

1.1 ..... moves to amend S.F. No. 4276; H.F. No. 4074 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "ARTICLE 1  
1.4 MINNESOTA STATE RETIREMENT SYSTEM

1.5 Section 1. Minnesota Statutes 2024, section 352.021, subdivision 2, is amended to read:

1.6 Subd. 2. **State employees covered.** Every person who becomes a state employee as  
1.7 defined in section 352.01 is covered by the general state employees retirement plan, unless  
1.8 the state employee is covered by the correctional employees retirement plan under section  
1.9 352.905. Acceptance of state employment or continuance in state service is deemed to be  
1.10 consent by the state employee to have deductions made from salary for deposit to the credit  
1.11 of the account of the state employee in the retirement fund of the plan that provides retirement  
1.12 coverage for the state employee.

1.13 Sec. 2. Minnesota Statutes 2024, section 352.029, subdivision 1, is amended to read:

1.14 Subdivision 1. **Qualifications.** (a) Unless already specifically included under section  
1.15 352.01, subdivision 2a, or unless specifically excluded under section 352.01, subdivision  
1.16 2b, a state employee covered by the general state employees retirement plan who is on leave  
1.17 of absence without pay to provide service as an employee or officer of a labor organization  
1.18 that is an exclusive bargaining agent representing state employees may elect under  
1.19 subdivision 2 to be covered by the general state employees retirement plan ~~of the Minnesota~~  
1.20 ~~State Retirement System~~ for service with the labor organization, subject to the limitations  
1.21 set forth in subdivisions 2a and 2b.

1.22 (b) Unless specifically included under section 352.01, subdivision 2a, or unless  
1.23 specifically excluded under section 352.01, subdivision 2b, a state employee covered by  
1.24 the correctional employees retirement plan who is on leave of absence without pay to provide  
1.25 service as an employee or officer of a labor organization that is an exclusive bargaining  
1.26 agent representing state employees may elect under subdivision 2 to be covered by the  
1.27 correctional employees retirement plan for service with the labor organization, subject to  
1.28 the limitations set forth in subdivisions 2a and 2b.

1.29 Sec. 3. Minnesota Statutes 2024, section 352.029, subdivision 2, is amended to read:

1.30 Subd. 2. **Election.** A person described in subdivision 1 is covered by the ~~system~~ general  
1.31 employees retirement plan under subdivision 1, paragraph (a), or the correctional employees

2.1 retirement plan under subdivision 1, paragraph (b), if the person delivers a written election  
 2.2 to be covered is delivered to the executive director within 90 days of being employed by  
 2.3 the labor organization, or within 90 days of starting the first leave of absence ~~with an~~  
 2.4 ~~exclusive bargaining agent~~ to provide service as an employee or officer of a labor  
 2.5 organization, whichever is later.

2.6 Sec. 4. Minnesota Statutes 2024, section 352.029, subdivision 2a, is amended to read:

2.7 Subd. 2a. **Limitations on salary for benefits and contributions.** (a) The covered salary  
 2.8 for a labor organization employee who is a member under section 352.01, subdivision 2a,  
 2.9 paragraph (a), or who qualifies for membership under this section ~~or section 352.75~~ is limited  
 2.10 to the lesser of:

2.11 (1) the employee's ~~actual~~ salary as defined under section 352.01, subdivision 13; or

2.12 (2) 75 percent of the salary of the governor as set under section 15A.082.

2.13 (b) The limited covered salary determined under this subdivision must be used in  
 2.14 determining employee, employer, and supplemental employer ~~additional~~ contributions under  
 2.15 ~~section~~ sections 352.04, subdivisions 2 and 3, and 352.92 and in determining retirement  
 2.16 annuities and other benefits under this chapter and chapter 356.

2.17 Sec. 5. Minnesota Statutes 2025 Supplement, section 352.029, subdivision 3, is amended  
 2.18 to read:

2.19 Subd. 3. **Contributions.** (a) The employee and employer contributions required by  
 2.20 section 352.04; for employees covered by the general state employees retirement plan or  
 2.21 by section 352.92 for employees covered by ~~section 352.905, the correctional employees~~  
 2.22 retirement plan are the obligation of the employee ~~who is a member under section 352.01,~~  
 2.23 ~~subdivision 2a, paragraph (a), or~~ who chooses coverage under this section. However, the  
 2.24 employing labor organization may pay the employer contributions to the general state  
 2.25 employees retirement fund as required by section 352.04 for employees covered by the  
 2.26 general state employees retirement plan or to the correctional employees retirement  
 2.27 as required by section 352.92 for employees covered by the correctional employees retirement  
 2.28 plan.

2.29 (b) Contributions made by the employee must be made by salary deduction. ~~The~~  
 2.30 ~~employing labor organization shall pay all contributions to the system as required by section~~  
 2.31 ~~352.04, or by section 352.92 for employees covered by section 352.905.~~

3.1 Sec. 6. Minnesota Statutes 2024, section 352.115, subdivision 7a, is amended to read:

3.2 Subd. 7a. **Application procedure.** (a) ~~The filing of an~~ application for an annuity, refund,  
3.3 disability benefit, survivor benefit, death benefit, or other ~~monthly~~ benefit authorized by  
3.4 this chapter or chapter 3A, 352B, 352D, or 490 must comply with this subdivision.

3.5 (b) Filing of an application ~~under paragraph (a) is not complete until~~ is effective on the  
3.6 date an original application and supporting documents are received in an office of the  
3.7 system or received by a person authorized by the director. An original application may not  
3.8 be an electronic copy or facsimile copy and if received in an office of the system, must be  
3.9 delivered by personal service or mail.

3.10 (c) ~~In this subdivision,~~ To complete the application, supporting documents must be  
3.11 received in an office of the system or received by a person authorized by the director no  
3.12 later than 60 days after filing the application. Supporting documents are not required to be  
3.13 original documents except as determined by the director. "Supporting documents" are:

3.14 (1) documents sufficient to verify birth date;

3.15 (2) documents sufficient to verify marital status or establish the terms of a divorce, if  
3.16 applicable; and

3.17 (3) the spousal acknowledgment required by section 356.46, subdivision 3, paragraph  
3.18 (b).

3.19 ~~Supporting documents are not required to be original documents except as determined by~~  
3.20 ~~the director.~~

3.21 Sec. 7. Minnesota Statutes 2024, section 352.115, subdivision 8, is amended to read:

3.22 Subd. 8. **Accrual of annuity.** (a) The application for an annuity must not be ~~made~~ filed  
3.23 more than 60 days before the ~~time~~ date the state employee or former state employee elects  
3.24 to begin collecting a retirement annuity.

3.25 (b) If the director determines an applicant for annuity has fulfilled the legal requirements  
3.26 for an annuity, the director shall authorize the annuity payment in accordance with this  
3.27 chapter and payment must be made as authorized.

3.28 (c) An annuity shall begin to accrue no earlier than 180 days before the date the  
3.29 application is filed with the director, but not before the day following the termination of  
3.30 state service or before the day the employee is eligible to retire by reason of both age and  
3.31 service requirements.

4.1 (d) The retirement annuity shall cease with the last payment which had accrued during  
4.2 the lifetime of the retired employee unless an optional annuity provided in section 352.116,  
4.3 subdivision 3, had been selected and had become payable. The joint and last survivor annuity  
4.4 shall cease with the last payment received by the survivor during the lifetime of the survivor.  
4.5 If a retired employee had not selected an optional annuity, or a survivor annuity is not  
4.6 payable under the option, and a spouse survives, the spouse is entitled only to the annuity  
4.7 for the calendar month in which the retired employee died. If an optional annuity is payable  
4.8 after the death of the retired employee, the survivor is entitled to the annuity for the calendar  
4.9 month in which the retired employee died.

4.10 Sec. 8. Minnesota Statutes 2024, section 352.115, subdivision 9, is amended to read:

4.11 Subd. 9. **Annuities payable monthly.** All annuities, and disability benefits authorized  
4.12 by this chapter, must be paid in equal monthly installments and must not be increased,  
4.13 decreased, or revoked except as provided in this chapter or chapter 356.

4.14 Sec. 9. Minnesota Statutes 2024, section 352.87, subdivision 1, is amended to read:

4.15 Subdivision 1. **Eligibility.** (a) A member of the general state employees retirement plan  
4.16 who is employed by the Department of Public Safety, State Fire Marshal Division, as a  
4.17 deputy state fire marshal, fire/arson investigator, ~~who elects special benefit coverage under~~  
4.18 ~~subdivision 8,~~ is entitled to retirement benefits or disability benefits, as applicable, as stated  
4.19 in this section for eligible service under this section rendered after July 1, 1999, for which  
4.20 allowable service credit is received: if the member is first employed as a deputy state fire  
4.21 marshal, fire/arson investigator:

4.22 (1) before July 1, 2026, and the member elected special benefit coverage under the laws  
4.23 in effect on the day the member was first employed as a deputy state fire marshal, fire/arson  
4.24 investigator; or

4.25 (2) after June 30, 2026.

4.26 (b) The covered member must be at least age 55 to qualify for the retirement annuity  
4.27 specified in subdivision 3.

4.28 Sec. 10. Minnesota Statutes 2024, section 352.87, subdivision 2, is amended to read:

4.29 Subd. 2. **Retirement annuity eligibility.** A person specified in subdivision 1 who meets  
4.30 all eligibility requirements specified in this chapter applicable to ~~general plan~~ members of  
4.31 the general state employees retirement plan is eligible for retirement benefits as specified  
4.32 in subdivision 3.

5.1 Sec. 11. Minnesota Statutes 2025 Supplement, section 352.905, is amended by adding a  
5.2 subdivision to read:

5.3 Subd. 8. **Employees of labor organization.** Employees who meet the coverage and  
5.4 election requirements of section 352.029 will continue to be covered by the correctional  
5.5 employees retirement plan.

5.6 Sec. 12. Minnesota Statutes 2025 Supplement, section 352.907, is amended by adding a  
5.7 subdivision to read:

5.8 Subd. 7. **Certain laws not applicable to the membership committee.** (a) Meetings of  
5.9 the correctional plan membership committee are not subject to chapter 13D.

5.10 (b) The correctional plan membership committee is not an agency for the purposes of  
5.11 sections 15.0597 and 15.0599.

5.12 Sec. 13. **ELECTION OF COVERAGE FOR CURRENT DEPUTY STATE FIRE**  
5.13 **MARSHALS.**

5.14 Subdivision 1. **Definition.** For purposes of this section, "eligible employee" means a  
5.15 member of the general state employees retirement plan of the Minnesota State Retirement  
5.16 System who began employment with the Department of Public Safety, State Fire Marshal  
5.17 Division, as a deputy state fire marshal, fire/arson investigator, after July 31, 2021, and  
5.18 before October 5, 2022.

5.19 Subd. 2. **Election of coverage.** (a) An eligible employee may file a notice with the  
5.20 executive director of the Minnesota State Retirement System on a form prescribed by the  
5.21 executive director stating that the employee elects to be covered by section 352.87. Notice  
5.22 must be filed no later than 60 days after enactment of this section.

5.23 (b) Elections under this subdivision are irrevocable during any period of covered  
5.24 employment.

5.25 (c) An eligible employee who makes an election under this subdivision is entitled to  
5.26 retirement or disability benefits, as applicable, as stated in section 352.87. Elected coverage  
5.27 is effective retroactively from the first day of employment.

5.28 (d) A failure to file a timely notice is deemed a waiver of coverage by section 352.87.

5.29 Subd. 3. **Calculation of additional contributions due.** (a) Upon the request of an  
5.30 eligible employee before the eligible employee files the notice electing coverage under

6.1 subdivision 2 or if an eligible employee files the notice electing coverage under subdivision  
6.2 2, the executive director of the Minnesota State Retirement System must calculate:

6.3 (1) the employee contributions that would have been deducted from the eligible  
6.4 employee's salary starting with the first day of covered employment but were not deducted  
6.5 because the eligible employee had not yet filed the notice electing coverage, plus interest  
6.6 at the applicable rate or rates specified in section 356.59, subdivision 2; and

6.7 (2) the employer contributions that would have been paid by the employer starting with  
6.8 the eligible employee's first day of covered employment but were not deducted because the  
6.9 eligible employee had not yet filed the notice electing coverage, plus interest at the applicable  
6.10 rate or rates specified in section 356.59, subdivision 2.

6.11 (b) The executive director must inform the eligible employee and the Department of  
6.12 Public Safety of the amounts calculated under paragraph (a) no later than 30 days after  
6.13 receiving the request or the notice electing coverage from the eligible employee.

6.14 Subd. 4. **Payment of additional contributions.** (a) If an eligible employee files a notice  
6.15 electing coverage under subdivision 2, the eligible employee must pay the employee  
6.16 contributions and interest computed under subdivision 3, paragraph (a), to the general  
6.17 employees retirement fund of the Minnesota State Retirement System in a lump sum.  
6.18 Payment must be made within six months of filing the notice electing coverage under  
6.19 subdivision 2 or on the date the eligible employee terminates employment as a deputy state  
6.20 fire marshal, fire/arson investigator, whichever is earlier.

6.21 (b) The Department of Public Safety must pay the employer contributions and interest  
6.22 computed under subdivision 3, paragraph (a), to the general employees retirement fund of  
6.23 the Minnesota State Retirement System within 30 days of the date on which the executive  
6.24 director of the Minnesota State Retirement System certifies to the Department of Public  
6.25 Safety that the eligible employee made the payment required under paragraph (a).

6.26 Sec. 14. **REPEALER.**

6.27 Minnesota Statutes 2024, section 352.87, subdivision 8, is repealed.

6.28 Sec. 15. **EFFECTIVE DATE.**

6.29 Sections 1 to 14 are effective July 1, 2026.

7.1 **ARTICLE 2**7.2 **PUBLIC EMPLOYEES RETIREMENT ASSOCIATION**

7.3 Section 1. Minnesota Statutes 2024, section 353E.03, subdivision 1, is amended to read:

7.4 Subdivision 1. **Member contributions.** A member of the plan shall make an employee  
7.5 contribution in an amount equal to ~~6.83~~ six percent of salary.

7.6 **EFFECTIVE DATE.** This section is effective January 1, 2027.

7.7 Sec. 2. Minnesota Statutes 2024, section 353E.03, subdivision 2, is amended to read:

7.8 Subd. 2. **Employer contributions.** The employer shall contribute for a member of the  
7.9 plan an amount equal to ~~10.25~~ nine percent of salary.

7.10 **EFFECTIVE DATE.** This section is effective January 1, 2027.

7.11 Sec. 3. Minnesota Statutes 2024, section 356.415, subdivision 1g, is amended to read:

7.12 Subd. 1g. **Annual postretirement adjustments; PERA Public Employees Retirement**  
7.13 **Association; local government correctional retirement plan.** (a) Annuities, disability  
7.14 benefits, and survivor benefits being paid from the local government correctional retirement  
7.15 plan of the Public Employees Retirement Association shall be increased effective each  
7.16 January 1 by the percentage of increase determined under this subdivision. The increase to  
7.17 the annuity or benefit shall be determined by multiplying the monthly amount of the annuity  
7.18 or benefit by the percentage of increase specified in paragraph (b), after taking into account  
7.19 any reduction to the percentage of increase required under paragraph (d).

7.20 (b) As of each January 1, The percentage of increase must be one percent unless the  
7.21 federal Social Security Administration has announced a cost-of-living adjustment pursuant  
7.22 to United States Code, title 42, section 415(i), in the last quarter of the preceding calendar  
7.23 year that is greater than one percent. If the cost-of-living adjustment announced by the  
7.24 federal Social Security Administration is greater than one percent, the percentage of increase  
7.25 must be the same as the cost-of-living adjustment announced by the federal Social Security  
7.26 Administration, but in no event may the percentage of increase exceed the applicable  
7.27 maximum percentage in effect on January 1 under paragraph (c).

7.28 (c) The applicable maximum percentage in effect on January 1 is ~~2.5~~ three percent,  
7.29 unless either of the following is true, in which case the applicable maximum percentage is  
7.30 1.5 percent:

8.1 (1) the market value of assets equals or is less than 85 percent of the actuarial accrued  
 8.2 liabilities as reported by the plan's actuary in the most recent two consecutive annual actuarial  
 8.3 valuations; or

8.4 (2) the market value of assets equals or is less than 80 percent of the actuarial accrued  
 8.5 liabilities as reported by the plan's actuary in the most recent annual actuarial valuation. ~~If,~~  
 8.6 ~~on January 1 after a year during which the applicable maximum percentage was 1.5 percent,~~  
 8.7 ~~neither clause (1) or (2) is true, then the applicable maximum percentage is 2.5 percent.~~

8.8 (d)(1) If the recipient of an annuity, disability benefit, or survivor's benefit has been  
 8.9 receiving the annuity or benefit for at least 12 full months as of the June 30 of the calendar  
 8.10 year immediately before the effective date of the increase, there is no reduction in the  
 8.11 percentage of increase.

8.12 (2) If the recipient of an annuity, disability benefit, or survivor's benefit has been receiving  
 8.13 the annuity or benefit for at least one month, but less than 12 full months, as of the June 30  
 8.14 of the calendar year immediately preceding the effective date of the increase, the percentage  
 8.15 of increase is multiplied by a fraction, the numerator of which is the number of months the  
 8.16 annuity or benefit was received as of June 30 of the preceding calendar year and the  
 8.17 denominator of which is 12.

8.18 (e) An increase in annuity or benefit payments under this ~~section~~ subdivision must be  
 8.19 made automatically unless written notice is filed by the recipient with the executive director  
 8.20 of the Public Employees Retirement Association requesting that the increase not be made.

8.21 **EFFECTIVE DATE.** This section is effective for postretirement adjustments beginning  
 8.22 on or after January 1, 2027.

### 8.23 **ARTICLE 3**

#### 8.24 **TEACHERS RETIREMENT ASSOCIATION; SAINT PAUL TEACHERS'** 8.25 **RETIREMENT FUND ASSOCIATION**

8.26 Section 1. Minnesota Statutes 2024, section 354.05, subdivision 37, is amended to read:

8.27 Subd. 37. **Termination of teaching service.** "Termination of teaching service" means  
 8.28 the withdrawal of a member from active teaching service by resignation or the termination  
 8.29 of the member's teaching contract by the employer. A member is not considered to have  
 8.30 terminated teaching service, if before the age of ~~62~~ 59-1/2, and before the effective date of  
 8.31 the termination or retirement, the member has entered into a contract to resume teaching  
 8.32 service with an employing unit covered by the provisions of this chapter. A contract to

9.1 return to work after retirement for an active member who has attained age ~~62~~ 59-1/2 must  
9.2 comply with the provisions of section 354.444.

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

9.4 Sec. 2. Minnesota Statutes 2024, section 354.05, is amended by adding a subdivision to  
9.5 read:

9.6 **Subd. 44. Medical provider.** "Medical provider" means an individual licensed as a  
9.7 physician, chiropractor, physician assistant, APRN, or, with respect to a mental impairment,  
9.8 a psychologist.

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

9.10 Sec. 3. Minnesota Statutes 2024, section 354.07, subdivision 2, is amended to read:

9.11 **Subd. 2. Investigatory powers.** In passing upon all applications and claims, the board  
9.12 may summon, swear, hear, and examine witnesses and, in the case of claims for disability  
9.13 benefits, may require the claimant to submit to a medical examination by a ~~physician~~ medical  
9.14 provider of the board's choice, at the expense of the claimant, as a condition precedent to  
9.15 the passing on the claim, and, in the case of all applications and claims, may conduct  
9.16 investigations necessary to determine the validity and merit of the same.

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

9.18 Sec. 4. Minnesota Statutes 2024, section 354.444, subdivision 2, is amended to read:

9.19 **Subd. 2. Eligibility.** An eligible person is a person who:

9.20 (1) is a teacher as defined by section 354.05, subdivision 2, who is at least age ~~62~~ 59-1/2;

9.21 (2) enters into a written agreement with the employing unit to return to work; and

9.22 (3) retires under the provisions of section 354.44 and begins to draw an annuity from  
9.23 the Teachers Retirement Association.

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

9.25 Sec. 5. Minnesota Statutes 2024, section 354.444, subdivision 3, is amended to read:

9.26 **Subd. 3. Work agreement.** (a) A member who is at least age 59-1/2 may, before the  
9.27 effective date of retirement, enter into a written agreement to return to work with an  
9.28 employing unit covered by the provisions of this chapter.

10.1 (b) Participation, the amount of time worked, and the duration of participation under  
10.2 this section must be mutually agreed upon by the employing unit and the employee. The  
10.3 employing unit may require up to a one-year notice of intent to participate in the program  
10.4 as a condition of participation. The employing unit shall determine the time of year the  
10.5 employee shall work. Unless otherwise specified in this section, the employing unit may  
10.6 not require a person to waive any rights under a collective bargaining agreement as a  
10.7 condition of participation under this section.

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

10.9 Sec. 6. Minnesota Statutes 2024, section 354.48, subdivision 4, is amended to read:

10.10 Subd. 4. **Determination by executive director.** (a) The executive director ~~shall~~ must  
10.11 have the member examined by ~~at least two licensed physicians, licensed chiropractors, or~~  
10.12 ~~licensed psychologists~~ a licensed physician and any one or more medical providers.

10.13 (b) ~~These physicians, chiropractors, APRNs, or psychologists with respect to a mental~~  
10.14 ~~impairment, shall~~ The medical providers selected under paragraph (a) must make written  
10.15 reports to the executive director concerning the member's disability, including expert opinions  
10.16 as to whether or not the member is permanently and totally disabled within the meaning of  
10.17 section 354.05, subdivision 14.

10.18 (c) The executive director ~~shall~~ must also obtain written certification from the last  
10.19 employer stating whether or not the member was separated from service because of a  
10.20 disability ~~which~~ that would reasonably prevent further service to the employer and as a  
10.21 consequence the member is not entitled to compensation from the employer.

10.22 (d) If, upon the consideration of the reports ~~of the physicians, chiropractors, APRNs, or~~  
10.23 ~~psychologists~~ required under paragraph (b) and any other evidence presented by the member  
10.24 or by others interested therein, the executive director finds that the member is totally and  
10.25 permanently disabled, the executive director ~~shall~~ must grant the member a disability benefit.

10.26 (e) An employee who is placed on leave of absence without compensation because of  
10.27 disability is not barred from receiving a disability benefit.

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

10.29 Sec. 7. Minnesota Statutes 2024, section 354.48, subdivision 6, is amended to read:

10.30 Subd. 6. **Regular physical examinations.** At least once each year during the first five  
10.31 years following the allowance of a disability benefit to any member, and at least once in  
10.32 every three-year period thereafter, the executive director may require the disability benefit

11.1 recipient to undergo an expert examination by ~~a physician or physicians, by a chiropractor~~  
 11.2 ~~or chiropractors, by an APRN or APRNs, or by one or more psychologists with respect to~~  
 11.3 ~~a mental impairment,~~ medical providers engaged by the executive director. If an examination  
 11.4 indicates that the member is no longer permanently and totally disabled or that the member  
 11.5 is engaged or is able to engage in a substantial gainful occupation, the association must  
 11.6 discontinue payments of the disability benefit ~~by the association must be discontinued~~. The  
 11.7 payments must be discontinued as soon as the member is reinstated to the payroll following  
 11.8 sick leave, but payment may not be made ~~for~~ more than 60 days after the ~~physicians,~~  
 11.9 ~~chiropractors, APRNs, or psychologists~~ medical provider or medical providers engaged by  
 11.10 the executive director find that the person is no longer permanently and totally disabled.

