.6
3	<del>6.65</del> <u>6.25</u>	<del>7.21</del> <u>7</u>	<del>8</del> <u>7.75</u>	8.75	6.75	5.45
4	<del>5.95</del> <u>5.5</u>	<del>6.33</del> <u>6</u>	<del>7.5</del> <u>7.25</u>	7.75	6.5	5.3
5	<del>5.45</del> <u>5.25</u>	<del>5.72</del> <u>5.5</u>	<del>7.25</del> <u>7</u>	6.25	6.25	5.15
6	<del>5.05</del> <u>5.15</u>	<del>5.27</del> <u>5.2</u>	7	5.85	6	5
7	<del>4.75</del> <u>5</u>	<del>4.91</del> <u>4.9</u>	6.85	5.55	5.75	4.85
8	<del>4.45</del> <u>4.75</u>	<del>4.62</del> <u>4.8</u>	6.7	5.35	5.6	4.7
9	<del>4.25</del> <u>4.5</u>	<del>4.38</del> <u>4.7</u>	6.55	5.15	5.45	4.55
10	<del>4.15</del> <u>4.25</u>	<del>4.17</del> <u>4.5</u>	6.4	5.05	5.3	4.4
11	<del>3.95</del> <u>4.2</u>	<del>3.99</del> <u>4.25</u>	6.25	4.95	5.15	4.3
12	<del>3.85</del> <u>4.15</u>	<del>3.83</del> <u>4.1</u>	6	4.85	5	4.2
13	<del>3.75</del> <u>4.1</u>	<del>3.69</del> <u>4</u>	5.75	4.75	4.85	4.1

14	<del>3.55</del> <u>4.05</u>	<del>3.57</del> <u>3.9</u>	5.5	4.65	4.7	4
15	<del>3.45</del> <u>4</u>	<del>3.45</del> <u>3.9</u>	5.25	4.55	4.55	3.9
16	<del>3.35</del> <u>3.95</u>	<del>3.35</del> <u>3.85</u>	5	4.55	4.4	3.8
17	<del>3.25</del> <u>3.9</u>	<del>3.26</del> <u>3.8</u>	4.75	4.55	4.25	3.7
18	<del>3.25</del> <u>3.85</u>	<del>3.25</del> <u>3.75</u>	4.5	4.55	4.1	3.6
19	<del>3.25</del> <u>3.8</u>	<del>3.25</del> <u>3.75</u>	<del>4.25</del> <u>4.3</u>	4.55	3.95	3.5
20	<del>3.25</del> <u>3.75</u>	<del>3.25</del> <u>3.75</u>	<del>4</del> <u>4.2</u>	4.55	3.8	3.5
21	<del>3.25</del> <u>3.7</u>	<del>3.25</del> <u>3.75</u>	<del>3.9</del> <u>4.1</u>	4.45	3.75	3.5
22	<del>3.25</del> <u>3.65</u>	<del>3.25</del> <u>3.7</u>	<del>3.8</del> <u>4</u>	4.35	3.75	3.5
23	<del>3.25</del> <u>3.6</u>	<del>3.25</del> <u>3.6</u>	<del>3.7</del> <u>3.9</u>	4.25	3.75	3.5
24	<del>3.25</del> <u>3.55</u>	<del>3.25</del> <u>3.6</u>	<del>3.6</del> <u>3.8</u>	4.25	3.75	3.5
25	<del>3.25</del> <u>3.5</u>	<del>3.25</del> <u>3.6</u>	<del>3.5</del> <u>3.7</u>	4.25	3.75	3.5
26	<del>3.25</del> <u>3.5</u>	<del>3.25</del> <u>3.5</u>	<del>3.5</del> <u>3.6</u>	4.25	3.75	3.5
27	<del>3.25</del> <u>3.5</u>	<del>3.25</del> <u>3.5</u>	3.5	4.25	3.75	3.5
28	<del>3.25</del> <u>3.5</u>	<del>3.25</del> <u>3.5</u>	3.5	4.25	3.75	3.5
29	<del>3.25</del> <u>3.5</u>	<del>3.25</del> <u>3.5</u>	3.5	4.25	3.75	3.5
30 or more	<del>3.25</del> <u>3.5</u>	<del>3.25</del> <u>3.5</u>	3.5	4.25	3.75	3.5

(d) The actuarial valuation must use the applicable following payroll growth assumption for calculating the amortization requirement for the unfunded actuarial accrued liability where the amortization retirement is calculated as a level percentage of an increasing payroll:

plan	payroll growth assumption
general state employees retirement plan of the Minnesota State Retirement System	3.5%
correctional state employees retirement plan	3.5
State Patrol retirement plan	3.5
judges retirement plan	2.75
general employees retirement plan of the Public Employees Retirement Association	3.5
public employees police and fire retirement plan	3.5
local government correctional service retirement plan	3.5
teachers retirement plan	<del>3.75</del> <u>3.5</u>
St. Paul teachers retirement plan	4

(e) The assumptions set forth in paragraphs (c) and (d) continue to apply, unless a different salary assumption or a different payroll increase assumption:

- (1) has been proposed by the governing board of the applicable retirement plan;
- (2) is accompanied by the concurring recommendation of the actuary retained under section 356.214, subdivision 1, if applicable, or by the approved actuary preparing the most recent actuarial valuation report if section 356.214 does not apply; and
- (3) has been approved or deemed approved under subdivision 18.

**EFFECTIVE DATE.** This section is effective July 1, 2016, and applies to actuarial valuations prepared on or after that date.

## ARTICLE 8

### VOLUNTEER FIREFIGHTER RELIEF ASSOCIATIONS MODIFICATIONS

Section 1. Minnesota Statutes 2015 Supplement, section 353G.02, subdivision 6, is amended to read:

Subd. 6. **Initial administrative expenses of the monthly benefit retirement division; allocation of reimbursement.** (a) The administration expenses incurred by the Public Employees Retirement Association in the establishment of the monthly benefit retirement division of the voluntary statewide volunteer firefighter retirement plan, including any computer programming expenses and any actuarial consultant expenses, are payable from the assets of the initial monthly benefit volunteer firefighter relief association that elects to transfer its administration to the voluntary statewide volunteer firefighter retirement plan, following the transfer of assets.

~~(b) The administrative expenses in excess of \$33,600 paid under paragraph (a) must be reimbursed by the next nine monthly benefit volunteer firefighter relief associations that transfer plan administration to the voluntary statewide volunteer firefighter retirement plan. The reimbursement charge for each of the nine is three-tenths of one percent of the market value of assets of the volunteer firefighter relief association as of December 31, 2012. The reimbursement amounts, up to the amount of administrative expenses actually incurred under paragraph (a) in excess of \$33,600, must be credited to the account of the fire department associated with the former monthly benefit volunteer firefighter relief association that first transferred plan administration to the volunteer firefighter retirement plan.~~

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

#### Sec. 2. [424A.003] CERTIFICATION OF SERVICE CREDIT.

(a) When a municipal fire department, a joint powers fire department, or an independent nonprofit firefighting corporation is directly associated with the volunteer firefighters relief association, the fire chief shall certify annually by March 31 the service credit for the previous calendar year of each volunteer firefighter rendering active service with the fire department.

(b) The certification shall be made to an officer of the relief association's board of trustees and to the municipal clerk or clerk-treasurer of the largest municipality in population served by the associated fire department.

(c) The fire chief shall notify each volunteer firefighter rendering active service with the fire department of the amount of service credit rendered by the firefighter for the previous calendar year. The service credit notification and a description of the process and deadlines for the firefighter to challenge the fire chief's determination of service credit must be provided to the firefighter 60 days

prior to its certification to the relief association and municipality. If the service credit amount is challenged, the fire chief shall accept and consider any additional pertinent information and shall make a final determination of service credit.

(d) The service credit certification must be expressed as the number of completed months of the previous year during which an active volunteer firefighter rendered at least the minimum level of duties as specified and required by the fire department under the rules, regulations, and policies applicable to the fire department. No more than one year of service credit may be certified for a calendar year.

(e) If a volunteer firefighter who is a member of the relief association leaves active firefighting service to render active military service that is required to be governed by the federal Uniformed Services Employment and Reemployment Rights Act, as amended, the firefighter must be certified as providing service credit for the period of the military service, up to the applicable limit of the federal Uniformed Services Employment and Reemployment Rights Act. If the volunteer firefighter does not return from the military service in compliance with the federal Uniformed Services Employment and Reemployment Rights Act, the service credits applicable to that military service credit period are forfeited and canceled at the end of the calendar year in which the time limit set by federal law occurs.

**EFFECTIVE DATE.** This section is effective January 1, 2017.

Sec. 3. Minnesota Statutes 2014, section 424A.01, is amended by adding a subdivision to read:

Subd. 4a. **Prohibition on receipt of concurrent service credit.** No firefighter may be credited with service credit in a volunteer firefighters relief association for the same hours of service for which coverage is already provided in a fund operated pursuant to chapter 353.

**EFFECTIVE DATE.** This section is effective January 1, 2017, and applies to service rendered on or after that date.

Sec. 4. Minnesota Statutes 2014, section 424A.01, is amended by adding a subdivision to read:

Subd. 5a. **Volunteer emergency medical personnel.** Volunteer emergency medical personnel are eligible to be members of the applicable volunteer firefighters relief association and to qualify for service pension or other benefit coverage of the relief association on the same basis as fire department personnel who perform or supervise fire suppression or fire prevention duties, if:

(1) the fire department employs or otherwise uses the services of persons solely as volunteer emergency medical personnel to perform emergency medical response duties or supervise emergency medical response activities;

(2) the bylaws of the relief association authorize the eligibility; and

(3) the eligibility is approved by:

(i) the municipality, if the fire department is a municipal department;

(ii) the joint powers board, if the fire department is a joint powers entity; or

(iii) the contracting municipality or municipalities, if the fire department is an independent nonprofit firefighting corporation.

**EFFECTIVE DATE.** This section is effective January 1, 2017, and applies to service rendered on or after that date.

Sec. 5. Minnesota Statutes 2014, section 424A.015, is amended by adding a subdivision to read:

**Subd. 7. Combined service pensions.** (a) A volunteer firefighter with credit for service as an active firefighter in more than one volunteer firefighters relief association is entitled to a prorated service pension from each relief association if:

- (1) the articles of incorporation or bylaws of the relief associations provide;
- (2) the applicable requirements of paragraphs (b) and (c) are met; and
- (3) the volunteer firefighter otherwise qualifies.

(b) A volunteer firefighter receiving a prorated service pension under this subdivision must have a total combined amount of service credit from the two or more relief associations of ten years or more, unless the bylaws of every affected relief association specify less than a ten-year service vesting requirement, in which case, the total amount of required service credit is the longest service vesting requirement of the relief associations. The member must have one year or more of service credit in each relief association. The prorated service pension must be based on:

(1) for defined benefit relief associations, the service pension amount in effect for the relief association on the date on which active volunteer firefighting services covered by that relief association terminate; and

(2) for defined contribution relief associations, the member's individual account balance on the date on which active volunteer firefighting services covered by that relief association terminate.

(c) To receive a prorated service pension under this subdivision, the firefighter must become a member of the second or succeeding association and must give notice of membership to the prior association within two years of the date of termination of active service with the prior association. The second or subsequent relief association secretary must certify the notice.

**EFFECTIVE DATE.** This section is effective January 1, 2017.

Sec. 6. Minnesota Statutes 2015 Supplement, section 424A.02, subdivision 3, is amended to read:

**Subd. 3. Flexible service pension maximums.** (a) Annually on or before August 1 as part of the certification of the financial requirements and minimum municipal obligation determined under section 424A.092, subdivision 4, or 424A.093, subdivision 5, as applicable, the secretary or some other official of the relief association designated in the bylaws of each defined benefit relief association shall calculate and certify to the governing body of the applicable municipality the average amount of available financing per active covered firefighter for the most recent three-year period. The amount of available financing includes any amounts of fire state aid and police and firefighter retirement supplemental state aid received or receivable by the relief association, any amounts of municipal contributions to the relief association raised from levies on real estate or from other available revenue sources exclusive of fire state aid, and one-tenth of the amount of assets in excess of the accrued liabilities of the relief association calculated under section 424A.092, subdivision 2; 424A.093, subdivisions 2 and 4; or 424A.094, subdivision 2, if any.

(b) The maximum service pension which the defined benefit relief association has authority to provide for in its bylaws for payment to a member retiring after the calculation date when the minimum age and service requirements specified in subdivision 1 are met must be determined using the table in paragraph (c) or (d), whichever applies.

(c) For a defined benefit relief association where the governing bylaws provide for a monthly service pension to a retiring member, the maximum monthly service pension amount per month for each year of service credited that may be provided for in the bylaws is the greater of the service pension amount provided for in the bylaws on the date of the calculation of the average amount of the available financing per active covered firefighter or the maximum service pension figure corresponding to the average amount of available financing per active covered firefighter:

Minimum Average Amount of Available Financing per Firefighter	Maximum Service Pension Amount Payable per Month for Each Year of Service
\$ ...	\$ .25
41	.50
81	1.00
122	1.50
162	2.00
203	2.50
243	3.00
284	3.50
324	4.00
365	4.50
405	5.00
486	6.00
567	7.00
648	8.00
729	9.00
810	10.00
891	11.00
972	12.00
1053	13.00
1134	14.00
1215	15.00
1296	16.00
1377	17.00

101ST DAY]

TUESDAY, MAY 17, 2016

7113

1458	18.00
1539	19.00
1620	20.00
1701	21.00
1782	22.00
1823	22.50
1863	23.00
1944	24.00
2025	25.00
2106	26.00
2187	27.00
2268	28.00
2349	29.00
2430	30.00
2511	31.00
2592	32.00
2673	33.00
2754	34.00
2834	35.00
2916	36.00
2997	37.00
3078	38.00
3159	39.00
3240	40.00
3321	41.00
3402	42.00
3483	43.00
3564	44.00
3645	45.00
3726	46.00
3807	47.00
3888	48.00
3969	49.00
4050	50.00

4131	51.00
4212	52.00
4293	53.00
4374	54.00
4455	55.00
4536	56.00
4617	57.00
4698	58.00
4779	59.00
4860	60.00
4941	61.00
5022	62.00
5103	63.00
5184	64.00
5265	65.00
5346	66.00
5427	67.00
5508	68.00
5589	69.00
5670	70.00
5751	71.00
5832	72.00
5913	73.00
5994	74.00
6075	75.00
6156	76.00
6237	77.00
6318	78.00
6399	79.00
6480	80.00
6561	81.00
6642	82.00
6723	83.00
6804	84.00

6885	85.00
6966	86.00
7047	87.00
7128	88.00
7209	89.00
7290	90.00
7371	91.00
7452	92.00
7533	93.00
7614	94.00
7695	95.00
7776	96.00
7857	97.00
7938	98.00
8019	99.00
8100	100.00
any amount in excess of	
8100	100.00

