



# STATE OF MINNESOTA

## Office of Governor Mark Dayton

116 Veterans Service Building ♦ 20 West 12th Street ♦ Saint Paul, MN 55155

May 31, 2016

The Honorable Sandra L. Pappas  
President of the Senate  
Room 3205, Minnesota Senate Building  
St. Paul, Minnesota 55155

Dear Madam President:

I have vetoed and am returning Chapter 177, Senate File 588, the omnibus pension bill.

The bill contains provisions reducing for one year the COLA for MSRS plans (other than the State Patrol and Judges plans) by 0.25% and for TRA by 1.0%. This will result in a cost of living adjustment for MSRS retirees of 1.75% and for TRA retirees of 1% in calendar year 2017.

These measures were part of sustainability plans that called for shared commitments among employers, current employees and retirees in order to secure the financial health and stability of the MSRS and TRA pension plans. Each party shared in the effort, which has been, and remains an important principle in maintaining the soundness of Minnesota's pension plans.

Unfortunately, Chapter 177 contains only one piece of the overall sustainability plans, placing sole responsibility for reducing plan liabilities on current retirees. It is not fair, and I cannot agree to it. Legislation in the 2017 Session, which will be necessary to address the current pension plan funding projections, must contain a shared participation and be funded in order to gain my signature.

Sincerely,

A handwritten signature in black ink that reads "Mark Dayton".

Mark Dayton  
Governor

cc: Senator Thomas M. Bakk, Senate Majority Leader  
Senator David W. Hann, Senate Minority Leader  
Representative Kurt Daudt, Speaker of the House  
Representative Paul Thissen, House Minority Leader  
Representative Tim O'Driscoll  
The Honorable Steve Simon, Secretary of State  
Ms. JoAnne Zoff, Secretary of the Senate  
Mr. Patrick Murphy, Chief Clerk of the House of Representatives  
Ms. Michele Timmons, Revisor of Statutes