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

11.12 Sec. 8. Laws 2022, chapter 65, article 3, section 1, subdivision 2, as amended by Laws  
 11.13 2024, chapter 102, article 1, section 8, is amended to read:

11.14 Subd. 2. **Temporary suspension of earnings limitation for teachers covered by TRA**  
 11.15 **and SPTRFA.** (a) Notwithstanding Minnesota Statutes, section 354.44, subdivision 5, no  
 11.16 portion of a reemployed teacher's annuity paid under Minnesota Statutes, chapter 354, shall  
 11.17 be deferred regardless of the amount of the salary earned from the teaching service during  
 11.18 the preceding fiscal year. This paragraph applies only to salary earned during fiscal years  
 11.19 ~~2022, 2023, 2024,~~ 2025, 2026, ~~and 2027,~~ 2028, 2029, and 2030 and annuity payments made  
 11.20 during calendar years ~~2023, 2024, 2025,~~ 2026, 2027, ~~and 2028,~~ 2029, 2030, and 2031.

11.21 (b) Notwithstanding Minnesota Statutes, section 354A.31, subdivision 3, no portion of  
 11.22 a reemployed teacher's annuity paid under Minnesota Statutes, chapter 354A, shall be  
 11.23 deferred or forfeited regardless of the amount of the salary earned from the teaching service  
 11.24 during the preceding calendar year. This paragraph applies only to salary earned during  
 11.25 calendar years ~~2022, 2023, 2024,~~ 2025, 2026, ~~and 2027,~~ 2028, 2029, and 2030 and annuity  
 11.26 payments made during calendar years ~~2023, 2024, 2025,~~ 2026, 2027, ~~and 2028,~~ 2029, 2030,  
 11.27 and 2031.

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

11.29 Sec. 9. Laws 2022, chapter 65, article 3, section 1, subdivision 3, as amended by Laws  
 11.30 2024, chapter 102, article 1, section 9, is amended to read:

11.31 Subd. 3. **Expiration date.** This section expires effective January 1, ~~2029~~ 2032.

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

12.1

**ARTICLE 4**

12.2

**VOLUNTEER FIREFIGHTERS**

12.3 Section 1. Minnesota Statutes 2024, section 424A.001, subdivision 8, is amended to read:

12.4 Subd. 8. **Firefighting service.** "Firefighting service" means duties performed by  
 12.5 firefighters and, if approved by the appropriate municipality or municipalities under section  
 12.6 424A.01, duties performed by fire prevention personnel and volunteer emergency medical  
 12.7 personnel.

12.8 **EFFECTIVE DATE.** This section is effective January 1, 2027.

12.9 Sec. 2. Minnesota Statutes 2024, section 424A.001, subdivision 9, is amended to read:

12.10 Subd. 9. **Separate from active service.** "Separate from active service" means ~~that a~~  
 12.11 ~~firefighter~~ permanently ceases ceasing to perform ~~fire suppression duties and fire prevention~~  
 12.12 ~~duties and, permanently ceases to supervise fire suppression, and fire prevention duties~~ all  
 12.13 firefighting service with a particular fire department.

12.14 **EFFECTIVE DATE.** This section is effective January 1, 2027.

12.15 Sec. 3. Minnesota Statutes 2024, section 424A.001, subdivision 9a, is amended to read:

12.16 Subd. 9a. **Break in service.** "Break in service" means temporarily ceasing ~~all of the~~  
 12.17 ~~following~~ to perform and supervise all firefighting service with a particular fire department:

12.18 ~~(1) performing fire suppression duties;~~

12.19 ~~(2) performing fire prevention duties;~~

12.20 ~~(3) supervising fire suppression duties; and~~

12.21 ~~(4) supervising fire prevention duties.~~

12.22 **EFFECTIVE DATE.** This section is effective January 1, 2027.

12.23 Sec. 4. Minnesota Statutes 2024, section 424A.001, subdivision 9b, is amended to read:

12.24 Subd. 9b. **Firefighter.** "Firefighter" means a person who is a member of a fire department  
 12.25 and who is a volunteer firefighter, paid on-call firefighter, part-time firefighter, full-time  
 12.26 firefighter, career firefighter, or any combination thereof and who, in that capacity, engages  
 12.27 in firefighting service.

12.28 **EFFECTIVE DATE.** This section is effective January 1, 2027.

13.1 **Sec. 5. [424A.012] RETURN TO ACTIVE FIREFIGHTING SERVICE.**

13.2 **Subdivision 1. Return to active firefighting without prior receipt of pension or**  
13.3 **benefit. (a) This subdivision governs the service pension calculation requirements of a**  
13.4 **firefighter who returns to active service after a break in service and who has not previously**  
13.5 **been paid a service pension or disability benefit from the relief association. This subdivision**  
13.6 **applies to all breaks in service, except that the resumption service requirements of this**  
13.7 **subdivision do not apply to leaves of absence made available by federal or state statute.**

13.8 **(b) If a firefighter who has a break in service of any duration resumes performing active**  
13.9 **firefighting with the fire department associated with the relief association and if permitted**  
13.10 **in the bylaws of the relief association, the firefighter may again become an active member**  
13.11 **of the relief association, subject to the requirements of this subdivision and the service**  
13.12 **pension calculation requirements under this section.**

13.13 **(c) A firefighter who has been granted an approved leave of absence not exceeding one**  
13.14 **year by the fire department or the relief association is exempt from any minimum period**  
13.15 **of resumption service requirement established under paragraph (f).**

13.16 **(d) A firefighter who has a break in service not exceeding one year but has not been**  
13.17 **granted an approved leave of absence may be made exempt from any minimum period of**  
13.18 **resumption service requirement established under paragraph (f).**

13.19 **(e) A firefighter may qualify to receive a service pension from the relief association for**  
13.20 **the original and resumption service periods if the firefighter:**

13.21 **(1) is a former firefighter who has not been paid a service pension or disability benefit;**

13.22 **(2) returns to active relief association membership under paragraph (b); and**

13.23 **(3) meets the service requirements of section 424A.016, subdivision 3, or 424A.02,**  
13.24 **subdivision 2, as applicable, and as defined in the bylaws in effect on the date of the**  
13.25 **firefighter's separation from active service, based on the original and resumption years of**  
13.26 **service credit.**

13.27 **(f) A defined benefit relief association may define in the relief association's bylaws a**  
13.28 **minimum period of resumption service requirement that applies to firefighters who return**  
13.29 **to active membership and who have not been paid a service pension or disability benefit**  
13.30 **for their original period of service. The service pension benefit level used to calculate any**  
13.31 **service pension payable for both the original and resumption service periods is:**

13.32 **(1) the service pension benefit level in effect on the date of the firefighter's separation**  
13.33 **from active resumption service if a minimum period of resumption service requirement is**

14.1 defined in the bylaws and is completed prior to a firefighter's cessation of resumption service  
14.2 or if no resumption service is defined in the bylaws; or

14.3 (2) the service pension benefit level in effect on the date of the firefighter's termination  
14.4 of original service if a minimum period of resumption service requirement is defined in the  
14.5 bylaws but is not completed prior to a firefighter's cessation of resumption service.

14.6 (g) Any service pension payable under this subdivision is less any amounts previously  
14.7 forfeited under section 424A.02, subdivision 3, paragraph (c), or section 424A.016,  
14.8 subdivision 4, as applicable.

14.9 Subd. 2. Return to active firefighting after receipt of pension or benefit. (a) This  
14.10 subdivision governs the service pension calculation requirements of a firefighter who resumes  
14.11 performing active firefighting service with the fire department associated with the relief  
14.12 association after being paid a service pension or disability benefit from the relief association.  
14.13 The firefighter must wait at least 60 days following receipt of the pension or benefit before  
14.14 resuming active firefighting service with the fire department and, if permitted in the bylaws  
14.15 of the relief association, active membership in the relief association.

14.16 (b) A firefighter may qualify to receive a service pension from the relief association for  
14.17 the resumption service period if the firefighter:

14.18 (1) is a former firefighter who has been paid a service pension or disability benefit or is  
14.19 receiving a monthly benefit service pension;

14.20 (2) returns to active relief association membership; and

14.21 (3) meets the service requirements defined in the relief association's bylaws in effect on  
14.22 the date of the firefighter's separation from active service and, as applicable:

14.23 (i) paragraph (g);

14.24 (ii) section 424A.016, subdivision 3; or

14.25 (iii) section 424A.02, subdivision 2.

14.26 (c) For defined benefit relief associations, the service pension for the resumption service  
14.27 period must be calculated by applying the service pension benefit level in effect on the date  
14.28 of the firefighter's termination of resumption service for all years of the resumption service.

14.29 (d) For defined contribution relief associations, the service pension for the resumption  
14.30 service period must be calculated to include allocations credited to the firefighter's individual  
14.31 account during the resumption period of service and deductions for administrative expenses,  
14.32 if applicable.

15.1 (e) If provided in the bylaws, a firefighter who returns to active relief association  
15.2 membership may continue to collect a monthly service pension from the relief association,  
15.3 notwithstanding the requirement under section 424A.02, subdivision 1, that the firefighter  
15.4 has separated from active service.

15.5 (f) If a firefighter receiving a monthly benefit service pension returns to active monthly  
15.6 benefit relief association membership under paragraph (b):

15.7 (1) the firefighter's monthly service pension payments are suspended as of the first day  
15.8 of the month next following the date on which the firefighter returns to active membership  
15.9 if the relief association bylaws prohibit the firefighter from collecting a monthly service  
15.10 pension;

15.11 (2) the firefighter is entitled to an additional monthly benefit service pension upon a  
15.12 subsequent cessation of duties calculated based on the resumption service credit and the  
15.13 service pension accrual amount in effect on the date of the termination of the resumption  
15.14 service; and

15.15 (3) if the monthly service pension payments were suspended under clause (1), the  
15.16 suspended initial service pension resumes as of the first of the month next following the  
15.17 termination of the resumption service.

15.18 (g) A relief association may define in the relief association's bylaws vesting requirements  
15.19 that apply solely to former firefighters who have been paid a service pension or disability  
15.20 benefit and subsequently return to active relief association membership. If a relief association  
15.21 elects to define vesting requirements that are applicable solely to these former firefighters,  
15.22 the requirements may be different than the requirements for all other relief association  
15.23 members and need not comply with the service requirements of section 424A.016, subdivision  
15.24 3, or 424A.02, subdivision 2, as applicable, but cannot require more than 20 years of active  
15.25 service for full vesting.

15.26 (h) No firefighter may be paid a service pension more than once for the same period of  
15.27 service.

15.28 **EFFECTIVE DATE.** This section is effective January 1, 2027.

15.29 Sec. 6. Minnesota Statutes 2024, section 424A.014, subdivision 1, is amended to read:

15.30 Subdivision 1. **Financial report and audit.** (a) An annual financial report and audited  
15.31 financial statements in accordance with paragraphs (c) to (e) must be submitted by the board  
15.32 of trustees of the Bloomington Fire Department Relief Association and the board of trustees  
15.33 of each firefighters relief association with special fund assets of at least ~~\$750,000~~ \$1,000,000

16.1 or special fund liabilities of at least ~~\$750,000~~ \$1,000,000, according to ~~any~~ the previous  
16.2 year's financial report.

16.3 (b) The board of trustees of a firefighters relief association with special fund assets of  
16.4 less than ~~\$750,000~~ \$1,000,000 and special fund liabilities of less than ~~\$750,000~~ \$1,000,000,  
16.5 according to ~~each~~ the previous year's financial report, may submit an annual financial report  
16.6 and audited financial statements in accordance with paragraphs (c) to (e). If the special fund  
16.7 assets or special fund liabilities of a firefighters relief association to which this paragraph  
16.8 applies subsequently exceed \$1,000,000 as of the beginning of a calendar year, then an  
16.9 annual financial report and audited financial statements are required under paragraph (a),  
16.10 beginning with reports filed with the state auditor in the calendar year following the calendar  
16.11 year in which the \$1,000,000 threshold was exceeded.

16.12 (c) The financial report must cover the relief association's special fund and general fund  
16.13 and be in the style and form prescribed by the state auditor. The financial report must be  
16.14 countersigned by:

16.15 (1) the municipal clerk or clerk-treasurer of the municipality in which the relief  
16.16 association is located if the relief association is directly associated with a municipal fire  
16.17 department;

16.18 (2) the municipal clerk or clerk-treasurer of the largest municipality in population that  
16.19 contracts with the independent nonprofit firefighting corporation if the firefighters relief  
16.20 association is a subsidiary of an independent nonprofit firefighting corporation, and by the  
16.21 secretary of the independent nonprofit firefighting corporation; or

16.22 (3) the chief financial official of the county in which the firefighters relief association  
16.23 is located or primarily located if the relief association is associated with a fire department  
16.24 that is not located in or associated with an organized municipality.

16.25 (d) The financial report must be retained in the office of the Bloomington Fire Department  
16.26 Relief Association or the firefighters relief association for public inspection and must be  
16.27 filed with the governing body of the government subdivision in which the associated fire  
16.28 department is located after the close of the fiscal year. One copy of the financial report must  
16.29 be furnished to the state auditor on or before June 30 after the close of the fiscal year.

16.30 (e) Audited financial statements that present the true financial condition of the relief  
16.31 association's special fund and general fund must be attested to by a certified public accountant  
16.32 or by the state auditor and must be filed with the state auditor on or before June 30 after the  
16.33 close of the fiscal year. Audits must be conducted in compliance with generally accepted

17.1 auditing standards and section 6.65 governing audit procedures. The state auditor may accept  
17.2 audited financial statements in lieu of the financial report required in paragraph (a).

17.3 **EFFECTIVE DATE.** This section is effective December 31, 2026, and applies to  
17.4 audited financial statements for calendar year 2026 and thereafter. A relief association with  
17.5 special fund assets of less than \$1,000,000 and special fund liabilities of less than \$1,000,000  
17.6 on December 31, 2026, is not required to submit audited financial statements under Minnesota  
17.7 Statutes, section 424A.014, subdivision 1, unless and until the association's special fund  
17.8 assets or special fund liabilities exceed \$1,000,000, even if audited financial statements  
17.9 were required on the date immediately prior to December 31, 2026.

17.10 Sec. 7. Minnesota Statutes 2024, section 424A.016, subdivision 4, is amended to read:

17.11 Subd. 4. **Individual accounts.** (a) An individual account must be established for each  
17.12 firefighter who is a member of the relief association.

17.13 (b) To each individual active member account must be credited an equal share of:

17.14 (1) any amounts of fire state aid and police and firefighter retirement supplemental state  
17.15 aid received by the relief association;

17.16 (2) any amounts of municipal contributions to the relief association raised from levies  
17.17 on real estate or from other available municipal revenue sources exclusive of fire state aid;  
17.18 and

17.19 (3) any amounts equal to the share of the assets of the special fund to the credit of:

17.20 (i) any former member who terminated active service with the fire department to which  
17.21 the relief association is associated before meeting the minimum service requirement provided  
17.22 for in subdivision 2, paragraph (b), and either has not returned to active service with the  
17.23 fire department for a period no shorter than five years or has died and no survivor benefit  
17.24 or death benefit is payable; or

17.25 (ii) any member who terminated active service before becoming 100 percent vested in  
17.26 the member's account under subdivision 2, paragraph (b), and any applicable provision of  
17.27 the bylaws of the relief association.

17.28 (c) In addition, any investment return on the assets of the special fund must be credited  
17.29 in proportion to the share of the assets of the special fund to the credit of each individual  
17.30 active member account and inactive member account, unless the inactive member is a  
17.31 deferred member as defined in subdivision 6.

18.1 (d) Administrative expenses of the relief association payable from the special fund may  
18.2 be deducted from individual accounts in a manner specified in the bylaws of the relief  
18.3 association.

18.4 (e) Amounts to be credited to individual accounts under paragraph (b) must be allocated  
18.5 uniformly for all years of active service and allocations must be made for all years of service,  
18.6 except for caps on service credit if so provided in the bylaws of the relief association.  
18.7 Amounts forfeited under paragraph (b), clause (3), before a resumption of active service  
18.8 and membership under section ~~424A.01, subdivision 6~~, 424A.012 remain forfeited and may  
18.9 not be reinstated upon the resumption of active service and membership. The allocation  
18.10 method may utilize monthly proration for fractional years of service, as the bylaws or articles  
18.11 of incorporation of the relief association so provide. The bylaws or articles of incorporation  
18.12 may define a "month," but the definition must require a calendar month to have at least 16  
18.13 days of active service. If the bylaws or articles of incorporation do not define a "month," a  
18.14 "month" is a completed calendar month of active service measured from the member's date  
18.15 of entry to the same date in the subsequent month.

18.16 (f) At the time that the payment of a service pension commences under subdivision 2  
18.17 and any applicable provision of the bylaws of the relief association, a retiring member is  
18.18 entitled to that portion of the assets of the special fund to the credit of the member in the  
18.19 individual member account which is nonforfeitable under subdivision 3 and any applicable  
18.20 provision of the bylaws of the relief association based on the number of years of service to  
18.21 the credit of the retiring member.

18.22 (g) Annually, the secretary of the relief association shall certify the individual account  
18.23 allocations to the state auditor at the same time that the annual financial statement or financial  
18.24 report and audit of the relief association, whichever applies, is due under section 424A.014.

18.25 **EFFECTIVE DATE.** This section is effective January 1, 2027.

18.26 Sec. 8. Minnesota Statutes 2025 Supplement, section 424A.016, subdivision 6, is amended  
18.27 to read:

18.28 Subd. 6. **Deferred service pensions.** (a) A "deferred member" means a member of a  
18.29 relief association who has separated from active service and membership and has completed  
18.30 the minimum service and membership requirements in subdivision 2. The requirement that  
18.31 a member separate from active service and membership is waived for any person who has  
18.32 discontinued volunteer firefighter and paid on-call firefighter duties and is employed on a  
18.33 part-time or full-time basis under section 424A.015, subdivision 1.

19.1 (b) A deferred member is entitled to receive a deferred service pension as soon as  
19.2 practicable after the member submits a valid written application for the distribution and  
19.3 complies with any conditions as to age prescribed by the relief association's bylaws.

19.4 (c) A defined contribution relief association must credit ~~interest~~ or additional investment  
19.5 performance on the deferred lump-sum service pension during the period of deferral for all  
19.6 deferred members on or after January 1, 2021. A defined contribution relief association  
19.7 may specify in its bylaws the method by which it will credit ~~interest~~ or additional investment  
19.8 performance to the accounts of deferred members. Such method shall be limited to one of  
19.9 the three methods provided in this paragraph. In the event the bylaws do not specify a  
19.10 method, the ~~interest~~ or additional investment performance must be credited using the method  
19.11 defined in clause (3). The permissible methods are:

19.12 (1) at the investment performance rate actually earned on that portion of the assets if the  
19.13 deferred benefit amount is invested by the relief association in a separate account established  
19.14 and maintained by the relief association;

19.15 (2) at the investment performance rate actually earned on that portion of the assets if the  
19.16 deferred benefit amount is invested in a separate investment vehicle held by the relief  
19.17 association; or

19.18 (3) at the investment return on the assets of the special fund of the defined contribution  
19.19 relief association in proportion to the share of the assets of the special fund to the credit of  
19.20 each individual deferred member account.

19.21 (d) Notwithstanding the requirements of section 424A.015, subdivision 6, bylaw  
19.22 amendments made in accordance with paragraph (c) on or before January 1, 2022, shall  
19.23 apply to members already in deferred status as of January 1, 2021.

19.24 (e) Unless the bylaws provide differently, ~~interest~~ or additional investment performance  
19.25 must be allocated to each deferred member account beginning on the date that the member  
19.26 separates from active service and membership and ending on the last date that the deferred  
19.27 member account is valued before the final distribution of the deferred service pension.

19.28 (f) Notwithstanding the requirements of section 424A.015, subdivision 6, a relief  
19.29 association that amends its bylaws to lower the required minimum retirement age may  
19.30 specify in the bylaws amendment that the lower minimum retirement age applies to members  
19.31 who separated from active service and membership prior to the effective date of the bylaws  
19.32 amendment.

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

20.1 Sec. 9. Minnesota Statutes 2025 Supplement, section 424A.05, subdivision 3, is amended  
20.2 to read:

20.3 Subd. 3. **Authorized disbursements from special fund.** (a) Disbursements from the  
20.4 special fund may not be made for any purpose other than one of the following:

20.5 (1) for the payment or direct rollover under section 356.633 of service pensions to  
20.6 members of the relief association if authorized and paid under law and the bylaws governing  
20.7 the relief association;

20.8 (2) for the purchase of an annuity for the applicable person under section 424A.015,  
20.9 subdivision 3, or to replace a monthly benefit service pension under section 424A.093,  
20.10 subdivision 1;

20.11 (3) for the payment or direct rollover under section 356.633 of temporary or permanent  
20.12 disability benefits to disabled members of the relief association if authorized and paid under  
20.13 law and specified in amount in the bylaws governing the relief association;

20.14 (4) for the payment or direct rollover under section 356.633 of survivor benefits or for  
20.15 the payment of a death benefit to the estate of the deceased active or deferred firefighter, if  
20.16 authorized and paid under law and specified in amount in the bylaws governing the relief  
20.17 association;

20.18 (5) for the payment of the fees, dues and assessments to the Minnesota State Fire  
20.19 Department Association and to the Minnesota State Fire Chiefs Association in order to  
20.20 entitle relief association members to membership in and the benefits of these associations  
20.21 or organizations;

20.22 (6) for the payment of insurance premiums to the state Volunteer Firefighters Benefit  
20.23 Association, or an insurance company licensed by the state of Minnesota offering casualty  
20.24 insurance, in order to entitle relief association members to membership in and the benefits  
20.25 of the association or organization;

20.26 (7) for the payment of administrative expenses of the relief association as authorized  
20.27 under subdivision 3b; and

20.28 (8) for the payment or direct rollover under section 356.633 of a service pension to the  
20.29 former spouse of a member or former member of a relief association, if the former spouse  
20.30 is an alternate payee designated in a qualified domestic relations order under subdivision  
20.31 5.

20.32 (b) Checks or authorizations for electronic fund transfers for disbursements authorized  
20.33 by this section must be signed by the relief association treasurer and at least one other elected

21.1 trustee who has been designated by the board of trustees to sign the checks or authorizations.  
 21.2 A relief association may make disbursements authorized by this subdivision by electronic  
 21.3 fund transfers only if the specific method of payment and internal control policies and  
 21.4 procedures regarding the method are approved by the board of trustees.

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

21.6 Sec. 10. Minnesota Statutes 2024, section 424B.22, subdivision 5, is amended to read:

21.7 Subd. 5. **Determination of assets and liabilities.** (a) The board of trustees ~~shall~~ must  
 21.8 determine the following as of the date of termination of the retirement plan:

21.9 (1) the fair market value of the assets of the special fund;

21.10 (2) ~~the present value of~~ each participant's accrued benefit, taking into account full vesting  
 21.11 under subdivision 3 and any increased lump-sum or monthly benefit level approved under  
 21.12 subdivision 4;

21.13 (3) ~~the present value of~~ any benefit remaining to be paid to ~~each~~ any retiree in pay status;  
 21.14 ~~if any~~ and to any other benefit recipient; and

21.15 (4) administrative expenses incurred or reasonably anticipated to be incurred through  
 21.16 the date on which all retirement benefits have been distributed or transferred or, if later, the  
 21.17 effective date of the dissolution of the relief association.