(d) For a defined benefit relief association in which the governing bylaws provide for a lump-sum service pension to a retiring member, the maximum lump-sum service pension amount for each year of service credited that may be provided for in the bylaws is the greater of the service pension amount provided for in the bylaws on the date of the calculation of the average amount of the available financing per active covered firefighter or the maximum service pension figure corresponding to the average amount of available financing per active covered firefighter for the applicable specified period:

Minimum Average Amount of Available Financing per Firefighter	Maximum Lump-Sum Service Pension Amount Payable for Each Year of Service
\$ ...	\$ 10
11	20
16	30
23	40
27	50
32	60
43	80

54	100
65	120
77	140
86	160
97	180
108	200
131	240
151	280
173	320
194	360
216	400
239	440
259	480
281	520
302	560
324	600
347	640
367	680
389	720
410	760
432	800
486	900
540	1000
594	1100
648	1200
702	1300
756	1400
810	1500
864	1600
918	1700
972	1800
1026	1900
1080	2000
1134	2100

101ST DAY]

TUESDAY, MAY 17, 2016

7117

1188	2200
1242	2300
1296	2400
1350	2500
1404	2600
1458	2700
1512	2800
1566	2900
1620	3000
1672	3100
1726	3200
1753	3250
1780	3300
1820	3375
1834	3400
1888	3500
1942	3600
1996	3700
2023	3750
2050	3800
2104	3900
2158	4000
2212	4100
2265	4200
2319	4300
2373	4400
2427	4500
2481	4600
2535	4700
2589	4800
2643	4900
2697	5000
2751	5100
2805	5200

2859	5300
2913	5400
2967	5500
3021	5600
3075	5700
3129	5800
3183	5900
3237	6000
3291	6100
3345	6200
3399	6300
3453	6400
3507	6500
3561	6600
3615	6700
3669	6800
3723	6900
3777	7000
3831	7100
3885	7200
3939	7300
3993	7400
4047	7500
4101	7600
4155	7700
4209	7800
4263	7900
4317	8000
4371	8100
4425	8200
4479	8300
4533	8400
4587	8500
4641	8600

101ST DAY]

TUESDAY, MAY 17, 2016

7119

4695	8700
4749	8800
4803	8900
4857	9000
4911	9100
4965	9200
5019	9300
5073	9400
5127	9500
5181	9600
5235	9700
5289	9800
5343	9900
5397	10,000
any amount in excess of <u>5451</u>	<u>10,100</u>
<del>5397</del> <u>5505</u>	<del>10,000</del> <u>10,200</u>
<u>5559</u>	<u>10,300</u>
<u>5613</u>	<u>10,400</u>
<u>5667</u>	<u>10,500</u>
<u>5721</u>	<u>10,600</u>
<u>5775</u>	<u>10,700</u>
<u>5829</u>	<u>10,800</u>
<u>5883</u>	<u>10,900</u>
<u>5937</u>	<u>11,000</u>
<u>5991</u>	<u>11,100</u>
<u>6045</u>	<u>11,200</u>
<u>6099</u>	<u>11,300</u>
<u>6153</u>	<u>11,400</u>
<u>6207</u>	<u>11,500</u>
<u>6261</u>	<u>11,600</u>
<u>6315</u>	<u>11,700</u>
<u>6369</u>	<u>11,800</u>
<u>6423</u>	<u>11,900</u>
<u>6477</u>	<u>12,000</u>

<u>6531</u>	<u>12,100</u>
<u>6585</u>	<u>12,200</u>
<u>6639</u>	<u>12,300</u>
<u>6693</u>	<u>12,400</u>
<u>6747</u>	<u>12,500</u>
<u>6801</u>	<u>12,600</u>
<u>6855</u>	<u>12,700</u>
<u>6909</u>	<u>12,800</u>
<u>6963</u>	<u>12,900</u>
<u>7017</u>	<u>13,000</u>
<u>7071</u>	<u>13,100</u>
<u>7125</u>	<u>13,200</u>
<u>7179</u>	<u>13,300</u>
<u>7233</u>	<u>13,400</u>
<u>7287</u>	<u>13,500</u>
<u>7341</u>	<u>13,600</u>
<u>7395</u>	<u>13,700</u>
<u>7449</u>	<u>13,800</u>
<u>7503</u>	<u>13,900</u>
<u>7557</u>	<u>14,000</u>
<u>7611</u>	<u>14,100</u>
<u>7665</u>	<u>14,200</u>
<u>7719</u>	<u>14,300</u>
<u>7773</u>	<u>14,400</u>
<u>7827</u>	<u>14,500</u>
<u>7881</u>	<u>14,600</u>
<u>7935</u>	<u>14,700</u>
<u>7989</u>	<u>14,800</u>
<u>8043</u>	<u>14,900</u>
<u>8097</u>	<u>15,000</u>
<u>any amount in excess of 8097</u>	<u>15,000</u>

(e) For a defined benefit relief association in which the governing bylaws provide for a monthly benefit service pension as an alternative form of service pension payment to a lump-sum service

pension, the maximum service pension amount for each pension payment type must be determined using the applicable table contained in this subdivision.

(f) If a defined benefit relief association establishes a service pension in compliance with the applicable maximum contained in paragraph (c) or (d) and the minimum average amount of available financing per active covered firefighter is subsequently reduced because of a reduction in fire state aid or because of an increase in the number of active firefighters, the relief association may continue to provide the prior service pension amount specified in its bylaws, but may not increase the service pension amount until the minimum average amount of available financing per firefighter under the table in paragraph (c) or (d), whichever applies, permits.

(g) No defined benefit relief association is authorized to provide a service pension in an amount greater than the largest applicable flexible service pension maximum amount even if the amount of available financing per firefighter is greater than the financing amount associated with the largest applicable flexible service pension maximum.

(h) The method of calculating service pensions must be applied uniformly for all years of active service. Credit must be given for all years of active service except for caps on service credit if so provided in the bylaws of the relief association.

**EFFECTIVE DATE; LOCAL APPROVAL.** (a) For relief associations other than the Eden Prairie volunteer firefighters relief association, this section is effective January 1, 2017.

(b) For the Eden Prairie volunteer firefighters relief association, this section is effective the day after the city council of Eden Prairie and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3, or January 1, 2017, whichever is earlier.

Sec. 7. Minnesota Statutes 2014, section 424B.20, subdivision 4, is amended to read:

Subd. 4. **Benefit trust fund establishment.** (a) After the settlement of nonbenefit legal obligations of the special fund of the volunteer firefighters relief association under subdivision 3, the board of the relief association shall transfer the remaining assets of the special fund, as securities or in cash, as applicable, to the chief financial official of the municipality in which the associated fire department was located if the fire department was a municipal fire department or to the chief financial official of the municipality with the largest population served by the fire department if the fire department was an independent nonprofit firefighting corporation. If the fire department was a joint powers entity, the remaining assets of the special fund shall be transferred to the chief financial official of the municipality designated as the fiscal agent in the joint powers agreement or, if the agreement does not designate a municipality as the fiscal agent, the remaining assets of the special fund shall be transferred to the chief financial official of the municipality with the largest population served by the joint powers fire department. The board shall also compile a schedule of the relief association members to whom a service pension is or will be owed, any beneficiary to whom a benefit is owed, the amount of the service pension or benefit payable based on the applicable bylaws and state law and the service rendered to the date of the dissolution, and the date on which the pension or benefit would first be payable under the bylaws of the relief association and state law.

(b) The municipality in which is located receiving the remaining assets of the special fund of a volunteer firefighters relief association that is dissolving under this section shall establish a separate account in the municipal treasury which must function as a trust fund for members of the

volunteer firefighters relief association and their beneficiaries to whom the volunteer firefighters relief association owes a service pension or other benefit under the bylaws of the relief association and state law. Upon proper application, on or after the initial date on which the service pension or benefit is payable, the municipal treasurer shall pay the pension or benefit due, based on the schedule prepared under paragraph (a) and the other records of the dissolved relief association. The trust fund under this section must be invested and managed consistent with chapter 356A and section 424A.095. Upon payment of the last service pension or benefit due and owing, any remaining assets in the trust fund cancel to the general fund of the municipality: or, if the fire department was a joint powers entity, any remaining assets in the trust fund cancel to the general fund of each municipality that was a contracting party to the joint powers agreement as specified in the joint powers agreement. If the joint powers agreement does not specify how the remaining assets are to be distributed among the contracting parties, each of the contracting parties shall receive a pro rata share of the remaining assets based on the proportion of total operating contributions each contracting municipality made to the joint powers entity over the most recent ten calendar years. If the special fund of the volunteer firefighters relief association had an unfunded actuarial accrued liability upon dissolution, the municipality is liable for that unfunded actuarial accrued liability. If the fire department was a joint powers entity, the contracting municipalities are liable for their share of the unfunded actuarial accrued liability as specified in the joint powers agreement. If the joint powers agreement does not specify liability for any unfunded actuarial accrued liability, the contracting municipalities are liable for their pro rata share of the unfunded actuarial accrued liability based on the proportion of total operating contributions each contracting municipality made to the joint powers entity over the most recent ten calendar years.

**EFFECTIVE DATE.** This section is effective January 1, 2017.

**Sec. 8. EDEN PRAIRIE VOLUNTEER FIREFIGHTERS RELIEF ASSOCIATION SERVICE PENSIONS; RETURN TO ACTIVE SERVICE.**

(a) Notwithstanding any provision of Minnesota Statutes, section 424A.01, subdivision 6, section 424A.02, subdivision 2, or any other provision of law to the contrary, if the bylaws of the Eden Prairie volunteer firefighters relief association so provide, a former firefighter who has received a lump-sum service pension or is receiving a monthly benefit service pension and returns to active relief association membership under Minnesota Statutes, section 424A.01, subdivision 6, paragraph (b), is entitled to receive an unreduced lump-sum service pension for the resumption service period if the firefighter completes at least three years of active service as an active member of the fire department during the resumption service period and completes at least three years of active membership with the relief association during the resumption service period.

(b) A lump-sum service pension must be calculated by applying the service pension amount in effect on the date of the firefighter's termination of the resumption service for all years of the resumption service. No firefighter may be paid a service pension more than once for the same period of service. Payment of a lump-sum service pension shall have no effect on the firefighter's previous service pension.

**EFFECTIVE DATE.** This section is effective the day after the Eden Prairie City Council and its chief clerical officer timely complete their compliance with Minnesota Statutes, section 645.021, subdivisions 2 and 3.

**Sec. 9. COLERAINE AND BOVEY VOLUNTEER FIREFIGHTERS RELIEF ASSOCIATIONS; CONSOLIDATION.**

Subdivision 1. **Consolidation.** Notwithstanding any provision of Minnesota Statutes, section 424B.02, subdivision 2, paragraph (c), to the contrary, the Coleraine and Bovey volunteer firefighters relief associations are consolidated effective September 1, 2016, if all other consolidation requirements are satisfied pursuant to Minnesota Statutes, chapter 424B.

Subd. 2. **Reporting.** The consolidated relief association created under subdivision 1 shall report the number of active firefighter members of the relief association as of September 1, 2016, to the state auditor and to the commissioner of revenue no later than September 7, 2016. The commissioner may use this information to determine and calculate any minimum fire state aid payable under Minnesota Statutes, section 69.021, beginning with aid payable in 2016.

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

Sec. 10. **REPEALER.**

Minnesota Statutes 2014, section 424A.02, subdivision 13, is repealed.

**EFFECTIVE DATE.** This section is effective January 1, 2017.

## ARTICLE 9

### MSRS-ADMINISTERED RETIREMENT PLAN MODIFICATIONS

Section 1. Minnesota Statutes 2014, section 352.113, subdivision 2, is amended to read:

Subd. 2. **Application; accrual of benefits.** (a) An employee making claim for a total and permanent disability benefit, or someone acting on behalf of the employee upon proof of authority satisfactory to the director, shall file a written application for benefits in the office of the system on or before the deadline specified in subdivision 4, paragraph (g).

(b) The application must be in a form and manner prescribed by the executive director.

(c) The benefit shall begin to accrue the day following the start of disability or the day following the last day paid, whichever is later, but not earlier than 180 days before the date the application is filed with the director.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

Sec. 2. Minnesota Statutes 2014, section 352.113, subdivision 4, is amended to read:

Subd. 4. **Medical or psychological examinations; authorization for payment of benefit.** (a) Any physician, psychologist, chiropractor, or physician assistant providing any service specified in this section must be licensed.

(b) An applicant shall provide a detailed report signed by a physician, and at least one additional report signed by a physician, chiropractor, psychologist, or physician assistant with evidence to support an application for total and permanent disability. The reports must include an expert opinion regarding whether the employee is permanently and totally disabled within the meaning of section 352.01, subdivision 17, and that the disability arose before the employee ~~was placed on any paid or unpaid leave of absence or terminated public service.~~

(c) If there is medical evidence that supports the expectation that at some point the person applying for the disability benefit will no longer be disabled, the decision granting the disability benefit may provide for a termination date upon which the total and permanent disability can be

expected to no longer exist. When a termination date is part of the decision granting benefits, prior to the benefit termination the executive director shall review any evidence provided by the disabled employee to show that the disabling condition for which benefits were initially granted continues. If the benefits cease, the disabled employee may follow the appeal procedures described in section 356.96 or may reapply for disability benefits using the process described in this subdivision.

(d) Any claim to disability must be supported by a report from the employer indicating that there is no available work that the employee can perform with the disabling condition and that all reasonable accommodations have been considered. Upon request of the executive director, an employer shall provide evidence of the steps the employer has taken to attempt to provide reasonable accommodations and continued employment to the claimant.

(e) The director shall also obtain written certification from the employer stating whether the employment has ceased or whether the employee is on sick leave of absence because of a disability that will prevent further service to the employer and that the employee is not entitled to compensation from the employer.

(f) The medical adviser shall consider the reports of the physicians, physician assistants, psychologists, and chiropractors and any other evidence supplied by the employee or other interested parties. If the medical adviser finds the employee totally and permanently disabled, the adviser shall make appropriate recommendation to the director in writing together with the date from which the employee has been totally disabled. The director shall then determine if the disability occurred within 18 months of filing the application, while still in the employment of the state, and the propriety of authorizing payment of a disability benefit as provided in this section and constitutes a total and permanent disability as defined in section 353.01, subdivision 19.

(g) A terminated employee may apply for a disability benefit within 18 months of termination as long as the disability occurred while in the employment of the state. The fact that an employee is placed on leave of absence without compensation because of disability does not bar that employee from receiving a disability benefit.

(h) Upon appeal, the board of directors may extend the disability benefit application deadline in paragraph (g) by an additional 18 months if the terminated employee is determined by the board of directors to have a cognitive impairment that made it unlikely that the terminated employee understood that there was an application deadline or that the terminated employee was able to meet the application deadline.

(i) Unless the payment of a disability benefit has terminated because the employee is no longer totally disabled, or because the employee has reached normal retirement age as provided in this section, the disability benefit must cease with the last payment received by the disabled employee or which had accrued during the lifetime of the employee unless there is a spouse surviving. In that event, the surviving spouse is entitled to the disability benefit for the calendar month in which the disabled employee died.

**EFFECTIVE DATE.** This section is effective July 1, 2016.

## ARTICLE 10

### PERA-ADMINISTERED RETIREMENT PLAN MODIFICATIONS

Section 1. Minnesota Statutes 2014, section 353.01, subdivision 43, is amended to read:

Subd. 43. **Line of duty death.** "Line of duty death" means:

(1) a death that occurs while performing or as a direct result of performing normal or less frequent duties which are specific to protecting the property and personal safety of others and that present inherent dangers that are specific to the positions covered by the public employees police and fire plan; or

(2) a death that is determined by the commissioner of public safety to meet the requirements of section 299A.41, subdivision 3.

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

## ARTICLE 11

### GENERALLY APPLICABLE RETIREMENT CHANGES

Section 1. Minnesota Statutes 2014, section 356.24, subdivision 1, is amended to read:

Subdivision 1. **Restriction; exceptions.** It is unlawful for a school district or other governmental subdivision or state agency to levy taxes for or to contribute public funds to a supplemental pension or deferred compensation plan that is established, maintained, and operated in addition to a primary pension program for the benefit of the governmental subdivision employees other than:

(1) to a supplemental pension plan that was established, maintained, and operated before May 6, 1971;

(2) to a plan that provides solely for group health, hospital, disability, or death benefits;

(3) to the individual retirement account plan established by chapter 354B;

(4) to a plan that provides solely for severance pay under section 465.72 to a retiring or terminating employee;

(5) for employees other than personnel employed by the Board of Trustees of the Minnesota State Colleges and Universities and covered under the Higher Education Supplemental Retirement Plan under chapter 354C, but including city managers covered by an alternative retirement arrangement under section 353.028, subdivision 3, paragraph (a), or by the defined contribution plan of the Public Employees Retirement Association under section 353.028, subdivision 3, paragraph (b), if the supplemental plan coverage is provided for in a personnel policy of the public employer or in the collective bargaining agreement between the public employer and the exclusive representative of public employees in an appropriate unit or in the individual employment contract between a city and a city manager, and if for each available investment all fees and historic rates of return for the prior one-, three-, five-, and ten-year periods, or since inception, are disclosed in an easily comprehended document not to exceed two pages, in an amount matching employee contributions on a dollar for dollar basis, but not to exceed an employer contribution of one-half of the available elective deferral permitted per year per employee, under the Internal Revenue Code:

(i) to the state of Minnesota deferred compensation plan under section 352.965;

(ii) in payment of the applicable portion of the contribution made to any investment eligible under section 403(b) of the Internal Revenue Code, if the employing unit has complied with any applicable pension plan provisions of the Internal Revenue Code with respect to the tax-sheltered annuity program during the preceding calendar year; or

(iii) any other deferred compensation plan offered by the employer under section 457 of the Internal Revenue Code;

(6) for personnel employed by the Board of Trustees of the Minnesota State Colleges and Universities and not covered by clause (5), to the supplemental retirement plan under chapter 354C, if the supplemental plan coverage is provided for in a personnel policy or in the collective bargaining agreement of the public employer with the exclusive representative of the covered employees in an appropriate unit, in an amount matching employee contributions on a dollar for dollar basis, but not to exceed an employer contribution of \$2,700 a year for each employee;

(7) to a supplemental plan or to a governmental trust to save for postretirement health care expenses qualified for tax-preferred treatment under the Internal Revenue Code, if the supplemental plan coverage is provided for in a personnel policy or in the collective bargaining agreement of a public employer with the exclusive representative of the covered employees in an appropriate unit;

(8) to the laborers national industrial pension fund or to a laborers local pension fund for the employees of a governmental subdivision who are covered by a collective bargaining agreement that provides for coverage by that fund and that sets forth a fund contribution rate, but not to exceed an employer contribution of ~~\$5,000~~ \$7,000 per year per employee;

(9) to the plumbers and pipefitters national pension fund or to a plumbers and pipefitters local pension fund for the employees of a governmental subdivision who are covered by a collective bargaining agreement that provides for coverage by that fund and that sets forth a fund contribution rate, but not to exceed an employer contribution of \$5,000 per year per employee;

(10) to the international union of operating engineers pension fund for the employees of a governmental subdivision who are covered by a collective bargaining agreement that provides for coverage by that fund and that sets forth a fund contribution rate, but not to exceed an employer contribution of \$5,000 per year per employee;

(11) to a supplemental plan organized and operated under the federal Internal Revenue Code, as amended, that is wholly and solely funded by the employee's accumulated sick leave, accumulated vacation leave, and accumulated severance pay;

(12) to the International Association of Machinists national pension fund for the employees of a governmental subdivision who are covered by a collective bargaining agreement that provides for coverage by that fund and that sets forth a fund contribution rate, but not to exceed an employer contribution of \$5,000 per year per employee;

(13) for employees of United Hospital District, Blue Earth, to the state of Minnesota deferred compensation program, if the employee makes a contribution, in an amount that does not exceed the total percentage of covered salary under section 353.27, subdivisions 3 and 3a;

(14) to the alternative retirement plans established by the Hennepin County Medical Center under section 383B.914, subdivision 5; or

(15) to the International Brotherhood of Teamsters Central States pension plan for fixed-route bus drivers employed by the St. Cloud Metropolitan Transit Commission who are members of the International Brotherhood of Teamsters Local 638 by virtue of that employment.

Sec. 2. **[356.631] ADDITIONAL SOURCES OF FUNDING.**

Notwithstanding any other provision of law to the contrary, in addition to all sources of funding described in Minnesota Statutes, section 356.63, paragraphs (a) and (b), any public retirement plan described in Minnesota Statutes, section 356.63, paragraph (b), is authorized to accept, at its discretion, for deposit in its fund the following:

- (1) gifts;
- (2) donations;
- (3) bequests; and
- (4) life insurance death benefits.

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

Sec. 3. **REPEALER.**

Minnesota Statutes 2014, sections 352.04, subdivision 11; and 353.34, subdivision 6, are repealed.

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

**ARTICLE 12**

**SMALL GROUP RETIREMENT CHANGES**

**Section 1. MSRS-GENERAL RETIREMENT ELIGIBILITY CLARIFICATION; SERVICE CREDIT PURCHASE IN CERTAIN INSTANCES.**

(a) Notwithstanding any provision of law to the contrary, an eligible person described in paragraph (b) is entitled to purchase prior uncredited service credit under paragraph (c) and, if the service credit purchase is made, to have an effective start date for active retirement plan membership of June 1, 1989, and to retire under Minnesota Statutes, section 352.116, subdivision 1.

(b) An eligible person is a person who:

(1) was born on the dates as follows:

<u>employee</u>	<u>birth date</u>
<u>A</u>	<u>October 2, 1968</u>
<u>B</u>	<u>June 12, 1965</u>
<u>C</u>	<u>August 10, 1958</u>
<u>D</u>	<u>April 29, 1963</u>
<u>E</u>	<u>April 11, 1955</u>
<u>F</u>	<u>August 13, 1966</u>
<u>G</u>	<u>April 22, 1961</u>
<u>H</u>	<u>December 31, 1958</u>
<u>I</u>	<u>October 10, 1966</u>

<u>J</u>	<u>February 4, 1961</u>
<u>K</u>	<u>August 21, 1963</u>
<u>L</u>	<u>January 23, 1960</u>
<u>M</u>	<u>September 19, 1966</u>
<u>N</u>	<u>November 3, 1961</u>
<u>O</u>	<u>June 13, 1958</u>
<u>P</u>	<u>June 23, 1954</u>
<u>Q</u>	<u>October 20, 1956</u>
<u>R</u>	<u>July 28, 1955</u>
<u>S</u>	<u>May 6, 1960</u>
<u>T</u>	<u>March 19, 1966</u>
<u>U</u>	<u>August 19, 1966</u>
<u>V</u>	<u>March 14, 1959</u>

(2) became an employee of the Minnesota Department of Transportation prior to July 1, 1989, in a position which was not covered by the general state employees retirement plan of the Minnesota State Retirement System;

(3) was eventually employed as a permanent employee after June 30, 1989, and covered by the general state employees retirement plan of the Minnesota State Retirement System on the dates as follows:

<u>employee</u>	<u>membership record date</u>
<u>A</u>	<u>September 27, 1989</u>
<u>B</u>	<u>September 27, 1989</u>
<u>C</u>	<u>September 26, 1989</u>
<u>D</u>	<u>September 27, 1989</u>
<u>E</u>	<u>September 26, 1989</u>
<u>F</u>	<u>September 13, 1989</u>
<u>G</u>	<u>September 1, 1989</u>
<u>H</u>	<u>September 27, 1989</u>
<u>I</u>	<u>September 27, 1989</u>
<u>J</u>	<u>September 13, 1989</u>
<u>K</u>	<u>September 13, 1989</u>
<u>L</u>	<u>September 26, 1989</u>
<u>M</u>	<u>August 30, 1989</u>
<u>N</u>	<u>September 26, 1989</u>

<u>O</u>	<u>September 13, 1989</u>
<u>P</u>	<u>September 27, 1989</u>
<u>Q</u>	<u>September 27, 1989</u>
<u>R</u>	<u>September 27, 1989</u>
<u>S</u>	<u>September 13, 1989</u>
<u>T</u>	<u>September 13, 1989</u>
<u>U</u>	<u>September 27, 1989</u>
<u>V</u>	<u>September 26, 1989</u>

(4) was sent annual statements by the Minnesota State Retirement System between July 1, 2005, and July 1, 2015, indicating eligibility for a retirement benefit under Minnesota Statutes, section 352.116, subdivision 1; and

(5) was sent notification from the Minnesota State Retirement System revising the start date for general state employees retirement plan membership from a date before July 1, 1989, to a date after June 30, 1989, and indicating consequent inapplicability of Minnesota Statutes, section 352.116, subdivision 1.

(c) An eligible person may purchase allowable service credit in the general state employees retirement plan of the Minnesota State Retirement System by paying an amount equal to the employer contributions and employee contributions that would have been paid from June 1, 1989, to the end of the month prior to the date the employee entered covered service plus interest at the rate of 8.5 percent until June 30, 2015, and eight percent thereafter compounded annually on the combined employer and employee contribution amount from the date the contributions would have been paid to the date the Minnesota State Retirement System receives payment for this service credit purchase. The payment must be made in a lump sum.

(d) An eligible person who purchases allowable service credit under paragraph (c) has a June 1, 1989, start date for the purpose of allowable service credited by the general state employees retirement plan of the Minnesota State Retirement System and is eligible for a retirement annuity under Minnesota Statutes, section 352.116, subdivision 1.

(e) Authority to purchase prior uncredited service credit under this section expires on July 1, 2017.

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

**Sec. 2. PERA-GENERAL; PURCHASE OF SERVICE CREDIT FOR ST. CLOUD STATE UNIVERSITY EMPLOYEE.**

(a) Notwithstanding any provision of law to the contrary, an eligible person described in paragraph (b) is entitled to purchase from the general employees retirement plan of the Public Employees Retirement Association allowable service credit under Minnesota Statutes, section 353.01, subdivision 16, for the period of service described in paragraph (c).

(b) An eligible person is a person who:

(1) was born on September 1, 1960;

(2) was an employee of St. Cloud State University on March 14, 2016;

(3) was a member of the general employees retirement plan of the Public Employees Retirement Association on March 14, 2016;

(4) was employed by St. Cloud Technical College on April 1, 1993, and was a member of the general employees retirement plan of the Public Employees Retirement Association; and

(5) changed employment within St. Cloud State University on February 22, 2006, and was erroneously placed into the higher education individual retirement account plan from February 22, 2006, until May 10, 2011, by the Minnesota State Colleges and Universities system.

(c) The period of uncredited service authorized for purchase is the period of February 22, 2006, until May 10, 2011, during which time the eligible person was erroneously placed into and contributed to the higher education individual retirement account plan.

(d) The eligible person's member contributions to the higher education individual retirement account plan must be transferred to the Public Employees Retirement Association with any earned investment returns on those contributions. The eligible person must pay the member contributions that the eligible person would have made to the Public Employees Retirement Association on the eligible person's compensation from the Minnesota State Colleges and Universities system for the period of service described in paragraph (c) as if the person had been covered by the Public Employees Retirement Association during the period, plus annual compound interest on that amount at the rate of 8.5 percent from February 22, 2006, until June 30, 2015, and eight percent from July 1, 2015, until the date on which payment is made to the Public Employees Retirement Association, less the transferred member contributions and investment earnings.

(e) Upon transfer of the equivalent member contribution amount and any additional payments under paragraph (d), the balance of the eligible person's higher education individual retirement account plan account must be transferred to the Public Employees Retirement Association within 60 days following the receipt of the eligible person's payment under paragraph (d).

(f) Upon the transfer of the amounts under paragraphs (d) and (e), the Minnesota State Colleges and Universities system shall pay the prior service credit purchase payment amount calculated under Minnesota Statutes, section 356.551, less any amounts received under paragraphs (d) and (e), within 60 days following the receipt of the eligible person's payment under paragraph (d).

(g) Upon the transfers and payments under paragraph (f), the eligible person must be credited by the Public Employees Retirement Association with allowable service credit for Minnesota State Colleges and Universities System employment from February 22, 2006, until May 10, 2011.

(h) Authority to make a service credit purchase under this section expires January 1, 2017.

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

**Sec. 3. TRA COVERAGE ELECTION AND PERA REFUND REPAYMENT AUTHORITY FOR CERTAIN MNSCU EMPLOYEE.**

(a) Notwithstanding any provision of Minnesota Statutes, chapter 353 or 354B, to the contrary, an eligible person described in paragraph (b) is eligible to become a coordinated member of the Teachers Retirement Association and to purchase service and salary credit in the Teachers Retirement Association coordinated plan retroactively from July 1, 2001, upon repaying a member

contribution refund taken from the general employees retirement plan of the Public Employees Retirement Association under paragraph (c), upon making an election under paragraph (e), and upon making all required payments under paragraphs (f) and (g).

(b) An eligible person is a person who:

(1) was born April 4, 1956;

(2) was employed by a governmental subdivision in 1995, with retirement coverage in the general employees retirement plan of the Public Employees Retirement Association, for which a refund of member contributions and interest was taken before 2001;

(3) was employed by St. Cloud State University in the late 1990s, with retirement coverage in the general state employees retirement plan of the Minnesota State Retirement System;

(4) was hired as an academic advisor by St. Cloud State University on July 1, 2001, with retirement coverage in the higher education individual retirement account plan; and

(5) was not informed of the option to elect Teachers Retirement Association coverage in the coverage election authorized by Minnesota Statutes 2001, section 354B.21, so remained in the higher education individual retirement account plan.

(c) The refund repayment required by Minnesota Statutes, section 356.551, subdivision 1, paragraph (c), must be calculated under Minnesota Statutes, section 353.35, subdivision 1, paragraph (c).

(d) Authority to repay a refund under this section expires January 1, 2017.