21.18 (b) The board of trustees ~~shall~~ must compile a schedule that includes the following  
 21.19 information:

21.20 (1) the name of each participant, including each retiree in pay status, to whom a an  
 21.21 accrued benefit or pension is or will be owed;

21.22 (2) the name of each other benefit recipient to whom a benefit ~~or pension~~ is or will be  
 21.23 owed; and

21.24 (3) for each individual described in clauses (1) and (2), the amount of the benefit ~~or~~  
 21.25 ~~pension~~ to which the individual is entitled under the bylaws of the relief association, taking  
 21.26 into account the changes required or permitted by this section; and the corresponding number  
 21.27 of years of service on which the benefit ~~or pension~~ is based, ~~and the earliest date on which~~  
 21.28 ~~the benefit or pension would have been payable under the bylaws of the relief association.~~

21.29 (c) If the relief association is dissolving, in addition to the determination under paragraph  
 21.30 (a) for the retirement plan, the board of trustees ~~shall~~ must determine, as of the effective  
 21.31 date of the dissolution of the relief association, the legal obligations of the general fund of  
 21.32 the relief association.

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

22.2 Sec. 11. Minnesota Statutes 2024, section 424B.22, subdivision 7, is amended to read:

22.3 Subd. 7. **Allocation of surplus.** (a) If the retirement plan is a defined benefit plan and  
22.4 if, after completing the determination of assets, liabilities, and administrative expenses under  
22.5 subdivision 5, ~~there is~~ the retirement plan's assets exceed liabilities and administrative  
22.6 expenses, resulting in a surplus, the board of trustees ~~shall~~ must transfer to the affiliated  
22.7 municipality the lesser of (1) the amount of the surplus, or (2) the sum of all required  
22.8 contributions, without investment earnings or interest thereon, made by the municipality to  
22.9 the relief association during the year in which the termination of the retirement plan occurs  
22.10 or during the preceding nine years.

22.11 (b) If the affiliated municipality did not make any required contributions to the relief  
22.12 association during the current or preceding nine years or if, after the transfer described in  
22.13 paragraph (a), there is surplus remaining, the relief association and the municipality will  
22.14 mutually agree on an allocation between them of the remaining surplus.

22.15 (c) If, within 180 days ~~of~~ after the date of termination of the retirement plan, the  
22.16 municipality and relief association have not reached an agreement on the allocation of the  
22.17 surplus under paragraph (b), then 50 percent of the surplus ~~shall~~ must be retained by the  
22.18 relief association and 50 percent of the surplus ~~shall~~ must be transferred to the affiliated  
22.19 municipality.

22.20 (d) Any surplus retained by the relief association under paragraph (c) ~~shall~~ must be  
22.21 allocated among all participants eligible to share in the surplus under paragraph (e) in the  
22.22 same proportion that the ~~present value of the~~ accrued benefit for each eligible participant  
22.23 bears to the total ~~present value of the~~ accrued benefits of all participants eligible to share  
22.24 in the surplus, and each eligible participant's accrued benefit, as determined under subdivision  
22.25 5, paragraph (a), clause (2), ~~shall~~ must be increased by the participant's share of the surplus.  
22.26 If a participant is receiving or has elected to receive a monthly pension, the participant's  
22.27 accrued benefit for the purpose of allocating surplus is the lump sum present value of the  
22.28 monthly pension benefit to which the participant is entitled to receive.

22.29 (e) The board of trustees ~~shall~~ must determine eligibility to share in the surplus, which  
22.30 may include all participants and any former participants who, within the last three years or  
22.31 such other number of years as determined by the board of trustees, separated from active  
22.32 service and received their retirement benefit. If the board of trustees decides to include  
22.33 former participants in the allocation of the surplus, the board of trustees ~~shall~~ must modify  
22.34 the method for allocating the surplus to take into account the former participants.

23.1 ~~(e)~~ (f) Any amount of surplus transferred to the affiliated municipality under this  
 23.2 subdivision may only be used for the purposes described in section 424A.08, paragraph (a)  
 23.3 or (b).

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

23.5 Sec. 12. Minnesota Statutes 2024, section 424B.22, subdivision 8, is amended to read:

23.6 Subd. 8. **Immediate distribution of retirement benefits and payment of all other**  
 23.7 **obligations.** (a) The board of trustees ~~shall~~ must liquidate the assets of the special fund and  
 23.8 pay retirement benefits and administrative expenses under the retirement plan within 210  
 23.9 days after the effective date of the termination of the retirement plan.

23.10 (b) If the retirement plan is a defined benefit plan that pays lump-sum benefits or a  
 23.11 defined contribution plan, without regard to whether the participant has attained age 50, the  
 23.12 board of trustees must offer each participant and other benefit recipient ~~shall be permitted~~  
 23.13 the option to elect an immediate distribution or a direct rollover of the ~~participant's~~ benefit  
 23.14 to an eligible retirement plan as permitted under section 356.633, subdivisions 1 and 2, if  
 23.15 the benefit is an eligible rollover distribution as defined in section 356.633, subdivision 1,  
 23.16 paragraph (d).

23.17 (c) If the retirement plan is a defined benefit plan that pays monthly pension benefits,  
 23.18 the board of trustees ~~shall~~ must, at the election of the participant or other benefit recipient,  
 23.19 purchase an annuity contract under section 424A.015, subdivision 3, naming the participant  
 23.20 or other benefit recipient, as applicable, as the insured or distribute a lump-sum amount that  
 23.21 is equal to the present value of the monthly pension benefits to which the participant or  
 23.22 other benefit recipient is entitled. If an annuity is elected by the participant or other benefit  
 23.23 recipient, the annuity ~~shall~~ must provide for commencement at a date elected by the insured,  
 23.24 to be paid as an annuity for the life of the insured. The board of trustees must transfer legal  
 23.25 title to the annuity contract ~~shall be transferred~~ to the insured. If the participant or other  
 23.26 benefit recipient elects a lump sum is elected amount, the board of trustees must offer the  
 23.27 participant or other benefit recipient the option under paragraph (b) to take an immediate  
 23.28 distribution or a direct rollover ~~shall apply~~.

23.29 (d) The board of trustees ~~shall~~ must complete the distribution of all assets of the special  
 23.30 fund by making any remaining distributions or transfers as required under subdivision 9 on  
 23.31 behalf of participants or other benefit recipients who cannot be located or are ~~unresponsive~~  
 23.32 nonresponsive and paying any remaining administrative expenses related to the termination  
 23.33 of the plan.

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

24.2 Sec. 13. Minnesota Statutes 2024, section 424B.22, subdivision 9, is amended to read:

24.3 Subd. 9. **Missing or nonresponsive participants.** ~~(a) For purposes of this subdivision,~~  
24.4 ~~the terms defined in this subdivision have the meanings given them.~~

24.5 (b) "Retirement benefit" means:

24.6 (1) the participant's account balance if the retirement plan is a defined contribution plan;

24.7 (2) the participant's lump-sum benefit if the retirement plan is a defined benefit plan that  
24.8 pays a lump sum; or

24.9 (3) an amount equal to the present value of the participant's benefit if the retirement plan  
24.10 is a defined benefit plan that pays a monthly annuity.

24.11 (c) ~~"Individual retirement account" means an account that satisfies the requirements of~~  
24.12 ~~section 408(a) of the Internal Revenue Code which is established by an officer of the relief~~  
24.13 ~~association in the name of the participant or other benefit recipient at a federally insured~~  
24.14 ~~financial institution.~~

24.15 ~~(d)~~ (a) If the board of trustees cannot locate a participant or other benefit recipient, the  
24.16 board of trustees ~~shall~~ must make a diligent effort to obtain a current address or other contact  
24.17 information as follows:

24.18 (1) send a notice to the address on file for the participant or other benefit recipient using  
24.19 certified mail;

24.20 (2) check with the Minnesota State Fire Department Association, the municipality, and  
24.21 any other employer of the participant;

24.22 (3) check with the participant's designated beneficiary on file with the relief association;  
24.23 and

24.24 (4) use one or more of the Internet search tools that are free of charge.

24.25 ~~(e) the board of trustees shall~~ (b) The board of trustees must dispose of the retirement  
24.26 benefit of a participant or other benefit recipient under clause (1) or (2) if the board of  
24.27 trustees is unable to locate the participant or other benefit recipient after taking the actions  
24.28 described in paragraph (a) or the participant or other benefit recipient does not make an  
24.29 election of a distribution or direct rollover under subdivision 8, paragraph (b), or an annuity  
24.30 or lump sum distribution or direct rollover under subdivision 8, paragraph (c). The board  
24.31 of trustees must:

25.1 (1) transfer the retirement benefit to an individual retirement account that satisfies the  
25.2 requirements of section 408(a) of the Internal Revenue Code and is established by an officer  
25.3 of the relief association in the name of the participant or other benefit recipient at a federally  
25.4 insured financial institution; or

25.5 (2) consider the retirement benefit abandoned and deposit funds in the amount of the  
25.6 retirement benefit with the commissioner of commerce under chapter 345, notwithstanding  
25.7 any laws to the contrary, including section 345.381, if the board of trustees is unable to  
25.8 locate the participant or other benefit recipient after taking the actions described in paragraph  
25.9 (d) or the participant or other benefit recipient does not elect to receive or rollover a  
25.10 retirement benefit to which the participant or other benefit recipient is entitled.

25.11 (c) For the purpose of this subdivision, a retirement benefit that is a monthly pension or  
25.12 annuity may be disposed of under paragraph (b) by converting the monthly pension or  
25.13 annuity to a lump sum that is equal to the present value of the monthly pension or annuity  
25.14 to which the participant or other benefit recipient is entitled.

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

25.16 **Sec. 14. TRANSFER OF MAPLE PLAIN FIRE DEPARTMENT RECORDS,**  
25.17 **ASSETS, AND LIABILITIES FROM THE STATEWIDE VOLUNTEER**  
25.18 **FIREFIGHTER PLAN.**

25.19 (a) No later than 60 days after the effective date, the executive director of the Public  
25.20 Employees Retirement Plan must transfer the records, assets, and liabilities of the Maple  
25.21 Plain fire department to the Maple Plain Fire Relief Association.

25.22 (b) Minnesota Statutes, section 353G.17, applies to the transfer under paragraph (a)  
25.23 except as modified by clauses (1) to (9) of this paragraph.

25.24 (1) Subdivision 1, paragraph (b), clause (3), does not apply.

25.25 (2) Subdivision 1, paragraphs (c) and (d), do not apply.

25.26 (3) Subdivision 2, paragraph (a), clause (2), does not apply.

25.27 (4) Subdivision 2, paragraphs (b) and (c), do not apply.

25.28 (5) Subdivision 3, paragraph (a), is revised to require that the vote be conducted by the  
25.29 board of trustees of the Maple Plain Fire Relief Association, rather than the executive director  
25.30 of the Public Employees Retirement Association, and that the vote by members of the Maple  
25.31 Plain Fire Relief Association must occur no earlier than four months before the effective  
25.32 date and no later than 30 days after the effective date.

26.1 (6) Subdivision 3, paragraphs (c) to (e), do not apply.

26.2 (7) Subdivision 4, paragraph (a), is revised to require the Statewide Volunteer Firefighter  
26.3 Plan to make the transfer described in paragraph (a) upon completion of the actions required  
26.4 under Minnesota Statutes, section 353G.17, subdivisions 1 to 3, as revised by this section,  
26.5 and to replace "as of the effective date identified in the notice under subdivision 1," with  
26.6 "no later than 60 days after the effective date".

26.7 (8) Subdivision 5, paragraph (d), is revised to add at the end of paragraph (d): "For the  
26.8 purpose of this section, the "value" of a firefighter's benefit means the amount determined  
26.9 by multiplying the firefighter's years of service by the benefit level applicable to the  
26.10 firefighter as determined under Minnesota Statutes, section 424B.22."

26.11 (9) Subdivision 6 is revised to delete the phrase "or the requirements of subdivision 2,  
26.12 paragraph (b), are not met."

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

26.14 **Sec. 15. PENSION PAYMENTS AND PLAN TERMINATION.**

26.15 Upon completion of the transfer of records, assets, and liabilities under section 1 to the  
26.16 Maple Plain Fire Relief Association, the Maple Plain Fire Relief Association must make  
26.17 pension benefit payments in accordance with Minnesota Statutes, section 424B.22, as  
26.18 amended and in effect on the date payments are made, and subsequently terminate and  
26.19 dissolve the relief association in accordance with Minnesota law.

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

26.21 **Sec. 16. PAYMENT OF SUPPLEMENTAL BENEFITS.**

26.22 (a) The city of Maple Plain is authorized, but not required, to pay supplemental benefits  
26.23 due under Minnesota Statutes, section 424A.10, to each qualified recipient or survivor, as  
26.24 defined in section 424A.10, of the Maple Plain Fire Relief Association. If the city of Maple  
26.25 Plain pays supplemental benefits, the city is eligible for reimbursement from the  
26.26 commissioner of revenue under Minnesota Statutes, section 424A.10, for the amount of  
26.27 supplemental benefits paid.

26.28 (b) If the city of Maple Plain pays supplemental benefits due under Minnesota Statutes,  
26.29 section 424A.10, as authorized by paragraph (a), the Maple Plain Fire Relief Association  
26.30 is deemed to have satisfied the requirement under Minnesota Statutes, section 424A.10 to  
26.31 pay supplemental benefits.

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

27.2 Sec. 17. **REPEALER.**

27.3 Minnesota Statutes 2024, section 424A.01, subdivision 6, is repealed.

27.4 **EFFECTIVE DATE.** This section is effective January 1, 2027.

27.5 **ARTICLE 5**

27.6 **ALL PUBLIC PENSION PLANS**

27.7 Section 1. Minnesota Statutes 2024, section 43A.346, subdivision 8, is amended to read:

27.8 Subd. 8. ~~**No Service credit; contributions.**~~ (a) Notwithstanding any law to the contrary,  
 27.9 a person may not earn service credit in the Minnesota State Retirement System or the Public  
 27.10 Employees Retirement Association for employment covered under this section, and employer  
 27.11 contributions and payroll deductions for the retirement fund must not be made based on  
 27.12 earnings of a person working under this section.

27.13 (b) A person employed in a postretirement option position must not be required to make  
 27.14 payroll deduction contributions to the Minnesota State Retirement System or the Public  
 27.15 Employees Retirement Association during the period of postretirement option employment.

27.16 (c) The employer of a person in a postretirement option position who would otherwise  
 27.17 be covered by the general state employees retirement plan of the Minnesota State Retirement  
 27.18 System must make employer contributions to the general state employees retirement fund  
 27.19 as specified in section 352.04, subdivision 3, during the period of postretirement option  
 27.20 employment. The employer of the person in a postretirement option position who would  
 27.21 otherwise be covered by the general employees retirement plan of the Public Employees  
 27.22 Retirement Association must make employer and additional employer contributions to the  
 27.23 general employees retirement fund as specified in section 353.27, subdivisions 3 and 3a,  
 27.24 during the period of postretirement option employment.

27.25 (d) No change shall may be made to a monthly annuity or retirement allowance based  
 27.26 on employment under this section.

27.27 **EFFECTIVE DATE.** This section is effective on the first day of the payroll period  
 27.28 beginning on or after January 1, 2027.

28.1 Sec. 2. Minnesota Statutes 2024, section 43A.346, subdivision 10, is amended to read:

28.2 Subd. 10. **Subsequent employment.** If a person has been in a postretirement option  
28.3 position and accepts any other position in state or Metropolitan Council-paid service, in the  
28.4 subsequent state or Metropolitan Council-paid employment the person may not earn service  
28.5 credit in the Minnesota State Retirement System or Public Employees Retirement  
28.6 Association, no ~~employer contributions or payroll deductions for the retirement fund shall~~  
28.7 may be made, and the provisions of section 352.115, subdivision 10, or section 353.37,  
28.8 ~~shall~~ apply.

28.9 **EFFECTIVE DATE.** This section is effective on the first day of the payroll period  
28.10 beginning on or after January 1, 2027.

28.11 Sec. 3. Minnesota Statutes 2024, section 352.01, subdivision 13, is amended to read:

28.12 Subd. 13. **Salary.** (a) Subject to the limitations of section 356.611, "salary" means wages,  
28.13 or other periodic compensation, paid to an employee before deductions for deferred  
28.14 compensation, supplemental retirement plans, or other voluntary salary reduction programs.

28.15 (b) "Salary" does not include:

28.16 (1) lump-sum sick leave payments;

28.17 (2) severance payments;

28.18 (3) lump-sum annual leave payments and overtime payments made at the time of  
28.19 separation from state service;

28.20 (4) payments in lieu of any employer-paid group insurance coverage, including the  
28.21 difference between single and family rates that may be paid to an employee with single  
28.22 coverage;

28.23 (5) payments made as an employer-paid fringe benefit;

28.24 (6) workers' compensation payments;

28.25 (7) employer contributions to a deferred compensation or tax-sheltered annuity program;  
28.26 ~~and~~

28.27 (8) amounts contributed under a benevolent vacation and sick leave donation program;  
28.28 and

28.29 (9) payments from the family and medical benefit insurance account for Minnesota paid  
28.30 leave under chapter 268B.

29.1 (c) Amounts paid to an employee by the employer through a grievance proceeding or a  
29.2 legal settlement are salary only if the grievance or settlement agreement is received by the  
29.3 executive director no fewer than 14 days before payment is made and the executive director  
29.4 determines that:

29.5 (1) the grievance or settlement agreement describes with sufficient specificity the period  
29.6 or periods of time worked or not worked by the employee for which the amounts are  
29.7 compensation; and

29.8 (2) the amounts are salary as defined in paragraph (a) and the determination is consistent  
29.9 with prior determinations.

29.10 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2026.

29.11 Sec. 4. Minnesota Statutes 2024, section 352.115, subdivision 10, is amended to read:

29.12 Subd. 10. **Reemployment of annuitant.** (a) Except for salary or wages received as a  
29.13 temporary employee of the legislature during a legislative session, if any retired employee  
29.14 again becomes entitled to receive salary or wages from any employer who employs state  
29.15 employees as that term is defined in section 352.01, subdivision 2, in a position covered by  
29.16 this chapter, the annuity or retirement allowance must cease the first of the month following  
29.17 the month that the retired employee has earned an amount equal to the annual maximum  
29.18 earnings allowable for that age for the continued receipt of full benefit amounts monthly  
29.19 under the federal old age, survivors, and disability insurance program as set by the secretary  
29.20 of health and human services under United States Code, title 42, section 403, in any calendar  
29.21 year. If the retired employee has not yet reached the minimum age for the receipt of Social  
29.22 Security benefits, the maximum earnings for the retired employee are equal to the annual  
29.23 maximum earnings allowable for the minimum age for the receipt of Social Security benefits.

29.24 (b) The balance of the annual retirement annuity after cessation must be handled or  
29.25 disposed of as provided in section 356.47.

29.26 (c) The annuity must be resumed the first of the month following the month that state  
29.27 service ends, or, if the retired employee is still employed at the beginning of the next calendar  
29.28 year, at the beginning of that calendar year, and payment must again end when the retired  
29.29 employee has earned the applicable reemployment earnings maximum specified in this  
29.30 subdivision. If the retired employee is granted a sick leave without pay, but not otherwise,  
29.31 the annuity or retirement allowance must be resumed during the period of sick leave.

29.32 (d) No payroll deductions for the retirement fund may be made from the earnings of a  
29.33 reemployed retired employee.

30.1 (e) No change may be made in the monthly amount of an annuity or retirement allowance  
30.2 because of the reemployment of an annuitant.

30.3 (f) If a reemployed annuitant whose annuity is suspended under paragraph (a) is having  
30.4 insurance premium amounts withheld under section 356.87, subdivision 2, insurance premium  
30.5 amounts must continue to be withheld and transferred from the suspended portion of the  
30.6 annuity. The balance of the annual retirement annuity after cessation, after deduction of the  
30.7 insurance premium amounts, must be treated as specified in paragraph (b).

30.8 (g) If a reemployed annuitant whose annuity is suspended under paragraph (a) has a  
30.9 former spouse receiving a portion of the annuity allowable under section 518.58, subdivision  
30.10 1, the portion payable to the former spouse must continue to be paid.

30.11 (h) During the period of reemployment, the employer of a reemployed annuitant must  
30.12 make employer contributions. If the reemployed annuitant is working in a position that  
30.13 would otherwise be covered by the general state employees retirement plan, the employer  
30.14 must make employer contributions as specified in section 352.04, subdivision 3. If the  
30.15 reemployed annuitant is working in a position that would otherwise be covered by the  
30.16 correctional state employees retirement plan, the employer must make employer and  
30.17 supplemental contributions as specified in section 352.92, subdivisions 2 and 2a.

30.18 **EFFECTIVE DATE.** This section is effective on the first day of the payroll period  
30.19 beginning on or after January 1, 2027.

30.20 Sec. 5. Minnesota Statutes 2024, section 352.1155, subdivision 3, is amended to read:

30.21 Subd. 3. **Service credit prohibition; contributions.** (a) Notwithstanding any law to the  
30.22 contrary, a person eligible under this section may not, based on employment to which the  
30.23 waiver in this section applies, earn further service credit in a Minnesota public defined  
30.24 benefit plan and is not eligible to participate in a Minnesota public defined contribution  
30.25 plan, other than a firefighter relief association governed by chapter 424A or the statewide  
30.26 volunteer firefighter plan governed by chapter 353G. ~~No employer or employee contribution~~  
30.27 ~~to any of these plans may be made on behalf of such a person.~~

30.28 (b) A person eligible under this section must not be required to make employee  
30.29 contributions as specified in section 352.04, subdivision 2, during the period of  
30.30 reemployment.

30.31 (c) The employer of a person eligible under this section must make employer contributions  
30.32 as specified in section 352.04, subdivision 3, during the period of the person's reemployment.

31.1 **EFFECTIVE DATE.** This section is effective on the first day of the payroll period  
31.2 beginning on or after January 1, 2027.