(e) To be eligible for coverage by the Teachers Retirement Association, an eligible person must submit a written application to the executive director of the Teachers Retirement Association on a form provided by the Teachers Retirement Association. The application must include all documentation of the applicability of this section and any other relevant information that the executive director may require. Teachers Retirement Association plan membership commences after the date of the retirement coverage election under this section and past salary and service credit is granted for past Minnesota State Colleges and Universities system employment from July 1, 2001, until the executive director receives the written application specified in this paragraph and receipts of the payments specified in paragraphs (c), (f), and (g). Coverage by the Teachers Retirement Association is in lieu of coverage by the individual retirement account plan.

(f) If the eligible person makes the retirement coverage election under paragraph (e), the eligible person's member contributions to the higher education individual retirement account plan must be transferred to the Teachers Retirement Association with any earned investment returns on those contributions. If the transferred member contributions and investment earnings are less than the calculated amount of the member contributions that the eligible person would have made to the Teachers Retirement Association on the eligible person's compensation from the Minnesota State Colleges and Universities system for the period from July 1, 2001, to the date of the retirement coverage election if the person had been covered by the Teachers Retirement Association during the period, plus annual compound interest at the rate of 8.5 percent, then the eligible person shall pay the balance of that calculated member contribution obligation within 30 days of the retirement coverage election.

(g) Upon the transfer of the equivalent member contribution amount and any additional payment under paragraph (f), the balance of the eligible person's higher education individual retirement account plan account must be transferred to the Teachers Retirement Association. If the amounts under paragraph (f) and the individual retirement account plan balance under this paragraph are less than the prior service credit purchase payment amount calculated under Minnesota Statutes, section 356.551, the Minnesota State Colleges and Universities system shall pay the difference within 60 days of the retirement election date.

(h) The authority to make a retirement coverage election under this section expires January 1, 2017.

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

**Sec. 4. TRA COVERAGE FOR CERTAIN MESABI RANGE COMMUNITY AND TECHNICAL COLLEGE FACULTY MEMBERS.**

(a) Notwithstanding any provision of law to the contrary, an eligible person described in paragraph (b) is authorized to become a coordinated member of the Teachers Retirement Association and to purchase service and salary credit in the Teachers Retirement Association coordinated plan retroactive from July 19, 2000, or September 15, 2000, whichever is applicable, upon making an election under paragraph (c) and upon making all required payments under paragraphs (d) and (e).

(b) An eligible person is a person who:

(1) either:

(i) was born on September 25, 1964, and has been employed at Mesabi Range Community and Technical College and a contributing member of the higher education individual retirement account plan since July 19, 2000; or

(ii) was born on October 15, 1963, and has been employed at Mesabi Range Community and Technical College and a contributing member of the higher education individual retirement account plan since September 15, 2000;

(2) was classified in the unlimited full-time category on August 21, 2012;

(3) became eligible for an election of Teachers Retirement Association coverage under Laws 2009, chapter 169, article 6, section 1; and

(4) was not offered an election of Teachers Retirement Association coverage by the Minnesota State Colleges and Universities system.

(c) To be eligible for coverage by the Teachers Retirement Association, an eligible person must submit a written application to the executive director of the Teachers Retirement Association on a form provided by the Teachers Retirement Association. The application must include all documentation of the applicability of this section and any other relevant information that the executive director may require. Teachers Retirement Association plan membership commences after the date of the retirement coverage election under this section and past salary and service credit is granted for past Minnesota State Colleges and Universities system employment from July 19, 2000, or September 15, 2000, whichever is applicable, until the executive director receives the written application specified in this paragraph and receipts of the payments specified in

paragraphs (d) and (e). Coverage by the Teachers Retirement Association is in lieu of coverage by the individual retirement account plan.

(d) If the eligible person makes the retirement coverage election under paragraph (c), the eligible person shall make a contribution to the Teachers Retirement Association equal to the excess, if any, of the employee contributions that the eligible person would have made if the Teachers Retirement Association had provided coverage from July 19, 2000, or September 15, 2000, whichever is applicable, rather than the individual retirement account plan. These additional contribution amounts shall include 8.5 percent annual compound interest computed from the date the contribution would have been made if deducted from salary until paid. The total amount to be paid under this paragraph shall be determined by the executive director of the Teachers Retirement Association and written notification of the amount required under this paragraph must be transmitted to the eligible person.

(e) If payment is made under paragraph (d), the value of the applicable eligible person's higher education individual retirement account plan account shall be transferred to the Teachers Retirement Association.

(f) The Teachers Retirement Association shall determine the required purchase payment amount calculated under Minnesota Statutes, section 356.551, imposed upon the Teachers Retirement Association under this section due to the salary and service credit purchase.

(g) From the total amount computed under paragraph (f), the executive director of the Teachers Retirement Association shall subtract the amounts received under paragraphs (d) and (e). The Minnesota State Colleges and Universities system must transmit the remaining amount, if any, to the executive director of the Teachers Retirement Association within 60 days following the receipt of the payments under paragraphs (d) and (e).

(h) The authority to make a retirement coverage election under this section expires on January 1, 2017.

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

## ARTICLE 13

### TECHNICAL CORRECTIONS

Section 1. Minnesota Statutes 2015 Supplement, section 353.01, subdivision 16, is amended to read:

Subd. 16. **Allowable service; limits and computation.** (a) "Allowable service" means:

(1) service during years of actual membership in the course of which employee deductions were withheld from salary and contributions were made at the applicable rates under section 353.27, 353.65, or 353E.03;

(2) periods of service covered by payments in lieu of salary deductions under sections 353.27, subdivisions 12 and 12a, and 353.35;

(3) service in years during which the public employee was not a member but for which the member later elected, while a member, to obtain credit by making payments to the fund as permitted by any law then in effect;

(4) a period of authorized leave of absence during which the employee receives pay as specified in subdivision 10, paragraph (a), clause (4) or (5), from which deductions for employee contributions are made, deposited, and credited to the fund;

(5) a period of authorized leave of absence without pay, or with pay that is not included in the definition of salary under subdivision 10, paragraph (a), clause (4) or (5), for which salary deductions are not authorized, and for which a member obtained service credit for up to 12 months of the authorized leave period by payment under section ~~353.0161~~ or 353.0162, to the fund made in place of salary deductions;

(6) a periodic, repetitive leave that is offered to all employees of a governmental subdivision. The leave program may not exceed 208 hours per annual normal work cycle as certified to the association by the employer. A participating member obtains service credit by making employee contributions in an amount or amounts based on the member's average salary, excluding overtime pay, that would have been paid if the leave had not been taken. The employer shall pay the employer and additional employer contributions on behalf of the participating member. The employee and the employer are responsible to pay interest on their respective shares at the rate of 8.5 percent until June 30, 2015, and eight percent thereafter, compounded annually, from the end of the normal cycle until full payment is made. An employer shall also make the employer and additional employer contributions, plus 8.5 percent interest until June 30, 2015, and eight percent interest thereafter, compounded annually, on behalf of an employee who makes employee contributions but terminates public service. The employee contributions must be made within one year after the end of the annual normal working cycle or within 30 days after termination of public service, whichever is sooner. The executive director shall prescribe the manner and forms to be used by a governmental subdivision in administering a periodic, repetitive leave. Upon payment, the member must be granted allowable service credit for the purchased period;

(7) an authorized temporary or seasonal layoff under subdivision 12, limited to three months allowable service per authorized temporary or seasonal layoff in one calendar year. An employee who has received the maximum service credit allowed for an authorized temporary or seasonal layoff must return to public service and must obtain a minimum of three months of allowable service subsequent to the layoff in order to receive allowable service for a subsequent authorized temporary or seasonal layoff;

(8) a period during which a member is absent from employment by a governmental subdivision by reason of service in the uniformed services, as defined in United States Code, title 38, section 4303(13), if the member returns to public service with the same governmental subdivision upon discharge from service in the uniformed service within the time frames required under United States Code, title 38, section 4312(e), provided that the member did not separate from uniformed service with a dishonorable or bad conduct discharge or under other than honorable conditions. The service must be credited if the member pays into the fund equivalent employee contributions based upon the contribution rate or rates in effect at the time that the uniformed service was performed multiplied by the full and fractional years being purchased and applied to the annual salary rate. The annual salary rate is the average annual salary during the purchase period that the member would have received if the member had continued to be employed in covered employment rather than to provide uniformed service, or, if the determination of that rate is not reasonably certain, the annual salary rate is the member's average salary rate during the 12-month period of covered employment rendered immediately preceding the period of the uniformed service. Payment of the member equivalent contributions must be made during a period that begins with the date on which

the individual returns to public employment and that is three times the length of the military leave period, or within five years of the date of discharge from the military service, whichever is less. If the determined payment period is less than one year, the contributions required under this clause to receive service credit may be made within one year of the discharge date. Payment may not be accepted following 30 days after termination of public service under subdivision 11a. If the member equivalent contributions provided for in this clause are not paid in full, the member's allowable service credit must be prorated by multiplying the full and fractional number of years of uniformed service eligible for purchase by the ratio obtained by dividing the total member contributions received by the total member contributions otherwise required under this clause. The equivalent employer contribution, and, if applicable, the equivalent additional employer contribution must be paid by the governmental subdivision employing the member if the member makes the equivalent employee contributions. The employer payments must be made from funds available to the employing unit, using the employer and additional employer contribution rate or rates in effect at the time that the uniformed service was performed, applied to the same annual salary rate or rates used to compute the equivalent member contribution. The governmental subdivision involved may appropriate money for those payments. The amount of service credit obtainable under this section may not exceed five years unless a longer purchase period is required under United States Code, title 38, section 4312. The employing unit shall pay interest on all equivalent member and employer contribution amounts payable under this clause. Interest must be computed at the rate of 8.5 percent until June 30, 2015, and eight percent thereafter, compounded annually, from the end of each fiscal year of the leave or the break in service to the end of the month in which the payment is received. Upon payment, the employee must be granted allowable service credit for the purchased period; or

(9) a period specified under section 353.0162.

(b) No member may receive more than 12 months of allowable service credit in a year either for vesting purposes or for benefit calculation purposes.

(c) For an active member who was an active member of the former Minneapolis Firefighters Relief Association on December 29, 2011, "allowable service" is the period of service credited by the Minneapolis Firefighters Relief Association as reflected in the transferred records of the association up to December 30, 2011, and the period of service credited under paragraph (a), clause (1), after December 30, 2011. For an active member who was an active member of the former Minneapolis Police Relief Association on December 29, 2011, "allowable service" is the period of service credited by the Minneapolis Police Relief Association as reflected in the transferred records of the association up to December 30, 2011, and the period of service credited under paragraph (a), clause (1), after December 30, 2011.

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

Sec. 2. Minnesota Statutes 2014, section 353.012, is amended to read:

**353.012 UNIVERSITY OF MINNESOTA EMPLOYEES; FURLOUGH SERVICE AND SALARY CREDIT.**

A furloughed employee of the University of Minnesota who is a member of the public employees police and fire plan may obtain allowable service and salary credit for the furlough period. The allowable service and salary credit authorization is a leave of absence authorization for purposes of section 353.0161 and the purchase payment procedure of section 353.0161, subdivision 2, applies 353.0162.

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

Sec. 3. Minnesota Statutes 2014, section 353.32, subdivision 4, is amended to read:

Subd. 4. **Lack, or death, of beneficiary.** If a member or former member dies without having designated a beneficiary or if the beneficiary should die before making application for refund, and if there is no surviving spouse, and if the legal representative of such member or former member does not apply for refund within five years from the date of death of the member or former member, the accumulated deductions to the member or former member's credit at the time of death shall be disposed of in the manner provided in section ~~353.34, subdivision 6~~ 356.631.

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

Sec. 4. Minnesota Statutes 2014, section 354A.011, subdivision 29, is amended to read:

Subd. 29. **Vesting; vested.** (a) "Vesting" or "vested" means having entitlement to a nonforfeitable annuity or benefit from ~~a the St. Paul Teachers Retirement Fund Association coordinated member program administered by a teachers retirement fund association by having credit for sufficient allowable service under paragraph (b) or (c), whichever applies~~ when the teacher has accrued credit for at least three years of allowable service.

(b) ~~For purposes of qualifying for an annuity or a benefit as a coordinated plan member of the St. Paul Teachers Retirement Fund Association, the teacher is vested when the teacher has accrued credit for at least three years of service.~~

(c) ~~For purposes of qualifying for an annuity or a benefit as a coordinated plan member of the Duluth Teachers Retirement Fund Association:~~

(1) ~~a teacher who first became a member of the plan before July 1, 2010, is vested when the teacher has accrued at least three years of service; and~~

(2) ~~a teacher who first became a member of the plan after June 30, 2010, is vested when the teacher has accrued at least five years of service.~~

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

Sec. 5. Minnesota Statutes 2014, section 354A.095, is amended to read:

#### **354A.095 PARENTAL AND MATERNITY LEAVE.**

Basic or coordinated members of the St. Paul Teachers Retirement Fund Association ~~and new coordinated members of the Duluth Teachers Retirement Fund Association,~~ who are granted parental or maternity leave of absence by the employing authority, are entitled to obtain service credit not to exceed one year for the period of leave upon payment to the ~~applicable~~ fund by the end of the fiscal year following the fiscal year in which the leave of absence terminated. The amount of the payment must include the total required employee and employer contributions for the period of leave prescribed in section 354A.12. Payment must be based on the member's average monthly salary rate upon return to teaching service, and is payable without interest. Payment must be accompanied by a certified or otherwise adequate copy of the resolution or action of the employing authority granting or approving the leave.

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

Sec. 6. Minnesota Statutes 2014, section 354A.35, subdivision 2, is amended to read:

Subd. 2. **Death while eligible to retire; surviving spouse optional annuity.** (a) The surviving spouse of a vested coordinated member who dies prior to retirement may elect to receive, instead of a refund with interest under subdivision 1, an annuity equal to the 100 percent joint and survivor annuity the member could have qualified for had the member terminated service on the date of death. The surviving spouse eligible for a surviving spouse benefit under this paragraph may apply for the annuity at any time after the date on which the deceased employee would have attained the required age for retirement based on the employee's allowable service. A surviving spouse eligible for surviving spouse benefits under paragraph (b) or (c) may apply for an annuity at any time after the member's death. The member's surviving spouse shall be paid a joint and survivor annuity under section 354A.32 and computed under section 354A.31.

(b) If the member was under age 55 and has credit for at least 30 years of allowable service on the date of death, the surviving spouse may elect to receive a 100 percent joint and survivor annuity based on the age of the member and surviving spouse on the date of death. The annuity is payable using the full early retirement reduction under section 354A.31, subdivision 6, paragraph (a), to age 55 and one-half of the early retirement reduction from age 55 to the age payment begins.

~~(c) If a vested member of the Duluth Teachers Retirement Fund Association was under age 55 on the date of death but did not yet qualify for retirement, the surviving spouse may elect to receive the 100 percent joint and survivor annuity based on the age of the member and the survivor at the time of death. The annuity is payable using the full early retirement reduction under section 354A.31, subdivision 6 or 7, to age 55 and one-half of the early retirement reduction from age 55 to the date payment begins.~~

~~(c)~~ (c) If a vested member of the St. Paul Teachers Retirement Fund Association was under age 55 on the date of death but did not yet qualify for retirement, the surviving spouse may elect to receive the 100 percent joint and survivor annuity based on the age of the member and the survivor at the time of death. The annuity is payable using the full early retirement reduction under section 354A.31, subdivision 6 or 7, to age 55 and one-half of the actuarial equivalent reduction from age 55 to the date payment begins. The actuarial equivalent reduction is calculated so that the reduced annuity is the actuarial equivalent of the annuity that would be payable to the member if the member deferred receipt of the annuity and the annuity amount were augmented at an annual rate of 2.5 percent compounded annually from the day the annuity begins to accrue until the normal retirement age.

~~(d)~~ (d) Sections 354A.37, subdivision 2, and 354A.39 apply to a deferred annuity or surviving spouse benefit payable under this section. The benefits are payable for the life of the surviving spouse, or upon expiration of the term certain benefit payment under subdivision 2b.

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

Sec. 7. **REPEALER.**

(a) Minnesota Statutes 2014, sections 354A.12, subdivision 2c; 354A.31, subdivision 3; and 356.47, subdivision 1, are repealed.

(b) Minnesota Statutes 2015 Supplement, section 354A.12, subdivision 3c, is repealed.

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

Delete the title and insert:

"A bill for an act relating to retirement; modifying cost of living adjustments; eliminating cost of living adjustment triggers; increasing St. Paul Teachers Retirement Fund Association employer contributions; making administrative changes to the Minnesota State Retirement System, Teachers Retirement Association, Public Employees Retirement Association, and St. Paul Teachers Retirement Fund Association; clarifying refund repayment procedures; modifying executive director credentials; clarifying combined service annuity augmentation rates and service requirements; revising appeal procedures; clarifying coverage for charter school administrators; modifying service credit purchase procedures; establishing new procedures for disability applications due to private disability insurance requirements; clarifying death and disability benefit payment provisions; modifying annual benefit limitations for federal tax code compliance; authorizing use of IRS correction procedures; clarifying benefit offsets for certain refund payments; clarifying police and fire plan coverage for certain Hennepin Healthcare System supervisors; modifying various economic actuarial assumptions; adopting recommendations of the Volunteer Firefighter Relief Association Working Group; increasing relief association lump-sum service pension maximums; lowering certain vesting requirements for Eden Prairie Volunteer Firefighters Relief Association; providing for the consolidation of the Coleraine and Bovey Volunteer Firefighters Relief Associations; modifying the MSRS disability application deadlines in certain instances; adopting definition of the Hometown Heroes Act related to public safety officer death benefits; allowing service credit purchase and Rule of 90-eligibility for certain Minnesota Department of Transportation employees; authorizing MnSCU employees to elect retroactive and prospective TRA coverage; authorizing MnSCU employee to transfer past service from IRAP to PERA; increasing maximum employer contribution to a supplemental laborers pension fund; authorizing certain additional sources of retirement plan funding; making technical and conforming changes; amending Minnesota Statutes 2014, sections 3A.03, subdivision 3; 16A.14, subdivision 2a; 352.03, subdivisions 5, 6; 352.113, subdivisions 2, 4; 353.01, subdivision 43; 353.012; 353.32, subdivisions 1, 4; 353.34, subdivision 2; 354.05, subdivision 2, by adding a subdivision; 354.06, subdivisions 2, 2a; 354.095; 354.45, by adding a subdivision; 354.46, subdivision 6; 354.48, subdivision 1; 354.52, subdivisions 4, 6; 354A.011, subdivision 29; 354A.093, subdivision 4; 354A.095; 354A.12, subdivision 2a; 354A.35, subdivision 2; 354A.38, as amended; 356.24, subdivision 1; 356.30, subdivision 1; 356.635, by adding subdivisions; 356.96, subdivisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13; 423A.02, subdivision 3; 424A.01, by adding subdivisions; 424A.015, by adding a subdivision; 424B.20, subdivision 4; 490.121, subdivisions 25, 26; Minnesota Statutes 2015 Supplement, sections 3A.03, subdivision 2; 352.23; 352B.11, subdivision 4; 352D.05, subdivision 4; 353.01, subdivision 16; 353.0162; 353.64, subdivision 10; 353G.02, subdivision 6; 354.44, subdivision 9; 354A.093, subdivision 6; 354A.096; 354A.29, subdivision 7; 356.215, subdivisions 8, 11; 356.415, subdivisions 1a, 1d, 1e, 1f; 356.50, subdivision 2; 356.551, subdivision 2; 356.635, subdivision 10; 424A.02, subdivision 3; 490.124, subdivision 12; proposing coding for new law in Minnesota Statutes, chapters 356; 424A; repealing Minnesota Statutes 2014, sections 352.04, subdivision 11; 353.0161, subdivision 1; 353.34, subdivision 6; 354A.12, subdivision 2c; 354A.31, subdivision 3; 356.47, subdivision 1; 356.611, subdivisions 3, 3a, 4, 5; 356.96, subdivisions 14, 15; 424A.02, subdivision 13; Minnesota Statutes 2015 Supplement, sections 353.0161, subdivisions 2, 3; 354A.12, subdivision 3c; 354A.29, subdivisions 8, 9; 356.415, subdivision 1."

And when so amended the bill do pass.

Pursuant to Joint Rule 2.03, the bill was referred to the Committee on Rules and Administration.

**MOTIONS AND RESOLUTIONS - CONTINUED****CONFIRMATION**

Senator Sheran moved that the Senate do now consent to and confirm the appointment of:

**EMERGENCY MEDICAL SERVICES REGULATORY BOARD**

Aaron Burnett, 640 Jackson St., Saint Paul, Ramsey County, effective April 20, 2014, to complete a term expiring on January 4, 2016.

Patrick Coyne, 11833 Dunkirk Cir. N.E., Blaine, Anoka County, effective June 29, 2014, for a term expiring on January 1, 2018.

Scott Hable, P.O. Box 104, Hector, Renville County, effective June 29, 2014, for a term expiring on January 1, 2018.

Megan Hartigan, 10205 Aetna Ave. N.E., Monticello, Wright County, effective June 29, 2014, for a term expiring on January 1, 2018.

The motion prevailed. So the appointments were confirmed.

**CONFIRMATION**

Senator Sparks moved that the Senate do now consent to and confirm the appointment of:

**BOARD OF ANIMAL HEALTH**

Matt Anderson, 1020 Mill St., Zumbrota, Goodhue County, effective June 18, 2014, to complete a term expiring on January 2, 2017.

Paul Hanowski, 11678 Springbrook Dr., Swanville, Morrison County, effective April 30, 2014, for a term expiring on January 1, 2018.

The motion prevailed. So the appointments were confirmed.

**CONFIRMATION**

Senator Sparks moved that the Senate do now consent to and confirm the appointment of:

**BOARD OF ELECTRICITY**

James Freichels, 4860 Mustang Cir., Mounds View, Ramsey County, effective March 30, 2014, for a term expiring on December 31, 2016.

William Hoskins, 922 Industry Rd., Caledonia, Houston County, effective March 30, 2014, for a term expiring on December 31, 2016.

Kim Huxford, P.O. Box 485, Owatonna, Steele County, effective March 30, 2014, for a term expiring on December 31, 2016.

John McConnell, 40956 Yellow Birch Ln., Emily, Crow Wing County, effective March 30, 2014, for a term expiring on December 31, 2016.

Anthony Toft, 7139 Cty. Rd. 3 S.W., Byron, Olmsted County, effective March 30, 2014, for a term expiring on December 31, 2016.

The motion prevailed. So the appointments were confirmed.

**CONFIRMATION**

Senator Sparks moved that the Senate do now consent to and confirm the appointment of:

**BOARD OF HIGH PRESSURE PIPING SYSTEMS**

Robert Bastianelli, 3152 Lyman St., Duluth, Saint Louis County, effective April 20, 2014, for a term expiring on December 31, 2016.

Marit Brock, 74 Garfield St., Saint Paul, Ramsey County, effective April 20, 2014, for a term expiring on December 31, 2016.

David Carlson, 65 Larson Rd., Esko, Carlton County, effective April 20, 2014, for a term expiring on December 31, 2016.

Mark Geisenhoff, 3944 – 35th St. N., Lake Elmo, Washington County, effective April 20, 2014, for a term expiring on December 31, 2016.

Mark Kincs, 1518 Chestnut Ave., Minneapolis, Hennepin County, effective April 20, 2014, for a term expiring on December 31, 2016.

Chris Savage, 230 Maple St. N., Balaton, Lyon County, effective April 20, 2014, for a term expiring on December 31, 2016.

Mark Slagle, 197 Sherman St., Saint Paul, Ramsey County, effective May 19, 2014, for a term expiring on December 31, 2016.

The motion prevailed. So the appointments were confirmed.

**CONFIRMATION**

Senator Sparks moved that the Senate do now consent to and confirm the appointment of:

**DESTINATION MEDICAL CENTER CORPORATION**

James Campbell, 5521 Woodcrest Dr., Edina, Hennepin County, effective July 23, 2013, for a term expiring on January 7, 2020.

Susan Rani, 500 E. Grant St., Ste. 1008, Minneapolis, Hennepin County, effective July 23, 2013, for a term expiring on January 2, 2017.

R.T. Rybak, 350 S. 5th St., Ste. 331, Minneapolis, Hennepin County, effective July 23, 2013, for a term expiring on January 2, 2017.

Tina Smith, 75 Rev. Dr. Martin Luther King Jr. Blvd., Ste. 130 Ramsey County, effective July 23, 2013, for a term expiring on January 7, 2020.

The motion prevailed. So the appointments were confirmed.

**CONFIRMATION**

Senator Sparks moved that the Senate do now consent to and confirm the appointment of:

## MINNESOTA RURAL FINANCE AUTHORITY

Carol Anderson, 14235 - 115th Ave. N.E., Foley, Benton County, effective June 5, 2013, for a term expiring on January 2, 2017.

Jennifer Berquam, 628 Sandy Ct., Wanamingo, Goodhue County, effective June 29, 2014, for a term expiring on January 1, 2018.

Sander Ludeman, 1616 - 310th Ave., Tracy, Lyon County, effective June 5, 2013, for a term expiring on January 2, 2017.

Sarah Kern Magedanz, 335 Cossairt Ave. W., Eden Valley, Meeker County, effective June 29, 2014, for a term expiring on January 1, 2018.

The motion prevailed. So the appointments were confirmed.

**CONFIRMATION**

Senator Sparks moved that the Senate do now consent to and confirm the appointment of:

## PLUMBING BOARD

Jeff Brown, 308 Kelly Cir., Duluth, Saint Louis County, effective October 21, 2014, for a term expiring on December 31, 2016.

Scott Eggen, 250 S. 4th St., Room 300, Minneapolis, Hennepin County, effective March 30, 2014, for a term expiring on December 31, 2016.

John Flagg, 3017 Croft Dr., Saint Anthony, Hennepin County, effective March 30, 2014, for a term expiring on December 31, 2016.

James Kittelson, 572 – 1st Ave., Wanamingo, Goodhue County, effective March 30, 2014, for a term expiring on December 31, 2016.

Peter Moulton, 1608 Aspen Dr., Saint Peter, Nicollet County, effective March 30, 2014, for a term expiring on December 31, 2016.

Phillip Sterner, 7373 – 147th St. W., Suite 158, Apple Valley, Dakota County, effective March 30, 2014, for a term expiring on December 31, 2016.

The motion prevailed. So the appointments were confirmed.

**CONFIRMATION**

Senator Torres Ray moved that the Senate do now consent to and confirm the appointment of:

## BOARD OF THE ARTS

Peggy Burnet, 1545 Hunter Dr., Wayzata, Hennepin County, effective March 24, 2014, for a term expiring on January 1, 2018.

Jan Sivertson, P.O. Box 526, Grand Marais, Cook County, effective March 24, 2014, for a term expiring on January 1, 2018.

The motion prevailed. So the appointments were confirmed.

**CONFIRMATION**

Senator Torres Ray moved that the Senate do now consent to and confirm the appointment of:

**MINNESOTA RACING COMMISSION**

Alan Gingold, 110 Ferndale Rd. S., Wayzata, Hennepin County, effective March 1, 2014, to complete a term expiring on June 30, 2019.

Lisa Goodman, 17 Xerxes Ave. S., Minneapolis, Hennepin County, effective March 1, 2014, to complete a term expiring on June 30, 2019.

Ralph Strangis, 5500 Wells Fargo Ctr., Minneapolis, Hennepin County, effective June 30, 2013, for a term expiring on June 30, 2019.

The motion prevailed. So the appointments were confirmed.

**CONFIRMATION**

Senator Latz moved that the Senate do now consent to and confirm the appointments of the notaries public.

The motion prevailed. So the appointments were confirmed.

**CONFIRMATION**

Senator Marty moved that the report from the Committee on Environment and Energy, reported April 6, 2016, pertaining to the appointment of the Chair of the Board of Water and Soil Resources, be taken from the table. The motion prevailed.

Senator Marty moved that the foregoing report be now adopted. The motion prevailed.

Senator Marty moved that in accordance with the report from the Committee on Environment and Energy, reported April 6, 2016, the Senate, having given its advice, do now consent to and confirm the appointment of:

**BOARD OF WATER AND SOIL RESOURCES  
CHAIR**

Brian Napstad, 51227 Long Point Pl., McGregor, Aitkin County, effective June 20, 2015, for a term expiring on January 1, 2018.

The motion prevailed. So the appointment was confirmed.

**CONFIRMATION**

Senator Marty moved that the report from the Committee on Environment and Energy, reported April 6, 2016, pertaining to appointments to the Public Utilities Commission, be taken from the table. The motion prevailed.

Senator Marty moved that the foregoing report be now adopted. The motion prevailed.

Senator Marty moved that in accordance with the report from the Committee on Environment and Energy, reported April 6, 2016, the Senate, having given its advice, do now consent to and confirm the appointment of:

## PUBLIC UTILITIES COMMISSION

Matthew Schuerger, 2148 Lower Saint Dennis Rd., Saint Paul, Ramsey County, effective February 1, 2016, for a term expiring on January 3, 2022.

The motion prevailed. So the appointment was confirmed.

**CONFIRMATION**

Senator Marty moved that the report from the Committee on Environment and Energy, reported April 11, 2016, pertaining to appointments to the Clean Water Council, be taken from the table. The motion prevailed.

Senator Marty moved that the foregoing report be now adopted. The motion prevailed.

Senator Marty moved that in accordance with the report from the Committee on Environment and Energy, reported April 11, 2016, the Senate, having given its advice, do now consent to and confirm the appointment of:

## CLEAN WATER COUNCIL

Mark Abner, 968 Fairmount Ave., Saint Paul, Ramsey County, effective June 30, 2015, for a term expiring on January 7, 2019.