31.3 Sec. 6. Minnesota Statutes 2024, section 353.01, subdivision 10, is amended to read:

31.4 Subd. 10. **Salary.** (a) Subject to the limitations of section 356.611, "salary" means:

31.5 (1) the wages or periodic compensation payable to a public employee by the employing  
31.6 governmental subdivision before:

31.7 (i) employee retirement deductions that are designated as picked-up contributions under  
31.8 section 356.62;

31.9 (ii) any employee-elected deductions for deferred compensation, supplemental retirement  
31.10 plans, or other voluntary salary reduction programs that would have otherwise been available  
31.11 as a cash payment to the employee; and

31.12 (iii) employee deductions for contributions to a supplemental plan or to a governmental  
31.13 trust established under section 356.24, subdivision 1, clause (7), to save for postretirement  
31.14 health care expenses, unless otherwise excluded under paragraph (b);

31.15 (2) for a public employee who is covered by a supplemental retirement plan under section  
31.16 356.24, subdivision 1, clause (8), (9), (10), or (12), the employer contributions to the  
31.17 applicable supplemental retirement plan when an agreement between the parties establishes  
31.18 that the contributions will either result in a mandatory reduction of employees' wages through  
31.19 payroll withholdings, or be made in lieu of an amount that would otherwise be paid as  
31.20 wages;

31.21 (3) a payment from a public employer through a grievance proceeding, settlement, or  
31.22 court order that is attached to a specific earnings period in which the employee's regular  
31.23 salary was not earned or paid to the member due to a suspension or a period of involuntary  
31.24 termination that is not a wrongful discharge under section 356.50; provided the amount is  
31.25 not less than the equivalent of the average of the hourly base salary rate in effect during the  
31.26 last six months of allowable service prior to the suspension or period of involuntary  
31.27 termination, plus any applicable increases awarded during the period that would have been  
31.28 paid under a collective bargaining agreement or personnel policy but for the suspension or  
31.29 involuntary termination, multiplied by the average number of regular hours for which the  
31.30 employee was compensated during the six months of allowable service prior to the suspension  
31.31 or period of involuntary termination, but not to exceed the compensation that the public  
31.32 employee would have earned if regularly employed during the applicable period;

32.1 (4) compensation paid during an authorized leave of absence, ~~other than an authorized~~  
 32.2 ~~medical leave of absence, as long as the compensation paid during a pay period is not less~~  
 32.3 ~~than the lesser of; and~~

32.4 ~~(i) the product of the average hourly base salary rate in effect during the six months of~~  
 32.5 ~~allowable service immediately preceding the leave, multiplied by the average number of~~  
 32.6 ~~regular hours for which the employee was compensated each pay period during the six~~  
 32.7 ~~months of allowable service immediately preceding the leave of absence; or~~

32.8 ~~(ii) compensation equal to the value of the employee's total available accrued leave~~  
 32.9 ~~hours;~~

32.10 ~~(5) compensation paid during an authorized medical leave of absence, other than a~~  
 32.11 ~~workers' compensation leave, as long as the compensation paid during a pay period is not~~  
 32.12 ~~less than the lesser of:~~

32.13 ~~(i) the product of one-half and the average hourly base salary rate in effect during the~~  
 32.14 ~~six months of allowable service immediately preceding the leave of absence; or~~

32.15 ~~(ii) compensation equal to the value of the employee's total available accrued leave~~  
 32.16 ~~hours; and~~

32.17 ~~(6)~~ (5) for a public employee who receives performance or merit bonus payment under  
 32.18 a written compensation plan, policy, or collective bargaining agreement in addition to regular  
 32.19 salary or in lieu of regular salary increases, the compensation paid to the employee for  
 32.20 attaining or exceeding performance goals, duties, or measures during a specified period of  
 32.21 employment.

32.22 (b) Salary does not mean:

32.23 (1) fees paid to district court reporters;

32.24 (2) unused annual leave, vacation, or sick leave payments, in the form of lump-sum or  
 32.25 periodic payments;

32.26 (3) for the donor, payment to another person of the value of hours donated under a  
 32.27 benevolent vacation, personal, or sick leave donation program;

32.28 (4) any form of severance or retirement incentive payments;

32.29 (5) an allowance payment or per diem payments for or reimbursement of expenses;

32.30 (6) lump-sum settlements not attached to a specific earnings period;

33.1 (7) workers' compensation payments, payments from the family and medical benefit  
33.2 insurance account for Minnesota paid leave under chapter 268B, or disability insurance  
33.3 payments, including payments from employer self-insurance arrangements;

33.4 (8) employer-paid amounts used by an employee toward the cost of insurance coverage,  
33.5 flexible spending accounts, cafeteria plans, health care expense accounts, day care expenses,  
33.6 or any payments in lieu of any employer-paid group insurance coverage, including the  
33.7 difference between single and family rates that may be paid to a member with single coverage  
33.8 and certain amounts determined by the executive director to be ineligible;

33.9 (9) employer-paid fringe benefits, including, but not limited to:

33.10 (i) employer-paid premiums or supplemental contributions for employees for all types  
33.11 of insurance;

33.12 (ii) membership dues or fees for the use of fitness or recreational facilities;

33.13 (iii) incentive payments or cash awards relating to a wellness program;

33.14 (iv) the value of any nonmonetary benefits;

33.15 (v) any form of payment made in lieu of an employer-paid fringe benefit;

33.16 (vi) an employer-paid amount made to a deferred compensation or tax-sheltered annuity  
33.17 program; and

33.18 (vii) any amount paid by the employer as a supplement to salary, either as a lump-sum  
33.19 amount or a fixed or matching amount paid on a recurring basis, that is not available to the  
33.20 employee as cash;

33.21 (10) the amount equal to that which the employing governmental subdivision would  
33.22 otherwise pay toward single or family insurance coverage for a covered employee when,  
33.23 through a contract or agreement with some but not all employees, the employer:

33.24 (i) discontinues, or for new hires does not provide, payment toward the cost of the  
33.25 employee's selected insurance coverages under a group plan offered by the employer;

33.26 (ii) makes the employee solely responsible for all contributions toward the cost of the  
33.27 employee's selected insurance coverages under a group plan offered by the employer,  
33.28 including any amount the employer makes toward other employees' selected insurance  
33.29 coverages under a group plan offered by the employer; and

33.30 (iii) provides increased salary rates for employees who do not have any employer-paid  
33.31 group insurance coverages;

34.1 (11) except as provided in section ~~353.86~~ or 353.87, compensation of any kind paid to  
 34.2 volunteer ambulance service personnel or volunteer firefighters, as defined in subdivision  
 34.3 35 or 36;

34.4 (12) the amount of compensation that exceeds the limitation provided in section 356.611;

34.5 (13) amounts paid by a federal or state grant for which the grant specifically prohibits  
 34.6 grant proceeds from being used to make pension plan contributions, unless the contributions  
 34.7 to the plan are made from sources other than the federal or state grant; and

34.8 (14) bonus pay that is not performance or merit pay under paragraph (a), clause ~~(6)~~ (5).

34.9 (c) Amounts, other than those provided under paragraph (a), clause (3), provided to an  
 34.10 employee by the employer through a grievance proceeding, a court order, or a legal settlement  
 34.11 are salary only if the settlement or court order is reviewed by the executive director and the  
 34.12 amounts are determined by the executive director to be consistent with paragraph (a) and  
 34.13 prior determinations.

34.14 **EFFECTIVE DATE.** The amendments to paragraph (a), clauses (4) and (5), and  
 34.15 paragraph (b), clause (11), are effective July 1, 2026. The amendment to paragraph (b),  
 34.16 clause (7), is effective retroactively from January 1, 2026.

34.17 Sec. 7. Minnesota Statutes 2024, section 353.37, subdivision 5, is amended to read:

34.18 Subd. 5. **Effect on annuity; contributions.** (a) Except as provided under this section,  
 34.19 public service performed by an annuitant described in subdivision 1, paragraph (a),  
 34.20 subsequent to retirement from the general employees retirement plan, the public employees  
 34.21 police and fire retirement plan, or the local government correctional employees retirement  
 34.22 plan does not increase or decrease the amount of an annuity.

34.23 (b) The annuitant ~~shall~~ must not make any further contributions to a defined benefit plan  
 34.24 administered by the association by reason of this subsequent public service.

34.25 (c) During the period of reemployment, the employer of a reemployed annuitant must  
 34.26 make employer contributions. If the reemployed annuitant is working in a position that  
 34.27 would otherwise be covered by the general employees retirement plan, the employer must  
 34.28 make employer and additional employer contributions as specified in section 353.27,  
 34.29 subdivisions 3 and 3a. If the reemployed annuitant is working in a position that would  
 34.30 otherwise be covered by the public employees police and fire retirement plan, the employer  
 34.31 must make employer contributions as specified in section 353.65, subdivision 3. If the  
 34.32 reemployed annuitant is working in a position that would otherwise be covered by the local

35.1 government correctional service retirement plan, the employer must make employer  
35.2 contributions as specified in section 353E.03, subdivision 2.

35.3 **EFFECTIVE DATE.** This section is effective January 1, 2027.

35.4 Sec. 8. Minnesota Statutes 2024, section 353.371, subdivision 6, is amended to read:

35.5 Subd. 6. ~~No Service credit; contributions.~~ (a) Notwithstanding any law to the contrary,  
35.6 a person may not earn allowable service in the general employees retirement plan of the  
35.7 Public Employees Retirement Association for employment covered under this section, ~~and~~  
35.8 ~~employer contributions and.~~

35.9 (b) Payroll deductions for the retirement fund must not be made based on earnings of a  
35.10 person working under an agreement covered by this section.

35.11 (c) The employer of a person working under an agreement covered by this section must  
35.12 make employer and additional employer contributions to the fund as specified in section  
35.13 353.27, subdivisions 3 and 3a, during the term of employment under the phased retirement  
35.14 agreement or renewed phased retirement agreement.

35.15 (d) No change may be made to a monthly annuity or retirement allowance based on  
35.16 employment under this section.

35.17 ~~(b)~~ (e) The governmental subdivision ~~shall~~ must report to the executive director the  
35.18 salary earned by an employee in a phased retirement position. The report must include the  
35.19 number of compensated hours the employee worked and must be made on a pay period  
35.20 basis in a manner prescribed by the executive director. Reports must be submitted no later  
35.21 than 14 calendar days following the last day of each pay period.

35.22 **EFFECTIVE DATE.** This section is effective January 1, 2027.

35.23 Sec. 9. Minnesota Statutes 2024, section 353.371, subdivision 7, is amended to read:

35.24 Subd. 7. **Termination and subsequent employment.** (a) Upon termination of  
35.25 employment under a phased retirement agreement, the governmental subdivision and  
35.26 employee must inform the executive director, in a manner prescribed by the executive  
35.27 director, of the effective date of the employee's termination of public service. The termination  
35.28 from public service must meet the termination and length of separation requirements under  
35.29 section 353.01, subdivisions 11a and 28.

35.30 (b) If a person previously employed under a phased retirement agreement subsequently  
35.31 accepts employment with any other governmental subdivision, the person may not earn

36.1 allowable service in the general employees retirement plan of the Public Employees  
36.2 Retirement Association, no ~~employer contributions or~~ payroll deductions for the retirement  
36.3 fund may be made, and the provisions of section 353.37 apply to the subsequent employment.

36.4 **EFFECTIVE DATE.** This section is effective January 1, 2027.

36.5 Sec. 10. Minnesota Statutes 2024, section 354.05, subdivision 35, is amended to read:

36.6 Subd. 35. **Salary.** (a) Subject to the limitations of section 356.611, "salary" means the  
36.7 periodic compensation, upon which member contributions are required before deductions  
36.8 for deferred compensation, supplemental retirement plans, or other voluntary salary reduction  
36.9 programs.

36.10 (b) "Salary" does not mean:

36.11 (1) lump-sum annual leave payments;

36.12 (2) lump-sum wellness and sick leave payments;

36.13 (3) employer-paid amounts used by an employee toward the cost of insurance coverage,  
36.14 employer-paid fringe benefits, flexible spending accounts, cafeteria plans, health care  
36.15 expense accounts, day care expenses, or any payments in lieu of any employer-paid group  
36.16 insurance coverage, including the difference between single and family rates that may be  
36.17 paid to a member with single coverage and certain amounts determined by the executive  
36.18 director to be ineligible;

36.19 (4) any form of payment made in lieu of any other employer-paid fringe benefit or  
36.20 expense;

36.21 (5) any form of severance payments;

36.22 (6) workers' compensation payments;

36.23 (7) disability insurance payments, including self-insured disability payments;

36.24 (8) payments to school principals and all other administrators for services that are in  
36.25 addition to the normal work year contract if these additional services are performed on an  
36.26 extended duty day, Saturday, Sunday, holiday, annual leave day, sick leave day, or any  
36.27 other nonduty day;

36.28 (9) payments under section 356.24, subdivision 1, clause (4); ~~and~~

36.29 (10) payments made under section 122A.40, subdivision 12, except for payments for  
36.30 sick leave that are accumulated under the provisions of a uniform school district policy that  
36.31 applies equally to all similarly situated persons in the district; and

37.1 (11) payments from the family and medical benefit insurance account for Minnesota  
37.2 paid leave under chapter 268B.

37.3 (c) Amounts provided to an employee by the employer through a grievance proceeding  
37.4 or a legal settlement are salary only if the settlement is reviewed by the executive director  
37.5 and the amounts are determined by the executive director to be consistent with paragraph  
37.6 (a) and prior determinations.

37.7 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2026.

37.8 Sec. 11. Minnesota Statutes 2024, section 354.44, subdivision 5, is amended to read:

37.9 Subd. 5. **Resumption of teaching service after retirement.** (a) Any person who retired  
37.10 under the provisions of this chapter and has thereafter resumed teaching in any employer  
37.11 unit to which this chapter applies is eligible to continue to receive payments in accordance  
37.12 with the annuity except that all or a portion of the annuity payments must be deferred during  
37.13 the calendar year immediately following the fiscal year in which the person's salary from  
37.14 the teaching service is in an amount greater than \$46,000. The amount of the annuity deferral  
37.15 is one-half of the salary amount in excess of \$46,000 and must be deducted from the annuity  
37.16 payable for the calendar year immediately following the fiscal year in which the excess  
37.17 amount was earned.

37.18 (b) If the person is retired for only a fractional part of the fiscal year during the initial  
37.19 year of retirement, the maximum reemployment salary exempt from triggering a deferral  
37.20 as specified in this subdivision must be prorated for that fiscal year.

37.21 (c) After a person has reached the Social Security normal retirement age, no deferral  
37.22 requirement is applicable regardless of the amount of salary.

37.23 (d) The amount of the retirement annuity deferral must be handled or disposed of as  
37.24 provided in section 356.47.

37.25 (e) For ~~the purpose~~ purposes of this subdivision, salary from teaching service includes  
37.26 all salary or income earned as a teacher as defined in section 354.05, subdivision 2, paragraph  
37.27 (a), clause (1). Salary from teaching service also includes, but is not limited to:

37.28 (1) all income for services performed as a consultant, independent contractor, or  
37.29 third-party supplier, or as an employee of a consultant, independent contractor, or third-party  
37.30 supplier, to an employer unit covered by the provisions of this chapter; and

37.31 (2) the greater of either the income received or an amount based on the rate paid with  
37.32 respect to an administrative position, consultant, independent contractor, or third-party

38.1 supplier, or as an employee of a consultant, independent contractor, or third-party supplier,  
 38.2 in an employer unit with approximately the same number of pupils and at the same level as  
 38.3 the position occupied by the person who resumes teaching service.

38.4 (f) Notwithstanding other paragraphs of this subdivision, if the reemployed annuitant  
 38.5 has a former spouse receiving a portion of the annuity under section 518.58, subdivision 1,  
 38.6 the portion payable to the former spouse must not be deferred.

38.7 (g) During the period of reemployment, the employer of a reemployed annuitant must  
 38.8 make regular and, if applicable, additional employer contributions as specified in section  
 38.9 354.42, subdivision 3.

38.10 **EFFECTIVE DATE.** This section is effective on the first day of the payroll period  
 38.11 beginning on or after July 1, 2026.

38.12 Sec. 12. Minnesota Statutes 2024, section 354.444, subdivision 5, is amended to read:

38.13 Subd. 5. ~~No Service credit or contribution;~~ contributions. Notwithstanding any law  
 38.14 to the contrary;

38.15 (1) an eligible person under this section may not, based on employment to which this  
 38.16 section applies, contribute to or earn further service credit in the ~~Teachers Retirement~~  
 38.17 ~~association;~~ and

38.18 (2) the employer of an eligible person under this section must make regular and, if  
 38.19 applicable, additional employer contributions as specified in section 354.42, subdivision 3,  
 38.20 during the period of employment to which this section applies.

38.21 **EFFECTIVE DATE.** This section is effective on the first day of the payroll period  
 38.22 beginning on or after July 1, 2026.

38.23 Sec. 13. Minnesota Statutes 2024, section 354.445, is amended to read:

38.24 **354.445 NO ANNUITY REDUCTION.**

38.25 (a) The annuity reduction provisions of section 354.44, subdivision 5, do not apply to a  
 38.26 person who:

38.27 (1) retires from the Minnesota State Colleges and Universities system with at least ten  
 38.28 years of combined service credit in a system under the jurisdiction of the Board of Trustees  
 38.29 of the Minnesota State Colleges and Universities;

38.30 (2) was employed on a full-time basis immediately preceding retirement as a faculty  
 38.31 member or as an unclassified administrator in that system;

39.1 (3) was not a recipient of an early retirement incentive under section 136F.481;

39.2 (4) begins drawing an annuity from the Teachers Retirement Association; and

39.3 (5) returns to work on not less than a one-third time basis and not more than a two-thirds  
39.4 time basis in the system from which the person retired under an agreement in which the  
39.5 person may not earn a salary of more than \$62,000 in a fiscal year through employment  
39.6 after retirement in the system from which the person retired.

39.7 (b) Initial participation, the amount of time worked, and the duration of participation  
39.8 under this section must be mutually agreed upon by the president of the institution where  
39.9 the person returns to work and the employee. The president may require up to one-year  
39.10 notice of intent to participate in the program as a condition of participation under this section.  
39.11 The president shall determine the time of year the employee shall work. The employer or  
39.12 the president may not require a person to waive any rights under a collective bargaining  
39.13 agreement as a condition of participation under this section.

39.14 (c) Notwithstanding any law to the contrary, a person eligible under paragraphs (a) and  
39.15 (b) may not, based on employment to which the waiver in this section applies, earn further  
39.16 service credit in a Minnesota public defined benefit plan and is not eligible to participate  
39.17 in a Minnesota public defined contribution plan, other than a ~~volunteer fire~~ firefighter relief  
39.18 association plan governed by chapter 424A or the statewide volunteer firefighter plan  
39.19 governed by chapter 353G. ~~No employer or employee contribution to any of these plans~~  
39.20 ~~may be made on behalf of such a person.~~

39.21 (d) A person eligible under paragraphs (a) and (b) must not be required to make employee  
39.22 contributions as specified in section 354.42, subdivision 2, during the period of  
39.23 reemployment.

39.24 (e) The employer of a person eligible under paragraphs (a) and (b) must make employer  
39.25 contributions as specified in section 354.42, subdivision 3, during the period of the person's  
39.26 reemployment.

39.27 ~~(d)~~ (f) For a person eligible under paragraphs (a) and (b) who earns more than \$62,000  
39.28 in a fiscal year through employment after retirement due to employment by the Minnesota  
39.29 State Colleges and Universities system, the annuity reduction provisions of section 354.44,  
39.30 subdivision 5, apply only to income over \$62,000.

39.31 ~~(e)~~ (g) A person who returns to work under this section is a member of the appropriate  
39.32 bargaining unit and is covered by the appropriate collective bargaining contract. Except as

40.1 provided in this section, the person's coverage is subject to any part of the contract limiting  
40.2 rights of part-time employees.

40.3 **EFFECTIVE DATE.** This section is effective on the first day of the payroll period  
40.4 beginning on or after July 1, 2026.

40.5 Sec. 14. Minnesota Statutes 2024, section 354A.011, subdivision 24, is amended to read:

40.6 Subd. 24. **Salary; covered salary.** (a) Subject to the limitations of section 356.611,  
40.7 "salary" or "covered salary" means the entire compensation, upon which member  
40.8 contributions are required and made, that is paid to a teacher before deductions for deferred  
40.9 compensation, supplemental retirement plans, or other voluntary salary reduction programs.

40.10 (b) "Salary" does not mean:

40.11 (1) lump-sum annual leave payments;

40.12 (2) lump-sum wellness and sick leave payments;

40.13 (3) employer-paid amounts used by an employee toward the cost of insurance coverage,  
40.14 employer-paid fringe benefits, flexible spending accounts, cafeteria plans, health care  
40.15 expense accounts, day care expenses, or any payments in lieu of any employer-paid group  
40.16 insurance coverage, including the difference between single and family rates that may be  
40.17 paid to a member with single coverage, and certain amounts determined by the executive  
40.18 secretary or director to be ineligible;

40.19 (4) any form of payment that is made in lieu of any other employer-paid fringe benefit  
40.20 or expense;

40.21 (5) any form of severance payments;

40.22 (6) workers' compensation payments;

40.23 (7) disability insurance payments, including self-insured disability payments;

40.24 (8) payments to school principals and all other administrators for services that are in  
40.25 addition to the normal work year contract if these additional services are performed on an  
40.26 extended duty day, Saturday, Sunday, holiday, annual leave day, sick leave day, or any  
40.27 other nonduty day;

40.28 (9) payments under section 356.24, subdivision 1, clause (4)(ii); ~~and~~

40.29 (10) payments made under section 122A.40, subdivision 12, except for payments for  
40.30 sick leave that are accumulated under the provisions of a uniform school district policy that  
40.31 applies equally to all similarly situated persons in the district; and

41.1 (11) payments from the family and medical benefit insurance account for Minnesota  
 41.2 paid leave under chapter 268B.

41.3 (c) Amounts provided to an employee by the employer through a grievance proceeding  
 41.4 or a legal settlement are salary only if the settlement is reviewed by the executive director  
 41.5 and the amounts are determined by the executive director to be consistent with paragraph  
 41.6 (a) and prior determinations.

41.7 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2026.

41.8 Sec. 15. Minnesota Statutes 2024, section 354A.095, is amended to read:

41.9 **354A.095 PARENTAL AND MATERNITY LEAVE.**

41.10 Basic or coordinated members of the St. Paul Teachers Retirement Fund Association  
 41.11 who are ~~granted~~ on an authorized parental or maternity leave of absence ~~by the employing~~  
 41.12 ~~authority~~, are entitled to obtain service credit not to exceed one year for the period of leave  
 41.13 upon payment to the fund by the end of the fiscal year following the fiscal year in which  
 41.14 the leave of absence terminated. The amount of the payment must include the total required  
 41.15 employee and employer contributions for the period of leave prescribed in section 354A.12.  
 41.16 Payment must be based on the member's average monthly salary rate upon return to teaching  
 41.17 service, and is payable without interest. Payment must be accompanied by a certified or  
 41.18 otherwise adequate copy of the resolution or action of the employing authority granting or  
 41.19 approving the leave.

41.20 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2026.

41.21 Sec. 16. Minnesota Statutes 2024, section 356.461, subdivision 1, is amended to read:

41.22 Subdivision 1. **Joint and survivor annuity computation.** (a) Notwithstanding any  
 41.23 provision of section 356.215, subdivision 8, or 356.415 to the contrary, for purposes of  
 41.24 computing joint and survivor annuities under each covered retirement plan in subdivision  
 41.25 2, the applicable investment return assumption is 6.5 percent unless a different percentage  
 41.26 has been approved or deemed approved under paragraph (b) for the covered retirement plan.

41.27 (b) A change in the investment return assumption for computing joint and survivor  
 41.28 annuities may be proposed by the governing board of a covered retirement plan. The  
 41.29 assumption may be changed only with the approval of the Legislative Commission on  
 41.30 Pensions and Retirement or after a period of one year has elapsed since the date on which  
 41.31 the proposed assumption change was received by the Legislative Commission on Pensions  
 41.32 and Retirement without commission action.

42.1 (c) The executive director of the Legislative Commission on Pensions and Retirement  
42.2 must update the appendix to the standards for actuarial work whenever a change in the  
42.3 assumption is approved or deemed approved.

42.4 **EFFECTIVE DATE.** This section is effective July 1, 2026.

42.5 **ARTICLE 6**

42.6 **MINNESOTA SECURE CHOICE RETIREMENT PROGRAM**

42.7 Section 1. Minnesota Statutes 2024, section 187.03, is amended by adding a subdivision  
42.8 to read:

42.9 Subd. 1a. **Annual report.** "Annual report" means a report on the following:

42.10 (1) financial performance of the program and the agency;

42.11 (2) program expenses, including costs attributable to the use of outside consultants,  
42.12 independent contractors, and other persons who are not state employees;

42.13 (3) program outcomes;

42.14 (4) progress toward savings goals established by the board;

42.15 (5) statistics on the number of participating employees, participating employers, and  
42.16 covered employees who have opted out of participation;

42.17 (6) estimated impact of the program on social safety net programs; and

42.18 (7) penalties, violations, and disciplinary actions for enforcement.

42.19 Sec. 2. Minnesota Statutes 2025 Supplement, section 187.03, subdivision 5, is amended  
42.20 to read:

42.21 Subd. 5. **Covered employee.** (a) "Covered employee" means a person who is employed  
42.22 by a covered employer or described in section 187.05, subdivision 7, and who satisfies any  
42.23 other criteria established by the board.

42.24 (b) Covered employee does not include:

42.25 (1) a person who, on December 31 of the preceding calendar year, was younger than 18  
42.26 years of age;

42.27 (2) a person covered under the federal Railway Labor Act, as amended, United States  
42.28 Code, title 45, sections 151 et seq.;

43.1 (3) a person on whose behalf an employer makes contributions to a Taft-Hartley  
43.2 multiemployer pension trust fund;

43.3 (4) a person employed by the government of the United States, another country, the state  
43.4 of Minnesota, another state, or any subdivision thereof; or

43.5 (5) a person employed on a temporary or seasonal basis for a limited duration, which  
43.6 the employer determines at the time the person is hired will not extend beyond 180 days.

43.7 (c) A person described in paragraph (b), clause (5), may elect to have contributions  
43.8 deducted from the person's paycheck for remittance to the program, but only if the employer  
43.9 would otherwise be considered a covered employer.

43.10 Sec. 3. Minnesota Statutes 2025 Supplement, section 187.03, subdivision 6a, is amended  
43.11 to read:

43.12 Subd. 6a. **Enrollment window.** "Enrollment window" means:

43.13 (1) the period established by the board, according to a phase-in schedule approved under  
43.14 Laws 2023, chapter 46, section 10, subdivision 1, paragraph (b), that is applicable to each  
43.15 covered employer and during which the covered employer is first required to provide  
43.16 information to covered employees and enroll covered employees who do not elect to opt  
43.17 out of the program;

43.18 (2) the 21-day period beginning with a covered employee's first day of employment with  
43.19 a covered employer during which the covered employer is required to enroll the covered  
43.20 employee; or

43.21 (3) the 21-day period beginning on January 1 after the calendar year during which an  
43.22 employer first becomes a covered employer.

43.23 Sec. 4. Minnesota Statutes 2024, section 187.03, is amended by adding a subdivision to  
43.24 read:

43.25 Subd. 15. **Waiting period.** "Waiting period" means the 30-day period that begins on  
43.26 the day on which a covered employee is enrolled in the program.

43.27 Sec. 5. Minnesota Statutes 2024, section 187.05, subdivision 1, is amended to read:

43.28 Subdivision 1. **Program established.** (a) The board must operate an employee a  
43.29 retirement savings program whereby contributions are made by employee payroll deduction  
43.30 contributions are transmitted or, if a covered employee is not employed by a covered

44.1 employer, by direct payment on an after-tax or pretax basis ~~by covered employers~~ to  
44.2 individual retirement accounts established under the program.

44.3 (b) The board must establish procedures for opening a Roth IRA, a traditional IRA, or  
44.4 both a Roth IRA and a traditional IRA for each covered employee whose covered employer  
44.5 transmits employee payroll deduction contributions ~~under~~ or, if a covered employee is not  
44.6 employed by a covered employer, transmits payment to the program.

44.7 (c) Contributions must be made on an after-tax (Roth) basis, unless the covered employee  
44.8 elects to contribute on a pretax basis.

44.9 Sec. 6. Minnesota Statutes 2025 Supplement, section 187.05, subdivision 1a, is amended  
44.10 to read:

44.11 Subd. 1a. **Certification by employers that are not covered employers.** (a) Any entity  
44.12 or person may file through the program web portal or, with the consent of the executive  
44.13 director, by mail or email, a certification ~~with the executive director on a form prescribed~~  
44.14 ~~by the executive director and provide documentation in support of the certification, as~~  
44.15 ~~requested by the executive director,~~ stating that the entity or person is not a covered employer.  
44.16 The certification must state that the entity or person is not a covered employer for one or  
44.17 more of the following reasons:

44.18 (1) the entity or person has not been engaged for at least 12 months in a business, industry,  
44.19 profession, trade, or other enterprise in Minnesota, whether for profit or not for profit;

44.20 (2) the entity or person does not employ five or more employees;

44.21 (3) the entity or person sponsors or contributes to or, in the immediately preceding 12  
44.22 months, sponsored or contributed to a retirement savings plan for its employees; or

44.23 (4) the entity is a political subdivision of the state or federal government.

44.24 (b) Within 30 days of receiving the certification, the executive director must accept the  
44.25 certification or issue a determination that the entity or person is a covered employer and  
44.26 subject to the requirements of section 187.07.

44.27 (c) The entity or person may appeal the executive director's determination by filing an  
44.28 appeal with the board of directors no later than 30 days after receipt of the determination.

44.29 (d) If necessary to determine compliance with program requirements, the executive  
44.30 director may request that an entity or person provide documentation in support of a  
44.31 certification filed under paragraph (a). If the entity or person does not provide supporting  
44.32 documentation within 30 days of the request or the documentation is inadequate, the executive

45.1 director may reject the certification and require the entity or person to enroll its employees  
45.2 in the program.

45.3 Sec. 7. Minnesota Statutes 2025 Supplement, section 187.05, subdivision 4, is amended  
45.4 to read:

45.5 Subd. 4. **Contribution rate.** (a) The board may change the required employee  
45.6 contribution rates and the escalation schedule under section 187.07, subdivision ~~4~~ 1a.

45.7 (b) The board must provide all covered employers and covered employees with notice  
45.8 of a change in employee contribution rates or the escalation schedule at least six months in  
45.9 advance of the effective date of the change.

45.10 ~~(b) A covered employee must have the right, annually or more frequently as determined~~  
45.11 ~~by the board, to change the contribution rate, opt out or elect not to contribute, or cease~~  
45.12 ~~contributions.~~

45.13 Sec. 8. Minnesota Statutes 2024, section 187.05, subdivision 7, is amended to read:

45.14 Subd. 7. **Individuals not employed by a covered employer.** (a) In addition to home  
45.15 and community-based services employees under paragraph (b), the board may allow  
45.16 individuals not employed by a covered employer to open and contribute to an account in  
45.17 the program, in which case the individual must be considered a covered employee for  
45.18 purposes of sections 187.05 to ~~187.14~~ 187.14.

45.19 (b) The board must allow any home and community-based services employee to open  
45.20 and contribute to an account in the program within ~~six~~ twelve months of the opening of the  
45.21 program and must consider a home and community-based services employee a covered  
45.22 employee for purposes of sections 187.05 to ~~187.14~~ 187.14.

45.23 Sec. 9. Minnesota Statutes 2024, section 187.05, is amended by adding a subdivision to  
45.24 read:

45.25 Subd. 9. **Covered employee right to begin contributing, change the contribution**  
45.26 **rate, or not contribute.** A covered employee must have the right, annually or more  
45.27 frequently as determined by the board, to:

45.28 (1) begin making contributions to the program by payroll deduction or, if not employed  
45.29 by a covered employer, by payment to the program;

45.30 (2) change the percentage of compensation being contributed to the program by payroll  
45.31 deduction;

46.1 (3) elect not to contribute; or

46.2 (4) cease contributions.

46.3 Sec. 10. Minnesota Statutes 2024, section 187.06, subdivision 3, is amended to read:

46.4 Subd. 3. **Individual accounts established.** The trustee or custodian, as applicable, must  
 46.5 maintain an account for each covered employee who has made or is making employee  
 46.6 payroll deduction contributions with respect to each covered employee or, if the covered  
 46.7 employee is not employed by a covered employer, has made or is making payments to the  
 46.8 program until all assets in the account are distributed. Interest and Investment earnings on  
 46.9 the amount in the account are credited to the account, and investment losses and  
 46.10 administrative fees are deducted from the account.

46.11 Sec. 11. Minnesota Statutes 2025 Supplement, section 187.07, subdivision 1, is amended  
 46.12 to read:

46.13 Subdivision 1. **Requirement to enroll employees and begin payroll deduction**  
 46.14 **contributions.** (a) Each A covered employer must enroll its covered employees in the  
 46.15 program ~~and withhold~~ during the applicable enrollment window.

46.16 (b) The covered employer must begin withholding payroll deduction contributions from  
 46.17 the first paycheck of each covered employee's paycheck no later than 30 days after the  
 46.18 covered employee's first day of employment employee after the end of the covered employee's  
 46.19 waiting period, unless the covered employer has elected not to contribute.

46.20 (b) ~~Unless the board has approved a different rate or rates under section 187.05,~~  
 46.21 ~~subdivision 4, or a covered employee has elected a different contribution rate or not to~~  
 46.22 ~~contribute, the employee contribution rates and escalation schedule are:~~

46.23 (1) ~~five percent of pay for the covered employee's first year of participation;~~

46.24 (2) ~~six percent of pay for the covered employee's second year of participation;~~

46.25 (3) ~~seven percent of pay for the covered employee's third year of participation; and~~

46.26 (4) ~~eight percent of pay for the covered employee's fourth year of participation and each~~  
 46.27 ~~year thereafter.~~

46.28 (c) Paragraph (a) does not apply to a covered employer until the covered employer's  
 46.29 enrollment window has opened. ~~No later than 30 days after~~ By the end of the enrollment  
 46.30 window, the covered employer must have enrolled all covered employees, ~~except for any~~  
 46.31 ~~covered employee who has elected not to contribute.~~

47.1 ~~(d) The executive director must communicate annually by email or otherwise in writing~~  
47.2 ~~to each covered employee:~~

47.3 ~~(1) the annual limit on employee contributions to a traditional IRA and a Roth IRA in~~  
47.4 ~~effect under section 408 and 408A, respectively, of the Internal Revenue Code; and~~

47.5 ~~(2) notice that it is the responsibility of the covered employee to reduce the covered~~  
47.6 ~~employee's contribution rate from the rate under paragraph (b) as necessary to stay within~~  
47.7 ~~the limit under section 408 or section 408A of the Internal Revenue Code that is applicable~~  
47.8 ~~to the covered employee and the type of IRA to which the contributions are being credited.~~

47.9 Sec. 12. Minnesota Statutes 2024, section 187.07, is amended by adding a subdivision to  
47.10 read:

47.11 Subd. 1a. **Default contribution rate and escalation schedule.** Unless the board has  
47.12 approved a different rate or rates under section 187.05, subdivision 4, or a covered employee  
47.13 has elected a different contribution rate or not to contribute, the employee contribution rates  
47.14 and escalation schedule are:

47.15 (1) five percent of pay for the covered employee's first year of participation;

47.16 (2) six percent of pay for the covered employee's second year of participation;

47.17 (3) seven percent of pay for the covered employee's third year of participation; and

47.18 (4) eight percent of pay for the covered employee's fourth year of participation and each  
47.19 year thereafter.

47.20 Sec. 13. Minnesota Statutes 2024, section 187.08, subdivision 1, is amended to read:

47.21 Subdivision 1. **Membership.** The policy-making function of the program is vested in a  
47.22 board of directors consisting of seven members as follows:

47.23 (1) the executive director of the Minnesota State Retirement System or the executive  
47.24 director's designee;

47.25 (2) the executive director of the State Board of Investment or the executive director's  
47.26 designee;

47.27 (3) three members with relevant experience chosen by the Legislative Commission on  
47.28 Pensions and Retirement, ~~one from each of the following experience categories;~~

47.29 ~~(i) executive or operations manager with substantial experience in record keeping 401(k)~~  
47.30 ~~plans;~~

48.1 ~~(ii) executive or operations manager with substantial experience in individual retirement~~  
 48.2 ~~accounts; and~~

48.3 ~~(iii) executive or other professional with substantial experience in retirement plan~~  
 48.4 ~~investments;~~

48.5 (4) a human resources or retirement benefits executive from a private company with  
 48.6 substantial experience in administering the company's 401(k) plan, appointed by the governor;  
 48.7 and

48.8 (5) a small business owner, a small business executive, or a nonprofit executive appointed  
 48.9 by the governor.

48.10 Sec. 14. Minnesota Statutes 2024, section 187.08, subdivision 2, is amended to read:

48.11 Subd. 2. **Appointment.** (a) Members appointed by the governor must be appointed as  
 48.12 provided in section 15.0597.

48.13 (b) The Legislative Commission on Pensions and Retirement is not required to consider  
 48.14 a seat on the board as vacant if the incumbent provides notice to the chair of the board and  
 48.15 executive director that the incumbent wishes to serve an additional term as permitted under  
 48.16 subdivision 3. The executive director of the program must notify the secretary of state and  
 48.17 the chair or executive director of the Legislative Commission on Pensions and Retirement  
 48.18 that the incumbent wishes to serve an additional term. The secretary of state must not post  
 48.19 a seat as vacant and accept applications if the chair of the board and the chair or executive  
 48.20 director of the Legislative Commission on Pensions and Retirement accept the incumbent's  
 48.21 request to serve an additional term.

48.22 Sec. 15. Minnesota Statutes 2025 Supplement, section 187.08, subdivision 3, is amended  
 48.23 to read:

48.24 Subd. 3. **Membership terms.** (a) Board members serve for two-year terms, except:

48.25 (1) the executive directors of the Minnesota State Retirement System and the State Board  
 48.26 of Investment serve indefinitely; and

48.27 (2) the initial term of the member who is an executive or other professional with  
 48.28 substantial experience in retirement plan investments under subdivision 1, clause (3), ~~item~~  
 48.29 ~~(iii)~~; and the member who is a human resources executive under subdivision 1, clause (4),  
 48.30 is three years.

49.1 (b) A board members' terms may be renewed, member may renew the member's term,  
 49.2 but no member, other than the executive directors of the Minnesota State Retirement Systems  
 49.3 and the State Board of Investment, may serve more than two consecutive terms. To serve  
 49.4 an additional term, an incumbent must notify the chair of the board and the executive director  
 49.5 that the incumbent wishes to serve an additional term.

49.6 Sec. 16. Minnesota Statutes 2024, section 187.08, subdivision 6, is amended to read:

49.7 Subd. 6. **Chair; quorum.** (a) The board shall must select elect a chair from among its  
 49.8 members. The chair shall serve serves for a two-year term and may be reelected by the  
 49.9 members for additional two-year terms. The board may select other officers as necessary  
 49.10 to assist the board in performing the board's duties.

49.11 (b) A majority of the members, not including for this purpose any vacant member seat,  
 49.12 constitutes a quorum. Approval of any item of board business is effective if approved by a  
 49.13 simple majority vote of members present at a meeting.

49.14 Sec. 17. Minnesota Statutes 2024, section 187.08, subdivision 8, is amended to read:

49.15 Subd. 8. **Duties.** In addition to the duties set forth elsewhere in this chapter, the board  
 49.16 has the following duties:

49.17 (1) to establish secure processes for enrolling covered employees in the program and  
 49.18 for transmitting employee contributions to accounts in the trust;

49.19 (2) to prepare a budget and establish procedures for the payment of costs of administering  
 49.20 and operating the program;

49.21 (3) to lease or otherwise procure equipment necessary to administer the program;

49.22 (4) to procure insurance in connection with the property of the program and the activities  
 49.23 of the board, executive director, and other staff;

49.24 (5) to determine the following:

49.25 (i) any criteria for a covered employee other than employment with a covered employer  
 49.26 under section 187.03, subdivision 5;

49.27 (ii) contribution rates and an escalation schedule under section ~~187.05~~ 187.07, subdivision  
 49.28 4 1a;

49.29 (iii) withdrawal and distribution options under section 187.05, subdivision 6; and

49.30 (iv) the default investment fund under section 187.06, subdivision 5;

50.1 (6) to keep annual administrative fees, costs, and expenses as low as possible:

50.2 (i) except that any administrative fee assessed against the accounts of covered employees  
50.3 may not exceed a reasonable amount relative to the fees charged by auto-IRA or defined  
50.4 contribution programs of similar size in the state of Minnesota or another state; and

50.5 (ii) the fee may be asset-based, flat fee, or a hybrid combination of asset-based and flat  
50.6 fee;

50.7 (7) to determine the eligibility of an employer, employee, or other individual to participate  
50.8 in the program and review and decide claims for benefits and make factual determinations;

50.9 (8) to prepare information regarding the program that is clear and concise for  
50.10 dissemination to all covered employees and includes the following:

50.11 (i) the benefits and risks associated with participating in the program;

50.12 (ii) procedures for enrolling in the program and opting out of the program, electing a  
50.13 different or zero percent employee contribution rate, making investment elections, applying  
50.14 for a distribution of employee accounts, and making a claim for benefits;

50.15 (iii) the federal and state income tax consequences of participating in the program, which  
50.16 may consist of or include the disclosure statement required to be distributed by retirement  
50.17 plan trustees or custodians under the Internal Revenue Code and the Treasury Regulations  
50.18 thereunder;

50.19 (iv) how to obtain additional information on the program; and

50.20 (v) disclaimers of covered employer and state responsibility, including the following  
50.21 statements:

50.22 (A) covered employees seeking financial, investment, or tax advice should contact their  
50.23 own advisors;

50.24 (B) neither a covered employer nor the state of Minnesota are liable for decisions covered  
50.25 employees make regarding their account in the program;

50.26 (C) neither a covered employer nor the state of Minnesota guarantees the accounts in  
50.27 the program or any particular investment rate of return; and

50.28 (D) neither a covered employer nor the state of Minnesota monitors or has an obligation  
50.29 to monitor any covered employee's eligibility under the Internal Revenue Code to make  
50.30 contributions to an account in the program, or whether the covered employee's contributions  
50.31 to an account in the program exceed the maximum permissible contribution under the  
50.32 Internal Revenue Code;

51.1 ~~(9)~~ (8) to publish an annual financial report, prepared according to generally accepted  
51.2 accounting principles, on the operations of the program, which must include but not be  
51.3 limited to costs attributable to the use of outside consultants, independent contractors, and  
51.4 other persons who are not state employees and deliver the report to the chairs and ranking  
51.5 minority members of the legislative committees with jurisdiction over jobs and economic  
51.6 development and state government finance, the executive directors of the State Board of  
51.7 Investment and the Legislative Commission on Pensions and Retirement, and the Legislative  
51.8 Reference Library;

51.9 ~~(10)~~ to publish an annual report regarding plan outcomes, progress toward savings goals  
51.10 established by the board, statistics on the number of participants, participating employers,  
51.11 and covered employees who have opted out of participation, plan expenses, estimated impact  
51.12 of the program on social safety net programs, and penalties and violations, and disciplinary  
51.13 actions for enforcement, and deliver the report to the chairs and ranking minority members  
51.14 of the legislative committees with jurisdiction over jobs and economic development and  
51.15 state government finance, the executive directors of the State Board of Investment and the  
51.16 Legislative Commission on Pensions and Retirement, and the Legislative Reference Library;

51.17 ~~(11)~~ (9) to file all reports required under the Internal Revenue Code or chapter 290;

51.18 ~~(12)~~ (10) to, at the board's discretion, seek and accept gifts, grants, and donations to be  
51.19 used for the program, unless such gifts, grants, or donations would result in a conflict of  
51.20 interest relating to the solicitation of service provider for program administration, and deposit  
51.21 such gifts, grants, or donations in the Secure Choice administrative fund;

51.22 ~~(13)~~ (11) to, at the board's discretion, seek and accept appropriations from the state or  
51.23 loans from the state or any agency of the state;

51.24 ~~(14)~~ (12) to assess the feasibility of partnering with another state or a governmental  
51.25 subdivision of another state to administer the program through shared administrative  
51.26 resources and, if determined beneficial, enter into contracts, agreements, memoranda of  
51.27 understanding, or other arrangements with any other state or an agency or a subdivision of  
51.28 any other state to administer, operate, or manage any part of the program, which may include  
51.29 combining resources, investments, or administrative functions;

51.30 ~~(15)~~ (13) to hire, retain, and terminate third-party service providers as the board deems  
51.31 necessary or desirable for the program, including but not limited to the trustees, consultants,  
51.32 investment managers or advisors, custodians, insurance companies, recordkeepers,  
51.33 administrators, consultants, actuaries, legal counsel, auditors, and other professionals,  
51.34 provided that each service provider is authorized to do business in the state;

52.1 ~~(16)~~ (14) to interpret the program's governing documents and this chapter and make all  
52.2 other decisions necessary to administer the program;

52.3 ~~(17)~~ (15) to conduct comprehensive employer and worker education and outreach  
52.4 regarding the program that reflect the cultures and languages of the state's diverse workforce  
52.5 population, which may, in the board's discretion, include collaboration with state and local  
52.6 government agencies, community-based and nonprofit organizations, foundations, vendors,  
52.7 and other entities deemed appropriate to develop and secure ongoing resources; and

52.8 ~~(18)~~ (16) to prepare notices for delivery to covered employees regarding the edule and  
52.9 to each covered employee before the covered employee is subject to an automatic contribution  
52.10 increase.

52.11 Sec. 18. Minnesota Statutes 2025 Supplement, section 187.11, is amended to read:

52.12 **187.11 OTHER STATE AGENCIES TO PROVIDE ASSISTANCE.**

52.13 (a) The board may enter into intergovernmental agreements with the commissioner of  
52.14 revenue, the commissioner of labor and industry, the commissioner of employment and  
52.15 economic development, and any other state agency that the board deems necessary or  
52.16 appropriate to provide outreach, technical assistance, or compliance services. An agency  
52.17 that enters into an intergovernmental agreement with the board pursuant to this section must  
52.18 collaborate and cooperate with the board to provide the outreach, technical assistance, or  
52.19 compliance services under any such agreement. The board, executive director, and program  
52.20 staff must maintain the privacy of data obtained under any intergovernmental agreement if  
52.21 required under chapter 13.

52.22 (b) For purposes of section 268.19, subdivision 1, paragraph (a), clause (20), "assisting  
52.23 with communication with employers and to verify employer compliance with chapter 187"  
52.24 means providing the executive director with at least the following information for employers,  
52.25 to the extent available to the commissioner of employment and economic development:

52.26 (1) federal employer identification number;

52.27 (2) business name, address, mailing address, email address, and phone number;

52.28 (3) number of employees; and

52.29 (4) employer industry code.

52.30 (c) The commissioner of administration must ~~provide~~ assist the executive director in  
52.31 identifying and leasing suitable office space for the executive director and program staff in  
52.32 the Capitol complex for the executive director and staff of the program the city of St. Paul.