John Barten, 120 Oak Ridge Dr., Delano, Wright County, effective June 30, 2015, for a term expiring on January 7, 2019.

Gary Burdorf, 42351 - 206th St., Arlington, Sibley County, effective June 30, 2015, for a term expiring on January 7, 2019.

Sharon Day, 2032 Itasca Ave., Saint Paul, Ramsey County, effective November 11, 2015, for a term expiring on January 7, 2019.

Warren Formo, 1239 Merganser Ct., Eagan, Dakota County, effective June 30, 2015, for a term expiring on January 7, 2019.

Frank Jewell, 100 N. 5th Ave. W., #202, Duluth, Saint Louis County, effective June 30, 2015, for a term expiring on January 7, 2019.

Holly Kovarik, 306 - 2nd St. S.E., Glenwood, Pope County, effective June 30, 2015, for a term expiring on January 7, 2019.

Raj Rajan, 16778 Island Ave., Lakeville, Dakota County, effective June 30, 2015, for a term expiring on January 7, 2019.

Todd Renville, 4040 Colfax Ave. S., Minneapolis, Hennepin County, effective June 30, 2015, for a term expiring on January 7, 2019.

Patrick Shea, 708 - 20th Ave. N., Sartell, Stearns County, effective June 30, 2015, for a term expiring on January 7, 2019.

The motion prevailed. So the appointments were confirmed.

**CONFIRMATION**

Senator Latz moved that the report from the Committee on Judiciary, reported April 21, 2016, pertaining to appointments to the Board on Judicial Standards, be taken from the table. The motion prevailed.

Senator Latz moved that the foregoing report be now adopted. The motion prevailed.

Senator Latz moved that in accordance with the report from the Committee on Judiciary, reported April 21, 2016, the Senate, having given its advice, do now consent to and confirm the appointment of:

**BOARD ON JUDICIAL STANDARDS**

Carol Cummins, 2440 Brookridge Ave., Golden Valley, Hennepin County, effective June 30, 2015, to complete a term expiring on January 1, 2018.

The motion prevailed. So the appointment was confirmed.

**CONFIRMATION**

Senator Bonoff moved that the report from the Committee on Higher Education and Workforce Development, reported April 25, 2016, pertaining to appointments to the Minnesota Higher Education Facilities Authority, be taken from the table. The motion prevailed.

Senator Bonoff moved that the foregoing report be now adopted. The motion prevailed.

Senator Bonoff moved that in accordance with the report from the Committee on Higher Education and Workforce Development, reported April 25, 2016, the Senate, having given its advice, do now consent to and confirm the appointment of:

**MINNESOTA HIGHER EDUCATION FACILITIES AUTHORITY**

Kathryn Balstad Brewer, 321 Silver Lake Rd. S.W., New Brighton, Ramsey County, effective May 20, 2015, for a term expiring on January 7, 2019.

Gary Benson, 2064 Pleasant View Dr. New Brighton, Ramsey County, effective May 20, 2015, for a term expiring on January 7, 2019.

The motion prevailed. So the appointments were confirmed.

**CONFIRMATION**

Senator Bonoff moved that the report from the Committee on Higher Education and Workforce Development, reported April 25, 2016, pertaining to appointments to the Board of Trustees of the Minnesota State Colleges and Universities, be taken from the table. The motion prevailed.

Senator Bonoff moved that the foregoing report be now adopted. The motion prevailed.

Senator Bonoff moved that in accordance with the report from the Committee on Higher Education and Workforce Development, reported April 25, 2016, the Senate, having given its advice, do now consent to and confirm the appointment of:

## BOARD OF TRUSTEES OF THE MINNESOTA STATE COLLEGES AND UNIVERSITIES

Elise Ristau, 710 Lakewood Dr. S.W., Hutchinson, McLeod County, effective September 2, 2015, for a term expiring on June 30, 2017.

The motion prevailed. So the appointment was confirmed.

**CONFIRMATION**

Senator Sheran moved that the report from the Committee on Health, Human Services and Housing, reported April 26, 2016, pertaining to the appointment of the Commissioner of Human Services, be taken from the table. The motion prevailed.

Senator Sheran moved that the foregoing report be now adopted. The motion prevailed.

Senator Sheran moved that in accordance with the report from the Committee on Health, Human Services and Housing, reported April 26, 2016, the Senate, having given its advice, do now consent to and confirm the appointment of:

DEPARTMENT OF HUMAN SERVICES  
COMMISSIONER

Emily Johnson Piper, 2461 Dresden Ln., Golden Valley, Hennepin County, effective December 14, 2015, to complete a term expiring on January 7, 2019.

The motion prevailed. So the appointment was confirmed.

**CONFIRMATION**

Senator Wiger moved that the report from the Committee on Education, reported May 4, 2016, pertaining to appointments to the Board of the Minnesota State Academies, be taken from the table. The motion prevailed.

Senator Wiger moved that the foregoing report be now adopted. The motion prevailed.

Senator Wiger moved that in accordance with the report from the Committee on Education, reported May 4, 2016, the Senate, having given its advice, do now consent to and confirm the appointment of:

## BOARD OF THE MINNESOTA STATE ACADEMIES

Nicole Halabi, 11946 Mississippi Dr. N., Champlin, Hennepin County, effective June 17, 2015, for a term expiring on January 7, 2019.

Christopher Peper, 153 Liberty Pkwy., Stillwater, Washington County, effective April 30, 2014, for a term expiring on January 1, 2018.

Sonny Wasilowski, 711 - 1st St. S.W., Faribault, Rice County, effective June 17, 2015, for a term expiring on January 7, 2019.

The motion prevailed. So the appointments were confirmed.

**CONFIRMATION**

Senator Wiger moved that the report from the Committee on Education, reported May 4, 2016, pertaining to appointments to the Board of School Administrators, be taken from the table. The motion prevailed.

Senator Wiger moved that the foregoing report be now adopted. The motion prevailed.

Senator Wiger moved that in accordance with the report from the Committee on Education, reported May 4, 2016, the Senate, having given its advice, do now consent to and confirm the appointment of:

**BOARD OF SCHOOL ADMINISTRATORS**

Kimberly Hartung, 12 Black Oak Rd., North Oaks, Ramsey County, effective June 30, 2015, for a term expiring on January 7, 2019.

Denise Kapler, 9375 Jonathan Rd., Woodbury, Washington County, effective June 30, 2015, for a term expiring on January 7, 2019.

Mary Mackbee, 9742 Russell Ave. S., Bloomington, Hennepin County, effective June 30, 2015, for a term expiring on January 7, 2019.

The motion prevailed. So the appointments were confirmed.

**CONFIRMATION**

Senator Wiger moved that the report from the Committee on Education, reported May 4, 2016, pertaining to the appointment of the Director of the School Trust Lands, be taken from the table. The motion prevailed.

Senator Wiger moved that the foregoing report be now adopted. The motion prevailed.

Senator Wiger moved that in accordance with the report from the Committee on Education, reported May 4, 2016, the Senate, having given its advice, do now consent to and confirm the appointment of:

**SCHOOL TRUST LANDS  
DIRECTOR**

Aaron Vande Linde, 11609 - 9th Ave. N.W., Coon Rapids, Anoka County, effective September 23, 2015, for a term expiring on December 31, 2020.

The motion prevailed. So the appointment was confirmed.

**CONFIRMATION**

Senator Torres Ray moved that the report from the Committee on State and Local Government, reported May 9, 2016, pertaining to appointments to the Board of the Arts, be taken from the table. The motion prevailed.

Senator Torres Ray moved that the foregoing report be now adopted. The motion prevailed.

Senator Torres Ray moved that in accordance with the report from the Committee on State and Local Government, reported May 9, 2016, the Senate, having given its advice, do now consent to and confirm the appointment of:

#### BOARD OF THE ARTS

Ardell Brede, 653 - 16th St. S.W., Rochester, Olmsted County, effective February 28, 2015, for a term expiring on January 7, 2019.

Rebecca Davis, 32898 Priebes Park Dr., Vergas, Otter Tail County, effective February 28, 2015, to complete a term expiring on January 4, 2016.

Sean Dowse, 2508 Hallquist Ave., Red Wing, Goodhue County, effective February 28, 2015, for a term expiring on January 7, 2019.

Dobson West, 1700 Mount Curve Ave., Minneapolis, Hennepin County, effective August 11, 2015, to complete a term expiring on January 2, 2017.

The motion prevailed. So the appointments were confirmed.

#### CONFIRMATION

Senator Torres Ray moved that the report from the Committee on State and Local Government, reported May 9, 2016, pertaining to appointments to the Gambling Control Board, be taken from the table. The motion prevailed.

Senator Torres Ray moved that the foregoing report be now adopted. The motion prevailed.

Senator Torres Ray moved that in accordance with the report from the Committee on State and Local Government, reported May 9, 2016, the Senate, having given its advice, do now consent to and confirm the appointment of:

#### GAMBLING CONTROL BOARD

William Gillespie, 1996 E. Cty. Rd. D, #219, Maplewood, Ramsey County, effective July 1, 2015, for a term expiring on June 30, 2019.

Norman Pint, 6525 W. 270th St., New Prague, Scott County, effective July 13, 2015, for a term expiring on June 30, 2019.

The motion prevailed. So the appointments were confirmed.

#### CONFIRMATION

Senator Sparks moved that the Senate do now consent to and confirm the appointment of:

#### MINNESOTA RURAL FINANCE AUTHORITY

Mary Gritzmacher, 628 Park Ave. S.E., Pierz, Morrison County, effective March 17, 2015, for a term expiring on January 7, 2019.

Gary Wertish, 26416 Cty. Rd. 17, Renville, Renville County, effective March 17, 2015, for a term expiring on January 7, 2019.

The motion prevailed. So the appointments were confirmed.

**CONFIRMATION**

Senator Sparks moved that the report from the Committee on Jobs, Agriculture and Rural Development, reported May 16, 2016, pertaining to appointments to the Workers' Compensation Court of Appeals, be taken from the table. The motion prevailed.

Senator Sparks moved that the foregoing report be now adopted. The motion prevailed.

Senator Sparks moved that in accordance with the report from the Committee on Jobs, Agriculture and Rural Development, reported May 16, 2016, the Senate, having given its advice, do now consent to and confirm the appointment of:

**WORKERS' COMPENSATION COURT OF APPEALS**

Gary M. Hall, 4107 Victoria St. N., Shoreview, Ramsey County, effective January 4, 2016, for a term expiring on January 3, 2022.

David A. Stofferahn, 405 Minnesota Judicial Center, 25 Rev. Dr. Martin Luther King, Jr. Blvd., Saint Paul, Ramsey County, effective February 13, 2015, for a term expiring on January 4, 2021.

Deborah K. Sundquist, 405 Minnesota Judicial Center, 25 Rev. Dr. Martin Luther King, Jr. Blvd, Saint Paul, Ramsey County, effective March 9, 2015, for a term expiring on January 4, 2021.

The motion prevailed. So the appointments were confirmed.

**CONFIRMATION**

Senator Sparks moved that the report from the Committee on Jobs, Agriculture and Rural Development, reported May 16, 2016, pertaining to the appointment of the Commissioner of Employment and Economic Development, be taken from the table. The motion prevailed.

Senator Sparks moved that the foregoing report be now adopted. The motion prevailed.

Senator Sparks moved that in accordance with the report from the Committee on Jobs, Agriculture and Rural Development, reported May 16, 2016, the Senate, having given its advice, do now consent to and confirm the appointment of:

**DEPARTMENT OF EMPLOYMENT AND ECONOMIC DEVELOPMENT  
COMMISSIONER**

Shawntera Hardy, 332 Minnesota St., Ste. E200, Saint Paul, Ramsey County, effective April 25, 2016, to complete a term expiring on January 7, 2019.

The motion prevailed. So the appointment was confirmed.

**CONFIRMATION**

Senator Sheran moved that the Senate do now consent to and confirm the appointment of:

**MINNESOTA HOUSING FINANCE AGENCY**

Craig Klausing, 447 Rose Pl., Roseville, Ramsey County, effective March 30, 2015, for a term expiring on January 7, 2019.

The motion prevailed. So the appointment was confirmed.

**MOTIONS AND RESOLUTIONS - CONTINUED****SPECIAL ORDERS**

Pursuant to Rule 26, Senator Hayden, designee of Chair of the Committee on Rules and Administration, designated the following bills a Special Orders Calendar to be heard immediately:

H.F. No. 2553, S.F. Nos. 2771, 2745, H.F. Nos. 3328, 1333 and S.F. No. 3483.

**SPECIAL ORDER**

**H.F. No. 2553:** A bill for an act relating to orders for protection; eliminating respondent filing fee requirements; amending Minnesota Statutes 2014, section 518B.01, subdivision 3a.

Senator Nelson moved to amend H.F. No. 2553 as follows:

Page 1, after line 16, insert:

"Sec. 2. Minnesota Statutes 2015 Supplement, section 518B.01, subdivision 4, is amended to read:

Subd. 4. **Order for protection.** There shall exist an action known as a petition for an order for protection in cases of domestic abuse.

(a) A petition for relief under this section may be made by any family or household member personally or by a family or household member, a guardian as defined in section 524.1-201, clause (26), or, if the court finds that it is in the best interests of the minor, by a ~~reputable~~ an adult age 25 or older on behalf of minor family or household members. A minor age 16 or older may make a petition on the minor's own behalf against a spouse or former spouse, or a person with whom the minor has a child in common, if the court determines that the minor has sufficient maturity and judgment and that it is in the best interests of the minor.

(b) A petition for relief shall allege the existence of domestic abuse, and shall be accompanied by an affidavit made under oath stating the specific facts and circumstances from which relief is sought.

(c) A petition for relief must state whether the petitioner has ever had an order for protection in effect against the respondent.

(d) A petition for relief must state whether there is an existing order for protection in effect under this chapter governing both the parties and whether there is a pending lawsuit, complaint, petition or other action between the parties under chapter 257, 518, 518A, 518B, or 518C. The court administrator shall verify the terms of any existing order governing the parties. The court may not delay granting relief because of the existence of a pending action between the parties or the necessity of verifying the terms of an existing order. A subsequent order in a separate action under this chapter may modify only the provision of an existing order that grants relief authorized under subdivision 6, paragraph (a), clause (1). A petition for relief may be granted, regardless of whether there is a pending action between the parties.

(e) The court shall provide simplified forms and clerical assistance to help with the writing and filing of a petition under this section.

(f) The court shall advise a petitioner under paragraph (e) of the right to file a motion and affidavit and to sue in forma pauperis pursuant to section 563.01 and shall assist with the writing and filing of the motion and affidavit.

(g) The court shall advise a petitioner under paragraph (e) of the right to serve the respondent by published notice under subdivision 5, paragraph (b), if the respondent is avoiding personal service by concealment or otherwise, and shall assist with the writing and filing of the affidavit.

(h) The court shall advise the petitioner of the right to seek restitution under the petition for relief.