53.1 Sec. 19. Minnesota Statutes 2025 Supplement, section 187.12, subdivision 1, is amended  
53.2 to read:

53.3 Subdivision 1. **Failure to enroll covered employees ~~or distribute information.~~** (a)  
53.4 The board may assess penalties against a covered employer that fails to comply with section  
53.5 187.07, subdivision 1 ~~or 3 or both subdivisions 1 and 3, beginning with the second~~  
53.6 ~~anniversary of the date on which the covered employer was first required to comply with~~  
53.7 ~~section 187.07, subdivision 1 or 3, as applicable.,~~ paragraph (a), beginning with the second  
53.8 anniversary of the last day of the applicable enrollment window or fails to comply with  
53.9 section 187.07, subdivision 1, paragraph (b), beginning with the second anniversary of the  
53.10 first paycheck after a covered employee's waiting period, as follows:

53.11 ~~(b) The board may assess the following penalties for a covered employer's failure to~~  
53.12 ~~comply with section 187.07, subdivision 1 or 3:~~

53.13 (1) on the second anniversary, a penalty of \$100 per covered employee, not to exceed  
53.14 \$4,000;

53.15 (2) on the third anniversary, a penalty of \$200 per covered employee, not to exceed  
53.16 \$6,000;

53.17 (3) on the fourth anniversary, a penalty of \$300 per covered employee; and

53.18 (4) on each anniversary after the fourth anniversary, a penalty of \$500 per covered  
53.19 employee.

53.20 ~~(c) If the covered employer fails to comply with section 187.07, subdivisions 1 and 3,~~  
53.21 ~~the board must assess two times the penalties in paragraph (b).~~

53.22 ~~(d) The date on which a covered employer is first required to comply with section 187.07,~~  
53.23 ~~subdivision 1, is the following:~~

53.24 (1) ~~for paragraph (a), on or before the 30th day after the first day of employment of a~~  
53.25 ~~covered employee hired by the covered employer; and~~

53.26 (2) ~~for paragraph (b), on or before the 30th day after the end of the enrollment window~~  
53.27 ~~applicable to the covered employer.~~

53.28 ~~(e) The date on which a covered employer is first required to comply with section 187.07,~~  
53.29 ~~subdivision 3, is the following:~~

53.30 (1) ~~for paragraph (a), for a newly hired covered employee, no later than 14 days after~~  
53.31 ~~the covered employee's first day of employment; and~~

54.1 ~~(2) for paragraph (b), no later than the 14th day prior to the date of the first paycheck~~  
54.2 ~~from which employee contributions could be deducted for transmittal to the program.~~

54.3 Sec. 20. [187.13] REQUIRED NOTICES.

54.4 Subdivision 1. Notice to covered employees upon enrollment. (a) The board must  
54.5 disseminate a notice regarding the program that is clear and concise to all covered employees  
54.6 no later than seven days after a covered employee is enrolled by a covered employer.

54.7 (b) The information in the notice must include:

54.8 (1) the benefits and risks associated with participating in the program;

54.9 (2) procedures for enrolling in the program and opting out of the program, electing a  
54.10 different or zero percent employee contribution rate, making investment elections, applying  
54.11 for a distribution of employee accounts, and making a claim for benefits;

54.12 (3) the federal and state income tax consequences of participating in the program, which  
54.13 may consist of or include the disclosure statement required to be distributed by trustees or  
54.14 custodians under the Internal Revenue Code;

54.15 (4) how to obtain additional information on the program; and

54.16 (5) disclaimers of covered employer and state responsibility, including the following  
54.17 statements:

54.18 (i) a covered employee seeking financial, investment, or tax advice should contact the  
54.19 covered employee's advisors;

54.20 (ii) neither a covered employer nor the board, the program, or the state of Minnesota is  
54.21 liable for decisions a covered employee makes regarding the covered employee's account  
54.22 in the program;

54.23 (iii) neither a covered employer nor the state of Minnesota guarantees the accounts in  
54.24 the program or any particular investment rate of return; and

54.25 (iv) neither a covered employer nor the state of Minnesota monitors or has an obligation  
54.26 to monitor a covered employee's eligibility under the Internal Revenue Code to make  
54.27 contributions to an account in the program or whether the covered employee's contributions  
54.28 to an account in the program exceed the maximum permissible contribution under the  
54.29 Internal Revenue Code.

54.30 Subd. 2. Annual notice to covered employees. The executive director must communicate  
54.31 annually by email or other means in writing to each covered employee:

55.1 (1) the annual limit on employee contributions to a traditional IRA and a Roth IRA in  
55.2 effect under sections 408 and 408A of the Internal Revenue Code; and

55.3 (2) that it is the responsibility of the covered employee to reduce the covered employee's  
55.4 contribution rate from the rate under section 187.07, subdivision 1a, as necessary to stay  
55.5 within the limit under section 408 or 408A of the Internal Revenue Code that is applicable  
55.6 to the covered employee and the type of IRA to which the contributions are being credited.

55.7 **Sec. 21. [187.14] CONFIDENTIALITY OF DATA AND NONSOLICITATION.**

55.8 Subdivision 1. Confidentiality of data. Covered employee data, account owner data,  
55.9 account data, and data on beneficiaries of accounts are private data. The program, executive  
55.10 director, and program staff must not disclose private data on individuals, as defined in  
55.11 section 13.02, to anyone other than the covered employee, account owner, or beneficiary,  
55.12 except:

55.13 (1) pursuant to a court order;

55.14 (2) upon the written consent of the covered employee, account owner, beneficiary, or  
55.15 other person who provides the data or is the subject of the data; or

55.16 (3) to a third party with which the program has contracted to perform administrative or  
55.17 record-keeping functions, but only to the extent necessary to carry out the functions and  
55.18 subject to the requirements of this subdivision as if the third party were the program.

55.19 Subd. 2. Nonsolicitation restriction. Neither program staff nor a third-party  
55.20 administrator, record keeper, or any other vendor or consultant with which the program has  
55.21 contracted may solicit a covered employee, an account owner, or a beneficiary for any  
55.22 product or services not related to the program.

55.23 **Sec. 22. REPEALER.**

55.24 Minnesota Statutes 2025 Supplement, section 187.07, subdivision 3, is repealed.

55.25 **Sec. 23. EFFECTIVE DATE.**

55.26 Sections 1 to 22 are effective the day following final enactment.

56.1 **ARTICLE 7**

56.2 **SUPPLEMENTAL PLANS**

56.3 Section 1. Minnesota Statutes 2024, section 356.24, subdivision 3, is amended to read:

56.4 Subd. 3. **Deferred compensation plan.** (a) As used in this section:

56.5 (1) "deferred compensation plan" means a plan that satisfies the requirements of this  
56.6 subdivision;

56.7 (2) "plan administrator" means the individual or entity defined as the plan administrator  
56.8 in the plan document for the Minnesota deferred compensation plan under section 352.965  
56.9 or a deferred compensation plan under section 457(b) of the Internal Revenue Code; and

56.10 (3) "vendor" means the provider of an annuity contract, custodial account, or retirement  
56.11 income account under a tax-sheltered annuity plan under section 403(b) of the Internal  
56.12 Revenue Code.

56.13 (b) The plan is:

56.14 (1) the Minnesota deferred compensation plan under section 352.965;

56.15 (2) a tax-sheltered annuity plan under section 403(b) of the Internal Revenue Code; or

56.16 (3) a deferred compensation plan under section 457(b) of the Internal Revenue Code.

56.17 (c) For each investment fund available to participants under the plan, other than in a  
56.18 self-directed brokerage account or fixed annuity contract, the plan administrator or vendor  
56.19 discloses at least annually to participants a statement that sets forth (1) all fees, including  
56.20 administrative, maintenance, and investment fees, that impact the rate of return on each  
56.21 investment fund available under the plan, and (2) the rates of return for the prior one-, five-,  
56.22 and ten-year periods or for the life of the fund, if shorter, in an easily understandable  
56.23 document. ~~The plan administrator or vendor must file a copy of this statement annually with~~  
56.24 ~~the executive director of the Legislative Commission on Pensions and Retirement.~~

56.25 (d) Enrollment in the plan is provided for in:

56.26 (1) a personnel policy of the public employer;

56.27 (2) a collective bargaining agreement between the public employer and the exclusive  
56.28 representative of public employees in an appropriate unit; or

56.29 (3) an individual employment contract (i) between a city and a city manager or other  
56.30 management employee, or (ii) between a school district and a superintendent or other  
56.31 management employee.

57.1 (e) The plan covers employees of a school district, state agency, or other governmental  
 57.2 subdivision. The plan may cover city managers covered by an alternative retirement  
 57.3 arrangement under section 353.028, subdivision 3, paragraph (a) or (b), but must not cover  
 57.4 employees of the Board of Trustees of Minnesota State Colleges and Universities who are  
 57.5 covered by the Higher Education Supplemental Retirement Plan under chapter 354C.

57.6 (f) If the public employer makes matching contributions to the plan, the matching  
 57.7 contributions must match, on a dollar for dollar basis, employee elective deferral contributions  
 57.8 not to exceed the lesser of (1) the maximum authorized under the policy described in  
 57.9 paragraph (d) that provides for enrollment in the plan or program, or (2) one-half of the  
 57.10 annual limit on elective deferrals under section 402(g) of the Internal Revenue Code. In  
 57.11 lieu of or in addition to matching an employee's elective deferral contributions, the public  
 57.12 employer may make employer matching contributions on behalf of an employee on account  
 57.13 of qualified student loan payments, as defined in the Secure 2.0 Act of 2022, Public Law  
 57.14 117-328 (December 29, 2022), Division T, section 110, paragraph (b), and any regulations  
 57.15 adopted thereunder. The employer matching contributions on account of an employee's  
 57.16 qualified student loan payments plus any employer matching contributions that match an  
 57.17 employee's elective deferral contributions must not exceed, for the year, the lesser of (1)  
 57.18 the maximum authorized under the policy described in paragraph (d) that provides for  
 57.19 enrollment in the plan or program, (2) one-half of the annual limit on elective deferrals  
 57.20 under section 402(g) of the Internal Revenue Code, or (3) the employee's compensation for  
 57.21 the year.

57.22 (g) Contributions to the plan may include contributions deducted from an employee's  
 57.23 sick leave, accumulated vacation leave, or accumulated severance pay, whether characterized  
 57.24 as employee contributions or nonelective employer contributions, up to applicable limits  
 57.25 under the Internal Revenue Code. Such contributions are not subject to the match requirement  
 57.26 and limit in paragraph (f).

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

## 57.28 **ARTICLE 8**

### 57.29 **HEALTH CARE SAVINGS PLAN**

57.30 Section 1. Minnesota Statutes 2024, section 352.98, subdivision 3, is amended to read:

57.31 Subd. 3. **Contributions.** (a) ~~contributions~~ Contributions to the plan must be defined in  
 57.32 a personnel policy ~~or in a~~, collective bargaining agreement, participation plan, or resolution  
 57.33 of the governing body of a public employer or political subdivision.

58.1 (b) The executive director may offer different types of trusts permitted under the Internal  
58.2 Revenue Code to best meet the needs of different employer units.

58.3 ~~(b)~~ (c) Contributions to the plan by or on behalf of the participant must be held in trust  
58.4 for reimbursement of eligible health-related expenses for participants and their dependents  
58.5 following termination from public employment or in other circumstances set forth in the  
58.6 plan document. The executive director shall maintain a separate account of the contributions  
58.7 made by or on behalf of each participant and the earnings thereon. The executive director  
58.8 shall make available a limited range of investment options, and each participant may direct  
58.9 the investment of the accumulations in the participant's account among the investment  
58.10 options made available by the executive director.

58.11 ~~(e)~~ (d) This section does not obligate a public employer to meet and negotiate in good  
58.12 faith with the exclusive bargaining representative of any public employee group regarding  
58.13 an employer contribution to a postretirement or active employee health care savings plan  
58.14 authorized by this section and section 356.24, subdivision 1, clause (7). It is not the intent  
58.15 of the legislature to authorize the state to incur new funding obligations for the costs of  
58.16 retiree health care or the costs of administering retiree health care plans or accounts.

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

## 58.18 **ARTICLE 9**

### 58.19 **WORK GROUP ON FIREFIGHTER RELIEF ASSOCIATION VESTING** 58.20 **SCHEDULES; MEMBERSHIP OF EMERGENCY MEDICAL PROVIDERS IN** 58.21 **FIREFIGHTER RELIEF ASSOCIATIONS**

#### 58.22 **Section 1. WORK GROUP ON VESTING AND EMERGENCY MEDICAL** 58.23 **PROVIDERS IN FIREFIGHTER RELIEF ASSOCIATIONS AND THE STATEWIDE** 58.24 **VOLUNTEER FIREFIGHTER PLAN.**

58.25 Subdivision 1. **Work group established; purpose.** (a) The executive director of the  
58.26 Legislative Commission on Pensions and Retirement (commission executive director) must  
58.27 convene a work group for the purpose of recommending legislation that would:

58.28 (1) shorten the vesting schedule for firefighter relief associations to a maximum of ten  
58.29 years;

58.30 (2) require that firefighter relief associations include volunteer or paid on-call emergency  
58.31 medical providers as members on the same basis as volunteer or paid on-call firefighters;  
58.32 and

59.1 (3) make the same changes to the PERA Statewide Volunteer Firefighter Plan (SVF) as  
59.2 are recommended for firefighter relief associations.

59.3 Subd. 2. **Membership.** (a) The members of the work group are the following:

59.4 (1) a representative from the Minnesota Association of Townships;

59.5 (2) a representative from the Minnesota Association of Small Cities;

59.6 (3) a representative from the League of Minnesota Cities;

59.7 (4) a representative from the Minnesota State Fire Chiefs Association;

59.8 (5) a representative from the Minnesota State Fire Departments Association;

59.9 (6) a representative of the Office of Emergency Medical Services, designated by the  
59.10 director of the Office of Emergency Medical Services;

59.11 (7) a representative of the Office of the State Auditor, designated by the state auditor;

59.12 and

59.13 (8) the executive director of Public Employees Retirement Association, or the executive  
59.14 director's designee.

59.15 (b) The commission executive director may invite others, including the commission's  
59.16 actuary, to participate in one or more meetings of the work group.

59.17 (c) The organizations and agencies specified in paragraph (a) must provide the  
59.18 commission executive director with the names and contact information for the representatives  
59.19 who will serve on the work group by June 12, 2026.

59.20 Subd. 3. **Mandate.** In arriving at the work group's recommendations, the work group  
59.21 must determine and consider:

59.22 (1) whether shortening vesting schedules has any impact on a relief association or SVF  
59.23 fire department's liabilities or funded status and, if so, what options are available to lessen  
59.24 the impact;

59.25 (2) any studies or data supporting or critical of the premise that longer vesting schedules  
59.26 aid retention or recruitment;

59.27 (3) how many fire departments, whether affiliated with a relief association or participating  
59.28 in the SVF, have emergency medical providers who solely perform that function, how many  
59.29 of these emergency medical providers are in each fire department, and the funded status of  
59.30 the affiliated relief association or SVF account;

60.1 (4) the basis, if any, for excluding emergency medical providers from firefighter relief  
60.2 associations and the SVF;

60.3 (5) the cost of requiring past service credit be provided to emergency medical providers  
60.4 when they become members of relief associations that are defined benefit plans or the SVF  
60.5 defined benefit plan and options for providing past service credit (i.e., as far back as a  
60.6 provider has active service in the fire department or back to 2019);

60.7 (6) whether the chronic overfunding in relief associations and the SVF can be expected  
60.8 to cover any liabilities under clause (1) or costs under clause (3) and what options are  
60.9 available for relief associations or fire department accounts in the SVF that are not  
60.10 overfunded;

60.11 (7) options for phasing in the shorter vesting schedules and requiring coverage of and  
60.12 past service credit for emergency medical providers; and

60.13 (8) any other issues related to vesting and eligibility that merit discussion by the work  
60.14 group and inclusion in the recommendations.

60.15 Subd. 4. **Recommendations; proposed legislation.** (a) With the assistance of the  
60.16 commission executive director, the work group must prepare proposed legislation that  
60.17 implements the recommendations of the work group. If the work group recommends more  
60.18 than one approach, the work group must provide alternative bills.

60.19 (b) The commission executive director must submit the recommendations of the work  
60.20 group, along with proposed legislation that implements the recommendations, to the  
60.21 Legislative Commission on Pensions and Retirement by January 29, 2027, or, if later, the  
60.22 date all members of the Commission have been appointed for the 2027-2028 biennium.

60.23 Subd. 5. **Meetings; chair; administrative support.** (a) The commission executive  
60.24 director must convene the first meeting of the work group by July 27, 2026.

60.25 (b) The members of the work group must elect a chair or co-chairs at the first meeting.  
60.26 The chair or co-chair is not required to be a member of the work group.

60.27 (c) Meetings may be conducted remotely or in person or a combination of remotely and  
60.28 in person.

60.29 (d) Commission staff must provide meeting space, if needed, and administrative support  
60.30 to the chair or co-chairs of the work group.

60.31 Subd. 6. **Compensation; lobbying; retaliation.** (a) Members of the work group serve  
60.32 without compensation.

61.1 (b) Participation in the work group is not lobbying under Minnesota Statutes, chapter  
61.2 10A.

61.3 (c) An individual's employer or an organization or association of which an individual  
61.4 is a member must not retaliate against the individual because of the individual's participation  
61.5 in the work group.

61.6 Subd. 7. **Expiration.** The work group expires June 30, 2027.

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

## 61.8 **ARTICLE 10**

### 61.9 **SPECIAL LEGISLATION**

61.10 **Section 1. MISSING IRAP ACCOUNT OF AN ELIGIBLE PERSON.**

61.11 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
61.12 the meanings given.

61.13 (b) "Board of trustees" has the meaning given in Minnesota Statutes, section 354B.20,  
61.14 subdivision 11.

61.15 (c) "IRAP" means the higher education individual retirement account plan established  
61.16 by Minnesota Statutes, chapter 354B.

61.17 (d) "MN State" means Minnesota State Colleges and Universities.

61.18 Subd. 2. **Location of IRAP account required.** (a) Notwithstanding any state law to the  
61.19 contrary, MN State must locate the IRAP account of the eligible person described in  
61.20 paragraph (b) to which contributions deducted from the eligible person's pay in 1991 through  
61.21 1994 were deposited or pay the eligible person an amount of \$30,000.

61.22 (b) The eligible person is a person who:

61.23 (1) was employed by Winona State University from July 1, 1991, to June 30, 1996; and

61.24 (2) has copies of pay stubs showing payroll deduction contributions to the IRAP dated  
61.25 December 27, 1991, March 20, 1992, August 21, 1992, March 5, 1993, and April 16, 1993,  
61.26 in amounts of \$18.72 or \$19.93, which must be considered as adequate proof that payroll  
61.27 deduction contributions were taken each per pay period beginning September 3, 1991, to  
61.28 October 31, 1994, for deposit into the eligible person's IRAP account.

61.29 (c) No later than 60 days after the effective date of this section, the board of trustees  
61.30 must either:

62.1 (1) locate the eligible person's IRAP account to which payroll deduction contributions  
62.2 were deposited and provide the eligible person with information regarding the individual  
62.3 or entity holding the IRAP account, an accounting of the amounts contributed and investment  
62.4 earnings thereon, and instructions on how the eligible person can access the account; or

62.5 (2) pay the eligible person an amount equal to \$30,000.

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

62.7 Sec. 2. **PUBLIC EMPLOYEES RETIREMENT ASSOCIATION GENERAL**  
62.8 **EMPLOYEES RETIREMENT PLAN; SERVICE CREDIT PURCHASE BY AN**  
62.9 **ELIGIBLE EMPLOYEE.**

62.10 Subdivision 1. **Definitions.** For purposes of this section, the following terms have the  
62.11 meanings given:

62.12 (1) "city" means the city of Minneapolis;

62.13 (2) "executive director" means the executive director of the Public Employees Retirement  
62.14 Association;

62.15 (3) "fund" means the general employees retirement fund administered by the Public  
62.16 Employees Retirement Association; and

62.17 (4) "general plan" means the general employees retirement plan of the Public Employees  
62.18 Retirement Association.

62.19 Subd. 2. **Authorization.** (a) Notwithstanding any state law to the contrary, an eligible  
62.20 person described in subdivision 3 is entitled to:

62.21 (1) have the city pay the amount required under subdivision 5, paragraph (a), on the  
62.22 eligible person's behalf; and

62.23 (2) upon the city making the payments required under subdivision 5, paragraphs (a) and  
62.24 (b), receive credit for allowable service in the general plan for the periods of service described  
62.25 in subdivision 4.

62.26 (b) Upon receiving the payments described in subdivision 5, the executive director must  
62.27 credit the eligible person with allowable service for the periods of service described in  
62.28 subdivision 4.

62.29 Subd. 3. **Eligible person.** An eligible person is a person who:

62.30 (1) was initially employed by the city on April 26, 2016, in the fleet services division  
62.31 of the public works department;

63.1 (2) received salary for periods of employment with the city that occurred beginning May  
63.2 29, 2016, through November 4, 2022, and during portions of those periods of employment  
63.3 the city failed to deduct employee contributions and make employer contributions as required  
63.4 by Minnesota Statutes, section 353.27; and

63.5 (3) terminated employment with the city on November 4, 2022.

63.6 **Subd. 4. Periods of uncredited prior service.** The periods of uncredited prior service  
63.7 available for purchase are:

63.8 (1) May 29, 2016, through October 15, 2016;

63.9 (2) April 11, 2017, through October 10, 2017; and

63.10 (3) April 27, 2018, through November, 24, 2018.

63.11 **Subd. 5. Payment by employer.** (a) On behalf of the eligible person, the city must pay  
63.12 to the fund an amount equal to the total amount of employee contributions that would have  
63.13 been deducted from the eligible person's salary and paid to the fund based on the eligible  
63.14 person's salary for each period of employment described in subdivision 4, plus interest  
63.15 compounded annually at the applicable annual rate or rates specified in Minnesota Statutes,  
63.16 section 356.59, subdivision 3, from the date each employee contribution deduction should  
63.17 have been paid until the date the payment is made.

63.18 (b) The city must pay to the fund an amount equal to the total amount of employer  
63.19 contributions that the city would have made to the fund based on the eligible person's salary  
63.20 for each period of employment described in subdivision 4, plus interest compounded annually  
63.21 at the applicable annual rate or rates specified in Minnesota Statutes, section 356.59,  
63.22 subdivision 3, from the date each employer contribution should have been paid until the  
63.23 date the payment is made.

63.24 (c) The executive director must determine the amount of the payments required under  
63.25 paragraphs (a) and (b) and notify the city and the eligible person regarding the amount and  
63.26 the basis for determining the amount.

63.27 (d) The city must make the payments required under paragraphs (a) and (b) in a lump  
63.28 sum no later than 60 days after the date on which the executive director notifies the city  
63.29 under paragraph (c).

63.30 **Subd. 6. Collection of unpaid amounts.** If the city fails to make all of the payments  
63.31 required by subdivision 5, the executive director must follow the procedures in Minnesota  
63.32 Statutes, section 353.28, subdivision 6, to collect the amount not paid.

64.1 **EFFECTIVE DATE; LOCAL APPROVAL.** This section is effective upon approval  
 64.2 **by the Minneapolis City Council and compliance with Minnesota Statutes, section 645.021.**

64.3 **ARTICLE ...**

64.4 **ADMINISTRATIVE, TECHNICAL, AND CONFORMING CHANGES RELATED**  
 64.5 **TO VOLUNTEER AND PAID ON-CALL FIREFIGHTERS**

64.6 Section 1. Minnesota Statutes 2024, section 6.496, is amended to read:

64.7 **6.496 VOLUNTEER FIREFIGHTER RELIEF ASSOCIATIONS; STATE BOARD**  
 64.8 **OF INVESTMENT OPTIONS.**

64.9 (a) Annually, on or before March 1, the state auditor shall provide all ~~volunteer~~ firefighter  
 64.10 relief associations with recent and historic investment performance results of the various  
 64.11 accounts of the Minnesota supplemental investment fund and information on the process  
 64.12 and procedures for a ~~firefighters~~ firefighter relief association to utilize the Minnesota  
 64.13 supplemental investment fund as an investment option.

64.14 (b) Annually, on or before March 1, the state auditor shall provide all ~~volunteer~~ firefighter  
 64.15 relief associations with basic information on the statewide ~~lump-sum~~ volunteer firefighter  
 64.16 plan, that a fire department has the option annually to join the retirement plan, and that, if  
 64.17 the fire department joins the retirement plan, future asset investments would be the  
 64.18 responsibility of the State Board of Investment.

64.19 (c) The information provision required by paragraphs (a) and (b) may be provided in an  
 64.20 electronic or other format if the state auditor determines that the format is reasonably  
 64.21 accessible by a preponderance of ~~volunteer~~ firefighter relief associations.

64.22 Sec. 2. Minnesota Statutes 2024, section 11A.17, subdivision 1, is amended to read:

64.23 Subdivision 1. **Purpose; accounts; continuation.** (a) The purpose of the supplemental  
 64.24 investment fund is to provide an investment vehicle for the assets of various public retirement  
 64.25 plans and funds.

64.26 (b) The state board shall determine and make available investment accounts within the  
 64.27 supplemental investment fund. These accounts shall include an appropriate array of  
 64.28 diversified investment options for participants of the public retirement plans under  
 64.29 subdivision 5.

64.30 (c) The assets of the supplemental investment fund must be invested by the state board  
 64.31 in types of investments permitted under section 11A.24.

65.1 (d) The state board shall make available a volunteer firefighter account for the statewide  
65.2 ~~lump-sum~~ volunteer firefighter plan under section 353G.02.

65.3 Sec. 3. Minnesota Statutes 2024, section 144F.01, subdivision 2, is amended to read:

65.4 Subd. 2. **Authority to establish.** (a) Two or more political subdivisions may establish,  
65.5 by resolution of their governing bodies, a special taxing district to provide fire protection  
65.6 or emergency medical services, or both, in the area of the district, comprising the jurisdiction  
65.7 of each of the political subdivisions forming the district. For a county that participates in  
65.8 establishing a district, the county's jurisdiction comprises the unorganized territory of the  
65.9 county that it designated in its resolution for inclusion in the district. The area of the special  
65.10 taxing district need not be contiguous or its boundaries continuous.

65.11 (b) Before establishing a district under this section, the participating political subdivisions  
65.12 must enter into an agreement that specifies how any liabilities, other than debt issued under  
65.13 subdivision 6, and assets of the district will be distributed if the district is dissolved. The  
65.14 agreement may also include other terms, including a method for apportioning the levy of  
65.15 the district among participating political subdivisions under subdivision 4, paragraph (b),  
65.16 as the political subdivisions determine appropriate. The agreement must be adopted no later  
65.17 than upon passage of the resolution establishing the district under paragraph (a), but may  
65.18 be later amended by agreement of each of the political subdivisions participating in the  
65.19 district.

65.20 (c) If two or more political subdivisions that currently operate separate fire departments  
65.21 seek to merge fire departments into one fire department, or if a political subdivision with  
65.22 an existing fire department requests to join a special taxing district with an established fire  
65.23 department, the resolution under paragraph (a) or agreement under paragraph (b) must  
65.24 specify which, if any, ~~volunteer firefighter pension plan~~ relief association or account in the  
65.25 statewide volunteer firefighter plan is associated with the district. A special taxing district  
65.26 that operates a fire department under this section may be associated with only one ~~firefighters~~  
65.27 firefighter relief association or one account in the statewide volunteer firefighter plan at one  
65.28 time.

65.29 (d) If the special taxing district includes the operation of a fire department, it must file  
65.30 its resolution establishing the fire protection special taxing district, and any agreements  
65.31 required for the establishment of the special taxing district, with the commissioner of revenue,  
65.32 including any subsequent amendments. If the resolution or agreement does not include  
65.33 sufficient information defining the fire department service area of the fire protection special

66.1 taxing district, the secretary of the district board must file a written statement with the  
66.2 commissioner defining the fire department service area.

66.3 Sec. 4. Minnesota Statutes 2025 Supplement, section 151.37, subdivision 12, is amended  
66.4 to read:

66.5 Subd. 12. **Administration of opiate antagonists for drug overdose.** (a) A licensed  
66.6 physician, a licensed advanced practice registered nurse authorized to prescribe drugs  
66.7 pursuant to section 148.235, or a licensed physician assistant may authorize the following  
66.8 individuals to administer opiate antagonists, as defined in section 604A.04, subdivision 1:

- 66.9 (1) an emergency medical responder registered pursuant to section 144E.27;
- 66.10 (2) a peace officer as defined in section 626.84, subdivision 1, paragraphs (c) and (d);
- 66.11 (3) correctional employees of a state or local political subdivision;
- 66.12 (4) staff of community-based health disease prevention or social service programs;
- 66.13 (5) a volunteer or paid on-call firefighter;
- 66.14 (6) a nurse or any other personnel employed by, or under contract with, a postsecondary  
66.15 institution or a charter, public, or private school; and
- 66.16 (7) transit rider investment program personnel authorized under section 473.4075.

66.17 (b) For the purposes of this subdivision, opiate antagonists may be administered by one  
66.18 of these individuals only if:

66.19 (1) the licensed physician, licensed physician assistant, or licensed advanced practice  
66.20 registered nurse has issued a standing order to, or entered into a protocol with, the individual;  
66.21 and

66.22 (2) the individual has training in the recognition of signs of opiate overdose and the use  
66.23 of opiate antagonists as part of the emergency response to opiate overdose.

66.24 (c) Nothing in this section prohibits the possession and administration of naloxone  
66.25 pursuant to section 604A.04.

66.26 (d) Notwithstanding section 148.235, subdivisions 8 and 9, a licensed practical nurse is  
66.27 authorized to possess and administer according to this subdivision an opiate antagonist in  
66.28 a school setting.

67.1 Sec. 5. Minnesota Statutes 2025 Supplement, section 181.101, is amended to read:

67.2 **181.101 WAGES; HOW OFTEN PAID.**

67.3 (a) Except as provided in paragraph (b), every employer must pay all wages, including  
 67.4 salary, earnings, and gratuities earned by an employee at least once every 31 days and all  
 67.5 commissions earned by an employee at least once every three months, on a regular payday  
 67.6 designated in advance by the employer regardless of whether the employee requests payment  
 67.7 at longer intervals. Unless paid earlier, the wages earned during the first half of the first  
 67.8 31-day pay period become due on the first regular payday following the first day of work.  
 67.9 If wages or commissions earned are not paid, the commissioner of labor and industry or the  
 67.10 commissioner's representative may serve a demand for payment on behalf of an employee.  
 67.11 In addition to other remedies under section 177.27, if payment of wages is not made within  
 67.12 ten days of service of the demand, the commissioner may charge and collect the wages  
 67.13 earned at the employee's rate or rates of pay or at the rate or rates required by law, including  
 67.14 any applicable statute, regulation, rule, ordinance, government resolution or policy, contract,  
 67.15 or other legal authority, whichever rate of pay is greater, and a penalty in the amount of the  
 67.16 employee's average daily earnings at the same rate or rates for each day beyond the ten-day  
 67.17 limit following the demand. If payment of commissions is not made within ten days of  
 67.18 service of the demand, the commissioner may charge and collect the commissions earned  
 67.19 and a penalty equal to 1/15 of the commissions earned but unpaid for each day beyond the  
 67.20 ten-day limit. Money collected by the commissioner must be paid to the employee concerned.  
 67.21 This section does not prevent an employee from prosecuting a claim for wages. This section  
 67.22 does not prevent a school district, other public school entity, or other school, as defined  
 67.23 under section 120A.22, from paying any wages earned by its employees during a school  
 67.24 year on regular paydays in the manner provided by an applicable contract or collective  
 67.25 bargaining agreement, or a personnel policy adopted by the governing board. For purposes  
 67.26 of this section, "employee" includes a person who performs agricultural labor as defined in  
 67.27 section 181.85, subdivision 2. For purposes of this section, wages are earned on the day an  
 67.28 employee works. This section provides a substantive right for employees to the payment of  
 67.29 wages, including salary, earnings, and gratuities, as well as commissions, in addition to the  
 67.30 right to be paid at certain times.

67.31 (b) An employer of a ~~volunteer or~~ paid on-call firefighter, as defined in section 424A.001,  
 67.32 subdivision ~~10~~ 10a, a member of an organized first responder squad that is formally  
 67.33 recognized by a political subdivision in the state, or a volunteer ambulance driver or attendant  
 67.34 must pay all wages earned by the ~~volunteer~~ paid on-call firefighter, first responder, or

68.1 volunteer ambulance driver or attendant at least once every 31 days, unless the employer  
68.2 and the employee mutually agree upon payment at longer intervals.

68.3 Sec. 6. Minnesota Statutes 2024, section 299K.03, subdivision 3, is amended to read:

68.4 Subd. 3. **Appointed members.** (a) The governor shall appoint 18 additional members  
68.5 to the commission.

68.6 (b) The 18 appointed members must include one representative each of fire chiefs,  
68.7 professional firefighters, volunteer or paid on-call firefighters, fire marshals, law enforcement  
68.8 personnel, emergency medical personnel, health professionals, wastewater treatment  
68.9 operators, labor, emergency managers, and local elected officials, three representatives of  
68.10 community groups or the public, and four representatives from business and industry, at  
68.11 least one of whom must represent small business.

68.12 (c) At least four of the appointed members must reside outside the metropolitan area,  
68.13 as defined in section 473.121, subdivision 2.

68.14 (d) The appointed members must be appointed, serve, and be compensated in the manner  
68.15 provided in section 15.059.

68.16 Sec. 7. Minnesota Statutes 2024, section 299N.02, subdivision 1, is amended to read:

68.17 Subdivision 1. **Membership.** Notwithstanding any provision of chapter 15 to the contrary,  
68.18 the Board of Firefighter Training and Education consists of the following members:

68.19 (1) five members representing the Minnesota State Fire Department Association, four  
68.20 of whom must be volunteer or paid on-call firefighters and one of whom may be a full-time  
68.21 firefighter, appointed by the governor;

68.22 (2) two members representing the Minnesota State Fire Chiefs Association, one of whom  
68.23 must be a volunteer fire chief, appointed by the governor;

68.24 (3) two members representing the Minnesota Professional Fire Fighters, appointed by  
68.25 the governor;

68.26 (4) two members representing Minnesota home rule charter and statutory cities, appointed  
68.27 by the governor;

68.28 (5) two members representing Minnesota towns, appointed by the governor;

68.29 (6) the commissioner of public safety or the commissioner's designee; and

69.1 (7) one public member not affiliated or associated with any member or interest represented  
69.2 in clauses (1) to (6), appointed by the governor.

69.3 The Minnesota State Fire Department Association shall recommend five persons to be the  
69.4 members described in clause (1), the Minnesota State Fire Chiefs Association shall  
69.5 recommend two persons to be the members described in clause (2), the Minnesota  
69.6 Professional Fire Fighters shall recommend two persons to be the members described in  
69.7 clause (3), the League of Minnesota Cities shall recommend two persons to be the members  
69.8 described in clause (4), and the Minnesota Association of Townships shall recommend two  
69.9 persons to be the members described in clause (5). In making the appointments the governor  
69.10 shall try to achieve representation from all geographic areas of the state.

69.11 Sec. 8. Minnesota Statutes 2024, section 352.98, subdivision 1, is amended to read:

69.12 Subdivision 1. **Plan created.** This section must be administered by the executive director  
69.13 of the system with the advice and consent of the board of directors. The executive director  
69.14 shall establish a plan or plans, known as health care savings plans, through which an officer  
69.15 or employee of the state or of a political subdivision, including officers or employees covered  
69.16 by a plan or fund specified in chapter 353D, 354B, 354D, 424A, or section 356.20,  
69.17 subdivision 2, may save to cover health care costs. For purposes of this section, a volunteer  
69.18 or paid on-call firefighter is an employee. The executive director shall make available one  
69.19 or more trusts, including a governmental trust or governmental trusts, authorized under the  
69.20 Internal Revenue Code to be eligible for tax-preferred or tax-free treatment through which  
69.21 employers and employees can save to cover health care costs.

69.22 Sec. 9. Minnesota Statutes 2025 Supplement, section 353D.01, subdivision 2, is amended  
69.23 to read:

69.24 Subd. 2. **Eligibility.** (a) Eligibility to participate in the plan is available to:

69.25 (1) any elected or appointed local government official of a governmental subdivision  
69.26 who elects to participate in the plan under section 353D.02, subdivision 1, and who, for the  
69.27 service rendered to a governmental subdivision, is not a member of the association within  
69.28 the meaning of section 353.01, subdivision 7;

69.29 (2) physicians who, if they did not elect to participate in the plan under section 353D.02,  
69.30 subdivision 2, would meet the definition of member under section 353.01, subdivision 7;

70.1 (3) basic and advanced life-support emergency medical service personnel who are  
70.2 employed by any public ambulance service that elects to participate under section 353D.02,  
70.3 subdivision 3;

70.4 (4) members of a municipal rescue squad associated with the city of Litchfield in Meeker  
70.5 County, or of a county rescue squad associated with Kandiyohi County, if an independent  
70.6 nonprofit rescue squad corporation, incorporated under chapter 317A, performing emergency  
70.7 management services, and if not affiliated with a fire department or ambulance service and  
70.8 if its members are not eligible for membership in that fire department's or ambulance service's  
70.9 relief association or comparable pension plan;

70.10 (5) members of the municipal rescue squad associated with the city of Eden Valley in  
70.11 Stearns and Meeker Counties who are not eligible for membership in the police and fire  
70.12 retirement plan or a firefighter relief association affiliated with the city and who elect to  
70.13 participate in the plan under section 353D.02, subdivision 4, paragraph (b);

70.14 (6) employees of the Port Authority of the city of St. Paul who elect to participate in the  
70.15 plan under section 353D.02, subdivision 5, and who are not members of the association  
70.16 under section 353.01, subdivision 7;

70.17 (7) city managers who elected to be excluded from the general employees retirement  
70.18 plan of the association under section 353.028 and who elected to participate in the ~~public~~  
70.19 ~~employees defined contribution~~ plan under section 353.028, subdivision 3, paragraph (b);

70.20 (8) volunteer or ~~emergency paid~~ on-call firefighters serving in a municipal fire department  
70.21 or an independent nonprofit firefighting corporation who are not covered by the police and  
70.22 fire retirement plan ~~and who are not covered by or a firefighters firefighter~~ relief association  
70.23 and who elect to participate in the ~~public employees defined contribution~~ plan;

70.24 (9) any elected county sheriff who is a former member of the police and fire plan, is  
70.25 receiving a retirement annuity as provided under section 353.651, and does not have previous  
70.26 employment with the county for which the sheriff was elected; and

70.27 (10) persons appointed to serve on a board or commission of a governmental subdivision  
70.28 or an instrumentality thereof.

70.29 (b) Individuals otherwise eligible to participate in the plan under this subdivision who  
70.30 are currently covered by a public or private pension plan because of their employment or  
70.31 provision of services are not eligible to participate in the plan.

70.32 (c) A former participant is a person who has terminated eligible employment or service  
70.33 and has not withdrawn the value of the person's individual account.

71.1 Sec. 10. Minnesota Statutes 2025 Supplement, section 353D.02, subdivision 7, is amended  
71.2 to read:

71.3 Subd. 7. **Certain Volunteer or paid on-call firefighters.** Volunteer or paid on-call  
71.4 firefighters who are serving as members of a municipal fire department or an independent  
71.5 nonprofit firefighting corporation and who are not covered for that firefighting service by  
71.6 the public employees police and fire retirement plan under sections 353.63 to 353.68, by a  
71.7 firefighters relief association under chapter 424A, or by the statewide volunteer firefighter  
71.8 retirement plan under chapter 353G may elect to participate in the plan within the first 30  
71.9 days of commencing service by completing and signing a membership election on a form  
71.10 prescribed by the executive director of the association. The membership election must be  
71.11 filed with the association within 60 days of commencing service. An eligible firefighter's  
71.12 election is irrevocable. No employer contribution is payable by the fire department or the  
71.13 firefighting corporation unless the municipal governing body or the firefighting corporation  
71.14 governing body, whichever applies, ratifies the membership election.

71.15 Sec. 11. Minnesota Statutes 2024, section 353D.03, subdivision 6, is amended to read:

71.16 Subd. 6. **Volunteer or paid on-call firefighters.** (a) Unless paragraph (b) applies, a  
71.17 volunteer or ~~emergency~~ paid on-call firefighter who elects to participate in the plan shall  
71.18 contribute at least 7.5 percent of any compensation received for firefighting services.

71.19 (b) If the municipality or the independent nonprofit firefighting corporation ratified the  
71.20 election of plan coverage under section 353D.02, subdivision 6, the volunteer or paid on-call  
71.21 firefighter and the employing unit shall contribute in total an amount equal at least to 7.5  
71.22 percent of any compensation received for firefighting services.

71.23 Sec. 12. Minnesota Statutes 2024, section 353G.18, subdivision 4, is amended to read:

71.24 Subd. 4. **Termination procedures.** (a) The participation of a departing entity in the plan  
71.25 and the coverage of the departing firefighters by the plan ~~shall~~ must cease as of the date the  
71.26 requirements in this subdivision are completed and all assets credited to the entity's account  
71.27 are distributed.

71.28 (b) The governing board of the departing entity ~~shall~~ must adopt the resolutions under  
71.29 subdivision 5 and deliver the resolutions to the executive director.

71.30 (c) The executive director ~~shall~~ must:

72.1 (1) fully vest all departing firefighters as of the termination date and consider each  
72.2 departing firefighter 100 percent vested in the pension benefit accrued by the departing  
72.3 firefighter under the entity's account as of the termination date;

72.4 (2) determine the present value of each departing firefighter's accrued benefit as of the  
72.5 termination date, taking into account the benefit level under section 353G.11 or otherwise  
72.6 in effect for the departing firefighter as determined by the executive director;

72.7 (3) determine, as of the termination date, the value of accrued liabilities, including  
72.8 administrative expenses incurred or reasonably anticipated to be incurred through the  
72.9 distribution date, and the value of assets attributable to the entity's account; and

72.10 (4) to the extent necessary to minimize the risk of investment losses between the  
72.11 termination date and the distribution date, reinvest the assets credited to the entity's account  
72.12 in low-risk investments.

72.13 (d) If the entity's account has assets in excess of accrued liabilities, the executive director  
72.14 ~~shall~~ must allocate the excess among all active departing firefighters in the same proportion  
72.15 that the present value of the accrued benefit for each active departing firefighter bears to  
72.16 the total present value of the accrued benefits of all active departing firefighters, and each  
72.17 active departing firefighter's benefit, as determined under paragraph (c), clause (2), ~~shall~~  
72.18 must be increased by the active departing firefighter's share of the excess.

72.19 (e) The executive director ~~shall~~ must, as soon as practicable after the termination date,  
72.20 distribute to each departing firefighter, regardless of whether the departing firefighter has  
72.21 attained age 50, the firefighter's benefit as calculated by the executive director under  
72.22 paragraphs (c) and (d). The distribution ~~shall~~ must be made in a lump sum, either as a  
72.23 payment to the departing firefighter or as a direct rollover, if elected by the firefighter. If  
72.24 the departing firefighter is deceased, then the firefighter's benefit ~~shall~~ must be paid to the  
72.25 firefighter's survivor under section 353G.12 or as a direct rollover, if elected by the survivor.

72.26 (f) The executive director ~~shall~~ must pay supplemental benefits under section 424A.10,  
72.27 but only to the extent that the executive director will be reimbursed under section 424A.10,  
72.28 subdivision 3.

72.29 Sec. 13. Minnesota Statutes 2025 Supplement, section 356.215, subdivision 8, is amended  
72.30 to read:

72.31 Subd. 8. **Actuarial assumptions.** (a) The actuarial valuation must use the applicable  
72.32 following investment return assumption:

	plan	investment return assumption
73.1		
73.2		
73.3	general state employees retirement plan	7%
73.4	correctional state employees retirement plan	7
73.5	State Patrol retirement plan	7
73.6	legislators retirement plan, and for the	0
73.7	constitutional officers calculation of total plan	
73.8	liabilities	
73.9	judges retirement plan	7
73.10	general public employees retirement plan	7
73.11	public employees police and fire retirement plan	7
73.12	local government correctional service retirement	7
73.13	plan	
73.14	teachers retirement plan	7
73.15	St. Paul teachers retirement plan	7
73.16	Bloomington Fire Department Relief Association	6
73.17	<del>local</del> monthly benefit volunteer firefighter relief	5
73.18	associations	
73.19	monthly benefit retirement plans in the statewide	6
73.20	volunteer firefighter retirement plan	

73.21 (b) The actuarial valuation for each of the covered retirement plans listed in section  
 73.22 356.415, subdivision 2, and the St. Paul Teachers Retirement Fund Association must take  
 73.23 into account the postretirement adjustment rate or rates applicable to the plan as specified  
 73.24 in section 354A.29, subdivision 7, or 356.415, whichever applies.

73.25 (c) The actuarial valuation must use the applicable salary increase and payroll growth  
 73.26 assumptions found in the appendix to the standards for actuarial work. The appendix must  
 73.27 be updated whenever new assumptions have been approved or deemed approved under  
 73.28 subdivision 18.

73.29 (d) The assumptions set forth in the appendix to the standards for actuarial work continue  
 73.30 to apply, unless a different salary assumption or a different payroll increase assumption:

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

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

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

74.1 Sec. 14. Minnesota Statutes 2025 Supplement, section 356.215, subdivision 11, is amended  
74.2 to read:

74.3 Subd. 11. **Amortization contributions.** (a) The actuarial valuation of each pension plan  
74.4 listed in subdivision 8, paragraph (a), other than the legislators retirement plan, the  
74.5 Bloomington Fire Department Relief Association, and the ~~local~~ monthly benefit ~~volunteer~~  
74.6 firefighter relief associations, must contain an exhibit indicating the additional annual  
74.7 contribution sufficient to amortize on a level percent of payroll basis the unfunded actuarial  
74.8 accrued liability resulting from any of the following changes, over the period specified for  
74.9 that change, except that the pension plan's unfunded actuarial accrued liability as of July 1,  
74.10 2024, must be amortized over a period that ends June 30, 2048:

74.11 (1) experience gain or loss: 15 years;

74.12 (2) assumption or method change: 20 years;

74.13 (3) benefit change for active members: 15 years;

74.14 (4) long-term benefit change for inactive members: 15 years;

74.15 (5) short-term benefit change for inactive members: the number of years during which  
74.16 the benefit change will be in effect; and

74.17 (6) an annual contribution that is more or less than the actuarially determined contribution:  
74.18 15 years.