(i) The court shall advise the petitioner of the right to request a hearing under subdivision 7, paragraph (c). If the petitioner does not request a hearing, the court shall advise the petitioner that the respondent may request a hearing and that notice of the hearing date and time will be provided to the petitioner by mail at least five days before the hearing.

(j) The court shall advise the petitioner of the right to request supervised parenting time, as provided in section 518.175, subdivision 1a.

Sec. 3. Minnesota Statutes 2014, section 609.748, is amended to read:

**609.748 HARASSMENT; RESTRAINING ORDER.**

Subdivision 1. **Definition.** For the purposes of this section, the following terms have the meanings given them in this subdivision.

(a) "Harassment" includes:

(1) a single incident of physical or sexual assault or repeated incidents of intrusive or unwanted acts, words, or gestures that have a substantial adverse effect or are intended to have a substantial adverse effect on the safety, security, or privacy of another, regardless of the relationship between the actor and the intended target;

(2) targeted residential picketing; and

(3) a pattern of attending public events after being notified that the actor's presence at the event is harassing to another.

(b) "Respondent" includes any adults or juveniles alleged to have engaged in harassment or organizations alleged to have sponsored or promoted harassment.

(c) "Targeted residential picketing" includes the following acts when committed on more than one occasion:

(1) marching, standing, or patrolling by one or more persons directed solely at a particular residential building in a manner that adversely affects the safety, security, or privacy of an occupant of the building; or

(2) marching, standing, or patrolling by one or more persons which prevents an occupant of a residential building from gaining access to or exiting from the property on which the residential building is located.

(d) "Guardian" has the meaning given in section 524.1-201, clause (26).

Subd. 2. **Restraining order; court jurisdiction.** (a) A person who is a victim of harassment may ~~seek a restraining order from~~ petition the district court for a restraining order in the manner provided in this section. In addition:

(1) the parent, guardian, or stepparent of a minor who is a victim of harassment may seek a restraining order from the district court on behalf of the minor; or

(2) an adult age 25 or older may petition on behalf of the minor, if the court finds it is in the best interests of the minor.

(b) An application for relief under this section may be filed in the county of residence of either party or in the county in which the alleged harassment occurred. There are no residency requirements that apply to a petition for a harassment restraining order.

Subd. 3. **Contents of petition; hearing; notice.** (a) A petition for relief must allege facts sufficient to show the following:

- (1) the name of the alleged harassment victim;
- (2) the name of the respondent; and
- (3) that the respondent has engaged in harassment.

A petition for relief must state whether the petitioner has had a previous restraining order in effect against the respondent. The petition shall be accompanied by an affidavit made under oath stating the specific facts and circumstances from which relief is sought. The court shall provide simplified forms and clerical assistance to help with the writing and filing of a petition under this section and shall advise the petitioner of the right to sue in forma pauperis under section 563.01. The court shall advise the petitioner of the right to request a hearing. If the petitioner does not request a hearing, the court shall advise the petitioner that the respondent may request a hearing and that notice of the hearing date and time will be provided to the petitioner by mail at least five days before the hearing. Upon receipt of the petition and a request for a hearing by the petitioner, the court shall order a hearing. Personal service must be made upon the respondent not less than five days before the hearing. If personal service cannot be completed in time to give the respondent the minimum notice required under this paragraph, the court may set a new hearing date. Nothing in this section shall be construed as requiring a hearing on a matter that has no merit.

(b) Notwithstanding paragraph (a), the order for a hearing and a temporary order issued under subdivision 4 may be served on the respondent by means of a one-week published notice under section 645.11, if:

(1) the petitioner files an affidavit with the court stating that an attempt at personal service made by a sheriff was unsuccessful because the respondent is avoiding service by concealment or otherwise; and

(2) a copy of the petition and order for hearing and any temporary restraining order has been mailed to the respondent at the respondent's residence or place of business, if the respondent is an organization, or the respondent's last known residence or place of business is ~~not known to the petitioner.~~

(c) Regardless of the method of service, if the respondent is a juvenile, whenever possible, the court also shall have notice of the pendency of the case and of the time and place of the hearing

served by mail at the last known address upon any parent or guardian of the juvenile respondent who is not the petitioner.

(d) A request for a hearing under this subdivision must be made within 20 days of service of the petition.

Subd. 3a. **Filing fee; cost of service.** The filing fees for a restraining order under this section are waived for the petitioner and the respondent if the petition alleges acts that would constitute a violation of section 609.749, subdivision 2, 3, 4, or 5, or sections 609.342 to 609.3451. The court administrator and the sheriff of any county in this state shall perform their duties relating to service of process without charge to the petitioner. The court shall direct payment of the reasonable costs of service of process if served by a private process server when the sheriff is unavailable or if service is made by publication. ~~The court may direct a respondent to pay to the court administrator the petitioner's filing fees and reasonable costs of service of process if the court determines that the respondent has the ability to pay the petitioner's fees and costs.~~

Subd. 3b. **Information on petitioner's location or residence.** Upon petitioner's request, information maintained by the court regarding the petitioner's location or residence shall be sealed and may be disclosed only to court personnel or law enforcement for purposes of service of process, conducting an investigation, or enforcing an order.

Subd. 4. **Temporary restraining order; relief by court.** (a) The court may issue a temporary restraining order that provides any or all of the following:

(1) orders the respondent to cease or avoid the harassment of ~~another person~~ the petitioner; or

(2) orders the respondent to have no contact with ~~another person~~ the petitioner, whether in person, by telephone, social media, or electronic mail or message, through electronic devices; through a third party; or by any other means.

(b) The court may issue an order under paragraph (a) if the petitioner files a petition in compliance with subdivision 3 and if the court finds reasonable grounds to believe that the respondent has engaged in harassment. When a petition alleges harassment as defined by subdivision 1, paragraph (a), clause (1), the petition must further allege an immediate and present danger of harassment before the court may issue a temporary restraining order under this section. When signed by a referee, the temporary order becomes effective upon the referee's signature.

(c) Notice need not be given to the respondent before the court issues a temporary restraining order under this subdivision. A copy of the restraining order must be served on the respondent along with the order for hearing and petition, as provided in subdivision 3.

(d) If the respondent is a juvenile, whenever possible, a copy of the restraining order, along with notice of the pendency of the case and the time and place of the hearing, shall also be served by mail at the last known address upon any parent or guardian of the juvenile respondent who is not the petitioner. A temporary restraining order may be entered only against the respondent named in the petition.

~~(d)~~ (e) The temporary restraining order is in effect until a hearing is held on the issuance of a restraining order under subdivision 5. The court shall hold the hearing on the issuance of a restraining order if the petitioner requests a hearing. The hearing may be continued by the court upon a showing that the respondent has not been served with a copy of the temporary restraining order despite the

exercise of due diligence or if service is made by published notice under subdivision 3 and the petitioner files the affidavit required under that subdivision.

~~(e)~~ (f) If the temporary restraining order has been issued and the respondent requests a hearing, the hearing shall be scheduled by the court upon receipt of the respondent's request. Service of the notice of hearing must be made upon the petitioner not less than five days prior to the hearing. The court shall serve the notice of the hearing upon the petitioner by mail in the manner provided in the Rules of Civil Procedure for pleadings subsequent to a complaint and motions and shall also mail notice of the date and time of the hearing to the respondent. In the event that service cannot be completed in time to give the respondent or petitioner the minimum notice required under this subdivision, the court may set a new hearing date.

~~(f)~~ (g) A request for a hearing under this subdivision must be made within ~~45~~ 20 days after the temporary restraining order is issued served.

~~(h)~~ If neither party requests a hearing, then the temporary order becomes a valid order for two years from the date of issue.

Subd. 5. **Restraining order.** (a) The court may issue a restraining order that provides any or all of the following:

(1) orders the respondent to cease or avoid the harassment of ~~another person~~ the petitioner; or

(2) orders the respondent to have no contact with ~~another person~~ the petitioner, whether in person; by telephone, social media, or electronic mail or message; through electronic devices; through a third party; or by any other means.

(b) The court may issue an order under paragraph (a) if all of the following occur:

(1) the petitioner has filed a petition under subdivision 3;

(2) the sheriff has served respondent with a copy of the temporary restraining order obtained under subdivision 4, and with notice of the right to request a hearing, or service has been made by publication under subdivision 3, paragraph (b); and

(3) the court finds at the hearing that there are reasonable grounds to believe that the respondent has engaged in harassment.

~~(c)~~ A restraining order may be issued only against the respondent named in the petition; except that if the respondent is an organization, the order may be issued against and apply to all of the members of the organization. ~~If the court finds that the petitioner has had two or more previous restraining orders in effect against the same respondent or the respondent has violated a prior or existing restraining order on two or more occasions, relief granted by the restraining order may be for a period of up to 50 years. In all other cases,~~

~~(d)~~ Relief granted by the restraining order must be for a fixed period of not more than two years except as provided in subdivision 5a.

~~(e)~~ When a referee presides at the hearing on the petition, the restraining order becomes effective upon the referee's signature.

~~(e)~~ (f) An order issued under this subdivision must be personally served upon the respondent.

~~(d) If the court orders relief for a period of up to 50 years under paragraph (a), the respondent named in the restraining order may request to have the restraining order vacated or modified if the order has been in effect for at least five years and the respondent has not violated the order. Application for relief under this paragraph must be made in the county in which the restraining order was issued. Upon receipt of the request, the court shall set a hearing date. Personal service must be made upon the petitioner named in the restraining order not less than 30 days before the date of the hearing. At the hearing, the respondent named in the restraining order has the burden of proving by a preponderance of the evidence that there has been a material change in circumstances and that the reasons upon which the court relied in granting the restraining order no longer apply and are unlikely to occur. If the court finds that the respondent named in the restraining order has met the burden of proof, the court may vacate or modify the order. If the court finds that the respondent named in the restraining order has not met the burden of proof, the court shall deny the request and no request may be made to vacate or modify the restraining order until five years have elapsed from the date of denial. An order vacated or modified under this paragraph must be personally served on the petitioner named in the restraining order.~~

Subd. 5a. **Orders for a period of up to 50 years.** (a) Relief granted by the harassment restraining order may be for a period of up to 50 years, if the court finds that:

(1) the respondent has violated a prior or existing harassment restraining order on two or more occasions; or

(2) the petitioner has had two or more harassment restraining orders in effect against the same respondent.

(b) If the court orders relief for a period of up to 50 years under this subdivision the respondent named in the restraining order may request to have the restraining order vacated or modified as provided in subdivision 5c.

Subd. 5b. **Subsequent orders and extensions.** (a) Upon application, notice to parties, and hearing, the court may extend an existing harassment restraining order or, if a petitioner's harassment restraining order is no longer in effect when a subsequent application is made, grant a new order. A hearing is not required for an extension of an existing order if a temporary restraining order is issued under subdivision 4, paragraph (a), and the respondent does not request a hearing on the temporary restraining order as allowed under subdivision 4, paragraph (f). The court may extend the terms of an existing order, or, if an order is no longer in effect, grant a new order upon a showing that:

(1) the respondent has violated a prior or existing harassment restraining order;

(2) the petitioner is reasonably in fear of harassment from the respondent;

(3) the respondent has engaged in acts that would constitute a violation of section 609.749, subdivision 2, 3, 4, or 5 or sections 609.342 to 609.3451; or

(4) the respondent is incarcerated and about to be released, or has recently been released, from incarceration.

(b) A petitioner does not need to show that harassment is imminent to obtain an extension or a subsequent order under this subdivision.

(c) A request for a hearing under this subdivision must be made within 20 days after the application for subsequent order or extension is served.

(d) An order issued under this paragraph may restrain the harassing party from committing acts of harassment and prohibit the harassing party from having any contact from the petitioner, whether in person; by telephone, mail, social media, or electronic mail or message; through electronic devices; through a third party; or by any other means.

Subd. 5c. **Modifying order.** (a) Upon application, notice to all parties, and hearing, the court may modify the terms of an existing harassment restraining order.

(b) If the court orders relief for a period of up to 50 years under subdivision 5a, the respondent named in the restraining order may request to have the restraining order vacated or modified if the order has been in effect for at least five years and the respondent has not violated the order. Application for relief under this paragraph must be made in the county in which the restraining order was issued. Upon receipt of the request, the court shall set a hearing date. Personal service must be made upon the petitioner named in the restraining order not less than 30 days before the date of the hearing. At the hearing, the respondent named in the restraining order has the burden of proving by a preponderance of the evidence that there has been a material change in circumstances and that the reasons upon which the court relied in granting the restraining order no longer apply and are unlikely to occur. If the court finds that the respondent named in the restraining order has met the burden of proof, the court may vacate or modify the order. If the court finds that the respondent named in the restraining order has not met the burden of proof, the court shall deny the request and no request may be made to vacate or modify the restraining order until five years have elapsed from the date of denial. An order vacated or modified under this paragraph must be personally served on the petitioner named in the restraining order.

(c) A request for a hearing under this subdivision must be made within 20 days after the application for modification or vacation is served.

**Subd. 6. Violation of restraining order.** (a) A person who violates a restraining order issued under this section is subject to the penalties provided in paragraphs (b) to (d).

(b) Except as otherwise provided in paragraphs (c) and (d), when a temporary restraining order or a restraining order is granted under this section and the respondent knows of the order, violation of the order is a misdemeanor.

(c) A person is guilty of a gross misdemeanor who violates the order within ten years of a previous qualified domestic violence-related offense conviction or adjudication of delinquency.

(d) A person is guilty of a felony and may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both, if the person violates the order:

(1) within ten years of the first of two or more previous qualified domestic violence-related offense convictions or adjudications of delinquency;

(2) because of the victim's or another's actual or perceived race, color, religion, sex, sexual orientation, disability as defined in section 363A.03, age, or national origin;

(3) by falsely impersonating another;

(4) while possessing a dangerous weapon;

(5) with an intent to influence or otherwise tamper with a juror or a judicial proceeding or with intent to retaliate against a judicial officer, as defined in section 609.415, or a prosecutor, defense attorney, or officer of the court, because of that person's performance of official duties in connection with a judicial proceeding; or

(6) against a victim under the age of 18, if the respondent is more than 36 months older than the victim.

(e) A person who commits violations in two or more counties may be prosecuted in any county in which one of the acts was committed for all acts in violation of this section.

(f) A person may be prosecuted at the place where any call is made or received or, in the case of wireless or electronic communication or any communication made through any available technologies, where the actor or victim resides, or in the jurisdiction of the victim's designated address if the victim participates in the address confidentiality program established under chapter 5B.

(g) A peace officer shall arrest without a warrant as provided in section 629.34 and take into custody a person whom the peace officer has probable cause to believe has violated an order issued under ~~subdivision 4 or 5~~ this section if the existence of the order can be verified by the officer.

(h) A violation of a temporary restraining order or restraining order shall also constitute contempt of court.

(i) Upon the filing of an affidavit by the petitioner, any peace officer, or an interested party designated by the court, alleging that the respondent has violated an order issued under subdivision 4 or 5, the court may issue an order to the respondent requiring the respondent to appear within 14 days and show cause why the respondent should not be held in contempt of court. The court also shall refer the violation of the order to the appropriate prosecuting authority for possible prosecution under paragraph (b), (c), or (d).

Subd. 7. **Copy to law enforcement agency.** (a) An order granted under this section shall be forwarded by the court administrator within 24 hours to the local law enforcement agency with jurisdiction over the residence of the applicant petitioner. Each appropriate law enforcement agency shall make available to other law enforcement officers through a system for verification, information as to the existence and status of any order issued under this section.

(b) If the petitioner notifies the court administrator of a change in the petitioner's residence so that a different law enforcement agency has jurisdiction over the residence, the harassment restraining order and any continuance of a harassment restraining order must be forwarded by the court administrator to the new law enforcement agency within 24 hours of the notice. If the petitioner notifies the law enforcement agency that a harassment restraining order has been issued under this section and the petitioner has established a new residence within that agency's jurisdiction, within 24 hours the local law enforcement agency shall request a copy of the harassment restraining order from the court administrator in the county that issued the order.

(c) When a harassment restraining order is granted, the petitioner for a harassing restraining order must be told by the court that:

(1) notification of a change in residence should be given immediately to the court administrator and to the local law enforcement agency having jurisdiction over the new residence of the petitioner;

(2) the reason for notification of a change in residence is to forward a harassment restraining order to the proper law enforcement agency; and

(3) the harassment restraining order must be forwarded to the law enforcement agency having jurisdiction over the new residence within 24 hours of notification of a change in residence, whether notification is given to the court administrator or to the local law enforcement agency having jurisdiction over the petitioner's new residence.

(d) A harassment restraining order is enforceable even if the petitioner does not notify the court administrator or the appropriate law enforcement agency of a change in residence.

Subd. 8. **Notice.** (a) An order granted under this section must contain a conspicuous notice to the respondent:

(1) of the specific conduct that will constitute a violation of the order;

(2) that violation of an order is either (i) a misdemeanor punishable by imprisonment for up to 90 days or a fine of up to \$1,000, or both, (ii) a gross misdemeanor punishable by imprisonment for up to one year or a fine of up to \$3,000, or both, or (iii) a felony punishable by imprisonment for up to five years or a fine of up to \$10,000, or both; and

(3) that a peace officer must arrest without warrant and take into custody a person if the peace officer has probable cause to believe the person has violated a restraining order.

(b) If the court grants relief for a period of up to 50 years under subdivision 5 5a, the order must also contain a conspicuous notice to the respondent that the respondent must wait five years to seek a modification of the order.

Subd. 8a. **Assistance of sheriff in service or execution.** When an order is issued under this section upon request of the petitioner, the court shall order the sheriff to accompany the petitioner and assist in execution of service of the harassment restraining order. If the application for relief is brought in a county in which the respondent is not present, the sheriff shall forward the pleadings necessary for service upon the respondent to the sheriff of the county in which the respondent is present. This transmittal must be expedited to allow for timely service.

Subd. 8b. **Service by others.** Peace officers licensed by the state and corrections officers, including, but not limited to, probation officers, court services officers, parole officers, and employees of jails or facilities, may serve a harassment restraining order. Outside of Minnesota, service may be accomplished under the laws of the state where the respondent is located.

Subd. 9. **Effect on local ordinances.** Nothing in this section shall supersede or preclude the continuation or adoption of any local ordinance which applies to a broader scope of targeted residential picketing conduct than that described in subdivision 1.

Subd. 10. **Prohibition against employer retaliation.** (a) An employer shall not discharge, discipline, threaten, otherwise discriminate against, or penalize an employee regarding the employee's compensation, terms, conditions, location, or privileges of employment, because the employee took reasonable time off from work to obtain or attempt to obtain relief under this section. Except in cases of imminent danger to the health or safety of the employee or the employee's child, or unless impracticable, an employee who is absent from the workplace shall give 48 hours' advance notice to the employer. Upon request of the employer, the employee shall provide verification that supports the employee's reason for being absent from the workplace. All

information related to the employee's leave pursuant to this section shall be kept confidential by the employer.

(b) An employer who violates paragraph (a) is guilty of a misdemeanor and may be punished for contempt of court. In addition, the court shall order the employer to pay back wages and offer job reinstatement to any employee discharged from employment in violation of paragraph (a).

(c) In addition to any remedies otherwise provided by law, an employee injured by a violation of paragraph (a) may bring a civil action for recovery of damages, together with costs and disbursements, including reasonable attorneys fees, and may receive such injunctive and other equitable relief, including reinstatement, as determined by the court."

Amend the title accordingly

The motion prevailed. So the amendment was adopted.

H.F. No. 2553 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Abeler	Eaton	Johnson	Pappas	Skoe
Anderson	Eken	Kent	Pederson	Sparks
Benson	Fischbach	Kiffmeyer	Pratt	Stumpf
Bonoff	Franzen	Koenen	Reinert	Thompson
Brown	Gazelka	Latz	Rest	Tomassoni
Carlson	Goodwin	Limmer	Rosen	Weber
Chamberlain	Hall	Lourey	Ruud	Westrom
Champion	Hann	Marty	Saxhaug	Wiger
Clausen	Hawj	Miller	Scalze	Wiklund
Dahle	Hayden	Nelson	Schmit	
Dahms	Housley	Newman	Senjem	
Dibble	Ingebrigtsen	Ortman	Sheran	
Dziedzic	Jensen	Osmek	Sieben	

So the bill, as amended, was passed and its title was agreed to.

### SPECIAL ORDER

**S.F. No. 2771:** A bill for an act relating to data practices; classifying certain data related to small business certification programs; amending Minnesota Statutes 2014, section 13.591, by adding a subdivision.

Senator Pappas moved to amend S.F. No. 2771 as follows:

Page 1, line 10, delete the first comma and delete "or" and insert "small"

Page 1, line 11, before "business" insert ", or veteran-owned" and before the period, insert ", or for certification under sections 16C.16 to 16C.21, except that financial statements and net worth calculations remain private or nonpublic data"

The motion prevailed. So the amendment was adopted.

S.F. No. 2771 was read the third time, as amended, and placed on its final passage.

The question was taken on the passage of the bill, as amended.

The roll was called, and there were yeas 62 and nays 0, as follows:

Those who voted in the affirmative were:

Abeler	Eaton	Johnson	Pappas	Skoe
Anderson	Eken	Kent	Pederson	Sparks
Benson	Fischbach	Kiffmeyer	Pratt	Stumpf
Bonoff	Franzen	Koenen	Reinert	Thompson
Brown	Gazelka	Latz	Rest	Tomassoni
Carlson	Goodwin	Limmer	Rosen	Torres Ray
Chamberlain	Hall	Lourey	Ruud	Weber
Champion	Hann	Marty	Saxhaug	Westrom
Clausen	Hawj	Miller	Scalze	Wiger
Dahle	Hayden	Nelson	Schmit	Wiklund
Dahms	Housley	Newman	Senjem	
Dibble	Ingebrigtsen	Ortman	Sheran	
Dziedzic	Jensen	Osmeck	Sieben	

So the bill, as amended, was passed and its title was agreed to.

### SPECIAL ORDER

**S.F. No. 2745:** A bill for an act relating to occupations; modifying Board of Barber Examiners provisions; authorizing rulemaking; amending Minnesota Statutes 2014, sections 154.001, subdivision 2; 154.002; 154.01; 154.02; 154.04; 154.05; 154.065, subdivisions 2, 4; 154.07; 154.08; 154.09; 154.10, subdivision 2; 154.11, subdivision 1; 154.14; 154.15; 154.161, subdivision 7; 154.162; 154.19; 154.21; 154.24; 154.25; Minnesota Statutes 2015 Supplement, sections 154.003; 154.11, subdivision 3; 154.161, subdivision 4; repealing Minnesota Statutes 2014, sections 154.03; 154.06; 154.11, subdivision 2; 154.12.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 61 and nays 0, as follows:

Those who voted in the affirmative were:

Abeler	Eaton	Johnson	Pappas	Skoe
Anderson	Eken	Kent	Pederson	Sparks
Benson	Fischbach	Kiffmeyer	Pratt	Stumpf
Bonoff	Franzen	Koenen	Reinert	Tomassoni
Brown	Gazelka	Latz	Rest	Torres Ray
Carlson	Goodwin	Limmer	Rosen	Weber
Chamberlain	Hall	Lourey	Ruud	Westrom
Champion	Hann	Marty	Saxhaug	Wiger
Clausen	Hawj	Miller	Scalze	Wiklund
Dahle	Hayden	Nelson	Schmit	
Dahms	Housley	Newman	Senjem	
Dibble	Ingebrigtsen	Ortman	Sheran	
Dziedzic	Jensen	Osmeck	Sieben	

So the bill passed and its title was agreed to.

### SPECIAL ORDER

**H.F. No. 3328:** A bill for an act relating to claims against the state; providing for payment of awards under the Imprisonment and Exoneration Remedies Act; providing for payment of injury and medical claims against the Department of Corrections; appropriating money; providing for claims for loss, damage, or destruction of property of patients or inmates of a state institution;

establishing a claim limit of \$7,000 for settlement by the commissioners of human services, veterans affairs, or corrections for property claims made by patients or inmates and medical claims made by conditionally released offenders; increasing claims filing fee; amending Minnesota Statutes 2014, sections 3.736, subdivision 3; 3.739, subdivision 2; 3.749; proposing coding for new law in Minnesota Statutes, chapter 3.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 58 and nays 2, as follows:

Those who voted in the affirmative were:

Abeler	Eken	Kent	Pappas	Sieben
Benson	Fischbach	Kiffmeyer	Pederson	Skoe
Bonoff	Franzen	Koenen	Pratt	Sparks
Brown	Gazelka	Latz	Reinert	Stumpf
Carlson	Goodwin	Limmer	Rest	Thompson
Chamberlain	Hall	Lourey	Rosen	Tomassoni
Clausen	Hann	Marty	Ruud	Weber
Dahle	Hawj	Miller	Saxhaug	Westrom
Dahms	Hayden	Nelson	Scalze	Wiger
Dibble	Housley	Newman	Schmit	Wiklund
Dziedzic	Jensen	Ortman	Senjem	
Eaton	Johnson	Osmeck	Sheran	

Those who voted in the negative were:

Anderson                      Ingebrigtsen

So the bill passed and its title was agreed to.

### SPECIAL ORDER

**H.F. No. 1333:** A bill for an act relating to civil law; allowing for modification of spousal maintenance based on the cohabitation of the obligee; amending Minnesota Statutes 2014, section 518.552, by adding a subdivision.

Senator Hawj moved to amend H.F. No. 1333 as follows:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 2014, section 517.04, is amended to read:

#### **517.04 PERSONS AUTHORIZED TO PERFORM CIVIL MARRIAGES.**

(a) Civil marriages may be solemnized throughout the state by an individual who has attained the age of 21 years and is:

- (1) a judge of a court of record;
- (2) a retired judge of a court of record;
- (3) a court administrator;
- (4) a retired court administrator with the approval of the chief judge of the judicial district;

(5) a former court commissioner who is employed by the court system or is acting pursuant to an order of the chief judge of the commissioner's judicial district;

(6) a current member of the legislature who has subscribed to the oath of office;

(7) the residential school superintendent of the Minnesota State Academy for the Deaf and the Minnesota State Academy for the Blind; or

(8) a licensed or ordained minister of any religious denomination; or

(b) Civil marriages may also be solemnized by any mode recognized in section 517.18.

(c) For purposes of this section, a court of record includes the Office of Administrative Hearings under section 14.48."

Renumber the sections in sequence and correct the internal references

Amend the title accordingly

Senator Pratt questioned whether the amendment was germane.

The President ruled that the amendment was not germane.

H.F. No. 1333 was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 45 and nays 12, as follows:

Those who voted in the affirmative were:

Abeler	Dahms	Jensen	Ortman	Senjem
Anderson	Eken	Kent	Osmek	Sheran
Benson	Fischbach	Kiffmeyer	Pederson	Sparks
Bonoff	Franzen	Koenen	Pratt	Stumpf
Brown	Gazelka	Latz	Reinert	Thompson
Carlson	Hall	Limmer	Rosen	Tomassoni
Chamberlain	Hann	Lourey	Ruud	Weber
Clausen	Hoffman	Miller	Saxhaug	Wiger
Dahle	Housley	Newman	Schmit	Wiklund

Those who voted in the negative were:

Dziedzic	Hawj	Marty	Scalze
Eaton	Ingebrigtsen	Pappas	Torres Ray
Goodwin	Johnson	Rest	Westrom

So the bill passed and its title was agreed to.

### SPECIAL ORDER

**S.F. No. 3483:** A bill for an act relating to courts; updating outdated statutes pertaining to court reporters; authorizing direct appeals of referee orders and decrees in probate or civil commitment court proceedings to the Court of Appeals; clarifying statutes related to penalty of perjury for documents provided to the court; amending Minnesota Statutes 2014, sections 243.49; 358.116; 484.70, subdivision 7; 484.702, by adding a subdivision; 486.01; 486.02; 486.05, subdivision 1; 486.06; 609.48, by adding a subdivision; repealing Minnesota Statutes 2014, sections 484.72; 486.05, subdivision 1a; 525.112.

Was read the third time and placed on its final passage.

The question was taken on the passage of the bill.

The roll was called, and there were yeas 56 and nays 0, as follows:

Those who voted in the affirmative were:

Abeler	Fischbach	Kent	Pederson	Stumpf
Anderson	Franzen	Kiffmeyer	Pratt	Thompson
Benson	Gazelka	Koenen	Reinert	Tomassoni
Bonoff	Goodwin	Latz	Rest	Torres Ray
Brown	Hall	Limmer	Rosen	Weber
Carlson	Hann	Lourey	Ruud	Westrom
Clausen	Hawj	Marty	Saxhaug	Wiger
Dahle	Hoffman	Miller	Scalze	Wiklund
Dahms	Housley	Newman	Schmit	
Dziedzic	Ingebrigtsen	Ortman	Senjem	
Eaton	Jensen	Osmek	Sheran	
Eken	Johnson	Pappas	Sparks	

So the bill passed and its title was agreed to.

#### **MEMBERS EXCUSED**

Senators Metzen and Nienow were excused from the Session of today. Senator Bakk was excused from the Session of today at 12:30 p.m. Senator Hoffman was excused from the Session of today from 12:30 to 2:00 p.m. Senator Cohen was excused from the Session of today at 1:15 p.m. Senator Thompson was excused from the Session of today from 1:30 to 1:40 p.m. Senators Hayden and Sieben were excused from the Session of today at 2:05 p.m. Senators Champion and Dibble were excused from the Session of today at 2:15 p.m.

#### **ADJOURNMENT**

Senator Rest moved that the Senate do now adjourn until 11:00 a.m., Wednesday, May 18, 2016. The motion prevailed.

JoAnne M. Zoff, Secretary of the Senate