74.19 (b) The amortization periods specified in paragraph (a) apply:

74.20 (1) unless the standards for actuarial work state otherwise;

74.21 (2) except that, for the legislators retirement plan, the additional annual contribution  
74.22 sufficient to amortize the unfunded actuarial accrued liability must be calculated on a level  
74.23 dollar basis with an amortization period of one year; and

74.24 (3) except that, for the State Patrol retirement plan, the public employees police and fire  
74.25 retirement plan, and the Teachers Retirement Association, the unfunded actuarial accrued  
74.26 liability resulting from benefit increases enacted in 2025 must be amortized over a period  
74.27 that ends June 30, 2048.

75.1 Sec. 15. Minnesota Statutes 2024, section 356.216, is amended to read:

75.2 **356.216 CONTENTS OF ACTUARIAL VALUATIONS FOR LOCAL MONTHLY**  
75.3 **~~VOLUNTEER~~ FIREFIGHTER RELIEF ASSOCIATIONS.**

75.4 The provisions of section 356.215 that govern the contents of actuarial valuations apply  
75.5 to the Bloomington Fire Department Relief Association and to any ~~local~~ monthly ~~firefighters~~  
75.6 firefighter relief association required to make an actuarial report under this section, except  
75.7 as follows:

75.8 (1) in lieu of the amortization date specified in section 356.215, subdivision 11, the  
75.9 appropriate amortization target date specified in clause (2) or section 424A.093, subdivision  
75.10 4, paragraph (c), must be used in calculating any required amortization contribution;

75.11 (2) for the Bloomington Fire Department Relief Association, any unfunded actuarial  
75.12 accrued liability must be amortized on a level dollar basis by December 31 of the year  
75.13 occurring 20 years after the year in which the unfunded actuarial accrued liability initially  
75.14 occurred, and, if subsequent actuarial valuations for the Bloomington Fire Department Relief  
75.15 Association indicate a net actuarial experience loss incurred during the year which ended  
75.16 as of the day before the most recent actuarial valuation date, any unfunded actuarial accrued  
75.17 liability due to that loss is to be amortized on a level dollar basis by December 31 of the  
75.18 year occurring 20 years after the year in which the net actuarial experience loss occurred;

75.19 (3) in addition to the tabulation of active members and annuitants provided for in section  
75.20 356.215, subdivision 13, the prospective annual service pensions under the benefit plan for  
75.21 active members must be reported;

75.22 (4) actuarial valuations required under Laws 2013, chapter 111, article 5, section 39,  
75.23 must be made annually and actuarial valuations required under section 424A.093, subdivision  
75.24 2, must be made every four years or as frequently as required by generally accepted  
75.25 accounting principles in the government sector, whichever frequency requirement is shorter;

75.26 (5) the actuarial balance sheet showing accrued assets valued at market value, actuarial  
75.27 accrued liabilities, and the unfunded actuarial accrued liability must include the following  
75.28 required reserves:

75.29 (i) for active members:

75.30 (A) retirement benefits or service pensions;

75.31 (B) disability benefits; and

75.32 (C) survivors' benefits;

- 76.1 (ii) for deferred annuitants' benefits;
- 76.2 (iii) for former members without vested rights;
- 76.3 (iv) for annuitants:
- 76.4 (A) retirement annuities or service pensions;
- 76.5 (B) disability annuities; and
- 76.6 (C) survivor benefits.

76.7 In addition to those required reserves, separate items must be shown for additional  
76.8 benefits, if any, which may not be appropriately included in the reserves listed above; and

76.9 (6) actuarial valuations are due to be filed with the state auditor by the first day of the  
76.10 seventh month after the end of the fiscal year which the actuarial valuation covers.

76.11 Sec. 16. Minnesota Statutes 2024, section 356.401, subdivision 3, is amended to read:

76.12 Subd. 3. **Covered retirement plans.** The provisions of this section apply to the following  
76.13 retirement plans:

76.14 (1) the legislators retirement plan, established by chapter 3A, including constitutional  
76.15 officers as specified in that chapter;

76.16 (2) the general state employees retirement plan of the Minnesota State Retirement System,  
76.17 established by chapter 352;

76.18 (3) the correctional state employees retirement plan of the Minnesota State Retirement  
76.19 System, established by chapter 352;

76.20 (4) the State Patrol retirement plan, established by chapter 352B;

76.21 (5) the unclassified state employees retirement program, established by chapter 352D;

76.22 (6) the general employees retirement plan of the Public Employees Retirement  
76.23 Association, established by chapter 353;

76.24 (7) the public employees police and fire plan of the Public Employees Retirement  
76.25 Association, established by chapter 353;

76.26 (8) the public employees defined contribution plan, established by chapter 353D;

76.27 (9) the local government correctional service retirement plan of the Public Employees  
76.28 Retirement Association, established by chapter 353E;

76.29 (10) the statewide ~~lump-sum~~ volunteer firefighter plan, established by chapter 353G;

- 77.1 (11) the Teachers Retirement Association, established by chapter 354;
- 77.2 (12) the St. Paul Teachers Retirement Fund Association, established by chapter 354A;
- 77.3 (13) the individual retirement account plan, established by chapter 354B;
- 77.4 (14) the higher education supplemental retirement plan, established by chapter 354C;
- 77.5 and
- 77.6 (15) the judges retirement fund, established by chapter 490.
- 77.7 Sec. 17. Minnesota Statutes 2024, section 356.611, subdivision 6, is amended to read:
- 77.8 Subd. 6. **Covered retirement plan.** As used in this section, "covered retirement plan"
- 77.9 means any of the following plans:
- 77.10 (1) the legislator's retirement plan, established by chapter 3A, including constitutional
- 77.11 officers as specified in that chapter;
- 77.12 (2) the general state employees retirement plan of the Minnesota State Retirement System,
- 77.13 established by chapter 352;
- 77.14 (3) the correctional state employees retirement plan of the Minnesota State Retirement
- 77.15 System, established by chapter 352;
- 77.16 (4) the State Patrol retirement plan, established by chapter 352B;
- 77.17 (5) the unclassified state employees retirement plan, established by chapter 352D;
- 77.18 (6) the general employees retirement plan of the Public Employees Retirement
- 77.19 Association, established by chapter 353;
- 77.20 (7) the public employees police and fire retirement plan of the Public Employees
- 77.21 Retirement Association, established by chapter 353;
- 77.22 (8) the public employees defined contribution plan, established by chapter 353D;
- 77.23 (9) the local government correctional service retirement plan of the Public Employees
- 77.24 Retirement Association, established by chapter 353E;
- 77.25 (10) the statewide volunteer firefighter retirement plan, established by chapter 353G;
- 77.26 (11) the Teachers Retirement Association, established by chapter 354;
- 77.27 (12) the St. Paul Teachers Retirement Fund Association, established by chapter 354A;
- 77.28 (13) the higher education individual retirement account plan, established by chapter
- 77.29 354B;

78.1 (14) the higher education supplemental retirement plan, established by chapter 354C;

78.2 (15) a retirement plan of a ~~volunteer~~ firefighter ~~retirement~~ relief association subject to  
78.3 chapter 424A;

78.4 (16) the judges retirement plan, established by chapter 490; or

78.5 (17) the Bloomington Fire Department Relief Association governed by Laws 2013,  
78.6 chapter 111, article 5, sections 31 to 42; Minnesota Statutes 2000, chapter 424; and Laws  
78.7 1965, chapter 446, as amended.

78.8 Sec. 18. Minnesota Statutes 2024, section 356.635, subdivision 2a, is amended to read:

78.9 Subd. 2a. **Required distributions from defined contribution plans.** (a) This section  
78.10 applies to any covered retirement plan that is a defined contribution plan, including but not  
78.11 limited to the following:

78.12 (1) the unclassified state employees retirement plan, established by chapter 352D;

78.13 (2) the public employees defined contribution plan, established by chapter 353D;

78.14 (3) the defined contribution plan that is part of the statewide volunteer firefighter  
78.15 ~~retirement~~ plan, established by chapter 353G;

78.16 (4) the higher education individuals retirement account plan, established by chapter  
78.17 354B;

78.18 (5) the higher education supplemental retirement plan, established by chapter 354C; and

78.19 (6) a defined contribution relief association, as defined under section 424A.001,  
78.20 subdivision 1c.

78.21 (b) If the participant dies before the required minimum distribution begins, the  
78.22 participant's account must be distributed in a lump sum no later than as follows:

78.23 (1) if the participant's account balance is payable to an eligible designated beneficiary,  
78.24 the distribution must be made by December 31 of the calendar year immediately following  
78.25 the calendar year in which the participant died. If the eligible designated beneficiary is the  
78.26 surviving spouse, the surviving spouse may elect to delay payment until December 31 of  
78.27 the calendar year in which the participant would have attained the participant's required  
78.28 beginning date. ~~Effective for calendar years beginning after December 31, 2023,~~ A surviving  
78.29 spouse who is the member's sole designated beneficiary may elect to be treated as if the  
78.30 surviving spouse were the member as provided under section 401(a)(9)(B)(iv) of the Internal  
78.31 Revenue Code;

79.1 (2) if the participant's account balance is payable to a beneficiary that is not a designated  
79.2 beneficiary, the participant's account must be distributed by December 31 of the calendar  
79.3 year containing the fifth anniversary of the participant's death; or

79.4 (3) if the participant's account balance is payable to a designated beneficiary who is not  
79.5 an eligible designated beneficiary, the participant's account must be distributed by December  
79.6 31 of the calendar year containing the tenth anniversary of the participant's death.

79.7 (c) Upon the death of the participant after distribution of the participant's account balance  
79.8 begins, any remaining portion of the participant's account balance shall continue to be  
79.9 distributed at least as rapidly as under the method of distribution in effect at the time of the  
79.10 participant's death, provided that the portion of the participant's account balance payable to  
79.11 a designated beneficiary who is not an eligible designated beneficiary must be distributed  
79.12 in its entirety by December 31 of the calendar year containing the tenth anniversary of the  
79.13 participant's death.

79.14 (d) Upon the death of an eligible designated beneficiary, or the attainment of the age of  
79.15 majority of an eligible designated beneficiary who is a minor child of the participant, before  
79.16 distribution of the participant's entire account balance under paragraph (b) or (c), the  
79.17 remainder of the participant's account balance shall be distributed by December 31 of the  
79.18 calendar year containing the tenth anniversary of the eligible designated beneficiary's death,  
79.19 or by December 31 of the calendar year in which the child attains the age of majority plus  
79.20 ten years, as applicable.

79.21 ~~(e) Notwithstanding any other provisions of this subdivision, a participant or beneficiary,~~  
79.22 ~~who would have been required to receive required minimum distributions in 2020 (or paid~~  
79.23 ~~in 2021 for the 2020 calendar year for a participant with a required beginning date of April~~  
79.24 ~~1, 2021) but for the enactment of section 401(a)(9)(I) of the Internal Revenue Code, and~~  
79.25 ~~who would have satisfied that requirement by receiving a distribution that satisfies the~~  
79.26 ~~required minimum distribution for 2020, will receive that distribution unless the participant~~  
79.27 ~~or beneficiary chooses not to receive the distribution. Solely for purposes of applying the~~  
79.28 ~~direct rollover provisions of section 356.633, such distributions will be treated as eligible~~  
79.29 ~~rollover distributions in 2020.~~

79.30 Sec. 19. Minnesota Statutes 2024, section 356.65, subdivision 1, is amended to read:

79.31 Subdivision 1. **Definitions.** For purposes of this section, unless the context clearly  
79.32 indicates otherwise, each of the following terms has the meaning given to it:

80.1 (a) "Public pension fund" means any public pension plan as defined in section 356.63,  
80.2 paragraph (b), and any ~~Minnesota firefighters~~ firefighter relief association ~~which is~~  
80.3 established under chapter 424A and governed under sections 424A.091 to 424A.096.

80.4 (b) "Unclaimed public pension fund amounts" means any amounts representing  
80.5 accumulated member contributions, any outstanding unpaid annuity, service pension or  
80.6 other retirement benefit payments, including those made on warrants issued by the  
80.7 commissioner of management and budget, which have been issued and delivered for more  
80.8 than six months prior to the date of the end of the fiscal year applicable to the public pension  
80.9 fund, and any applicable interest to the credit of:

80.10 (1) an inactive or former member of a public pension fund who is not entitled to a defined  
80.11 retirement annuity and who has not applied for a refund of those amounts within five years  
80.12 after the last member contribution was made; or

80.13 (2) a deceased inactive or former member of a public pension fund if no survivor is  
80.14 entitled to a survivor benefit and no survivor, designated beneficiary or legal representative  
80.15 of the estate has applied for a refund of those amounts within five years after the date of  
80.16 death of the inactive or former member.

80.17 Sec. 20. Minnesota Statutes 2024, section 356B.02, is amended to read:

80.18 **356B.02 DRAFTING PENSION AND RETIREMENT BILLS.**

80.19 (a) Notwithstanding section 3C.035, an agency or pension system intending to urge the  
80.20 legislature to adopt a bill affecting the pension system, one or more plans administered by  
80.21 the pension system, or one or more ~~volunteer~~ firefighter relief associations; or relating to  
80.22 pensions or retirement shall deliver the drafting request for the bill to the executive director  
80.23 of the commission no later than November 1 before the regular session of the legislature at  
80.24 which adoption will be urged.

80.25 (b) The executive director of the commission may accept a drafting request from an  
80.26 agency or a pension system after November 1 if the executive director of the commission  
80.27 determines that the request relates to a matter that could not reasonably have been foreseen  
80.28 by November 1 or for which the requester provides other reasonable justification for delay.

80.29 Sec. 21. Minnesota Statutes 2024, section 423A.02, subdivision 1b, is amended to read:

80.30 Subd. 1b. **Additional amortization state aid.** (a) Annually, the commissioner shall  
80.31 allocate the additional amortization state aid, if any, including any state aid in excess of the  
80.32 limitation in subdivision 4, on the following basis:

81.1 (1) 47.1 percent to the city of Minneapolis to defray the employer costs associated with  
81.2 police and firefighter retirement coverage;

81.3 (2) 25.8 percent as additional funding to support the minimum fire state aid for ~~volunteer~~  
81.4 firefighter relief associations under section 477B.03, subdivision 5;

81.5 (3) 12.9 percent to the city of Duluth to defray employer costs associated with police  
81.6 and firefighter retirement coverage;

81.7 (4) 12.9 percent to the St. Paul Teachers Retirement Fund Association if the investment  
81.8 performance requirement of paragraph (c) is met; and

81.9 (5) 1.3 percent to the city of Virginia to defray the employer contribution under section  
81.10 353.665, subdivision 8, paragraph (d).

81.11 If there is no additional employer contribution under section 353.665, subdivision 8a,  
81.12 certified under subdivision 1, paragraph (d), clause (2), with respect to the former  
81.13 Minneapolis Police Relief Association and the former Minneapolis Fire Department Relief  
81.14 Association, the commissioner shall allocate that 47.1 percent of the aid as follows: 49  
81.15 percent to the Teachers Retirement Association, 21 percent to the St. Paul Teachers  
81.16 Retirement Fund Association, and 30 percent as additional funding to support minimum  
81.17 fire state aid for ~~volunteer~~ firefighter relief associations under section 477B.03, subdivision  
81.18 5. If there is no employer contribution by the city of Virginia under section 353.665,  
81.19 subdivision 8, paragraph (d), for the former Virginia Fire Department Relief Association  
81.20 certified on or before June 30 by the executive director of the Public Employees Retirement  
81.21 Association, the commissioner shall allocate that 1.3 percent of the aid as follows: 49 percent  
81.22 to the Teachers Retirement Association, 21 percent to the St. Paul Teachers Retirement  
81.23 Fund Association, and 30 percent as additional funding to support minimum fire state aid  
81.24 for ~~volunteer~~ firefighter relief associations under section 477B.03, subdivision 5.

81.25 (b) The allocation must be made by the commissioner of revenue on October 1 annually.

81.26 (c) With respect to the St. Paul Teachers Retirement Fund Association, annually, if the  
81.27 teacher's association five-year average time-weighted rate of investment return does not  
81.28 equal or exceed the performance of a composite portfolio assumed passively managed  
81.29 (indexed) invested ten percent in cash equivalents, 60 percent in bonds and similar debt  
81.30 securities, and 30 percent in domestic stock calculated using the formula under section  
81.31 11A.04, clause (11), the aid allocation to the retirement fund under this section ceases until  
81.32 the five-year annual rate of investment return equals or exceeds the performance of that  
81.33 composite portfolio.

82.1 (d) The amounts required under this subdivision are the amounts annually appropriated  
82.2 to the commissioner of revenue under section 477B.03, subdivision 5, paragraph (d), if any,  
82.3 and the aid amounts in excess of the limitation in subdivision 4.

82.4 Sec. 22. Minnesota Statutes 2024, section 423A.02, subdivision 3, is amended to read:

82.5 Subd. 3. **Reallocation of amortization state aid.** (a) Seventy percent of the difference  
82.6 between \$5,720,000 and the current year amortization aid distributed under subdivision 1  
82.7 that is not distributed for any reason to a municipality must be distributed by the  
82.8 commissioner of revenue according to this paragraph. The commissioner shall distribute  
82.9 60 percent of the amounts derived under this paragraph to the Teachers Retirement  
82.10 Association, and 40 percent to the St. Paul Teachers Retirement Fund Association to fund  
82.11 the unfunded actuarial accrued liabilities of the respective funds. These payments must be  
82.12 made on July 15 each fiscal year. If the St. Paul Teachers Retirement Fund Association or  
82.13 the Teachers Retirement Association satisfies subdivision 5, eligibility for its portion of this  
82.14 aid ceases. Amounts remaining in the undistributed balance account at the end of the  
82.15 biennium if aid eligibility ceases cancel to the general fund.

82.16 (b) In order to receive amortization aid under paragraph (a), before June 30 annually  
82.17 Independent School District No. 625, St. Paul, must make an additional contribution of  
82.18 \$800,000 each year to the St. Paul Teachers Retirement Fund Association.

82.19 (c) Thirty percent of the difference between \$5,720,000 and the current year amortization  
82.20 aid under subdivision 1 that is not distributed for any reason to a municipality must be  
82.21 distributed under section 477B.03, subdivision 5, as additional funding to support a minimum  
82.22 fire state aid amount for ~~volunteer~~ firefighter relief associations.

82.23 Sec. 23. Minnesota Statutes 2024, section 424A.01, subdivision 3, is amended to read:

82.24 Subd. 3. **Status of nonmember ~~volunteer~~ firefighters.** No person who is serving as a  
82.25 firefighter in a fire department but who is not a member of the applicable firefighters relief  
82.26 association is entitled to any service pension or ancillary benefits from the relief association.

82.27 Sec. 24. Minnesota Statutes 2024, section 424B.10, subdivision 1b, is amended to read:

82.28 Subd. 1b. **Benefits.** (a) The successor relief association following the consolidation of  
82.29 two or more defined benefit relief associations must be a defined benefit relief association.

82.30 (b) Notwithstanding any provision of section 424A.02, subdivision 3, to the contrary,  
82.31 the initial service pension amount of the subsequent defined benefit relief association as of  
82.32 the effective date of consolidation is either the service pension amount specified in clause

83.1 (1) or the service pension amounts specified in clause (2), as provided for in the consolidated  
83.2 relief association's articles of incorporation or bylaws:

83.3 (1) the highest dollar amount service pension amount of any prior firefighters relief  
83.4 association in effect immediately before the consolidation initiation if the pension amount  
83.5 was implemented consistent with section 424A.02; or

83.6 (2) for service rendered by each individual volunteer or paid on-call firefighter before  
83.7 consolidation, the service pension amount under the consolidating firefighters relief  
83.8 association that the firefighter belonged to immediately before the consolidation if the  
83.9 pension amount was implemented consistent with section 424A.02 and for service rendered  
83.10 after the effective date of the consolidation, the highest dollar amount service pension of  
83.11 any of the consolidating ~~volunteer firefighters~~ firefighter relief associations in effect  
83.12 immediately before the consolidation if the pension amount was implemented consistent  
83.13 with section 424A.02.

83.14 (c) Any increase in the service pension amount beyond the amount implemented under  
83.15 paragraph (a) must conform with the requirements and limitations of section 424A.02 and  
83.16 sections 424A.091 to 424A.095.

83.17 Sec. 25. Minnesota Statutes 2024, section 465.90, is amended to read:

83.18 **465.90 MUNICIPAL AUTHORITY TO PERMIT SOLICITATION BY**  
83.19 **FIREFIGHTERS.**

83.20 Notwithstanding any law or ordinance to the contrary, a municipality may by resolution  
83.21 permit full-time permanent firefighters employed by the municipality while on duty, or  
83.22 volunteer or paid on-call firefighters serving the municipality while not on duty, to solicit  
83.23 charitable contributions from motorists if the following conditions are met:

83.24 (1) the solicitation is for only one charitable organization annually, and that charitable  
83.25 organization is qualified under section 501(c)(3) of the Internal Revenue Code and is  
83.26 registered as a charity under state law;

83.27 (2) the solicitation does not occur for more than three days, whether or not consecutively,  
83.28 in any calendar year; and

83.29 (3) the charitable organization provides to the municipality proof of commercial general  
83.30 liability insurance against claims for bodily injury and property damage if the injury or  
83.31 damage occurs (i) on public streets, roads, or rights-of-way, or (ii) as a result of the solicitor's  
83.32 activities. The insurance must have a limit of no less than \$1,500,000 per occurrence and  
83.33 an endorsement to the policy naming the municipality as an additional insured.

84.1 Sec. 26. REVISOR INSTRUCTION.

84.2 (a) In Minnesota Statutes, the revisor of statutes shall change the terms "volunteer  
84.3 firefighters relief associations" "volunteer firefighters' relief associations" "firefighters relief  
84.4 associations" and "firefighters' relief associations" to "firefighter relief associations" wherever  
84.5 the terms appear.

84.6 (b) In Minnesota Statutes, the revisor of statutes shall change the terms "firefighters  
84.7 relief association" and "firefighters' relief association" to "firefighter relief association"  
84.8 wherever the terms appear.

84.9 (c) The revisor shall make any necessary grammatical changes or changes to sentence  
84.10 structure necessary to preserve the meaning of the text as a result of the changes.

84.11 Sec. 27. EFFECTIVE DATE.

84.12 Sections 1 to 26 are effective the day following final enactment.

84.13 **ARTICLE ...**84.14 **MISCELLANEOUS TECHNICAL CORRECTIONS**

84.15 Section 1. Minnesota Statutes 2025 Supplement, section 299A.465, subdivision 1, is  
84.16 amended to read:

84.17 Subdivision 1. **Officer or firefighter disabled in line of duty.** (a) This subdivision  
84.18 applies to any peace officer or firefighter:

84.19 (1) who the Public Employees Retirement Association or the Minnesota State Retirement  
84.20 System determines is eligible to receive a duty disability benefit pursuant to section 353.656  
84.21 or 352B.10, subdivision 1, respectively; or

84.22 (2) who is a member of a local police or salaried firefighters relief association and  
84.23 qualifies for a duty disability benefit under the terms of plans of the relief associations, and  
84.24 the peace officer or firefighter has discontinued public service as a peace officer or firefighter  
84.25 as a result of a disabling injury and has been determined, by the Public Employees Retirement  
84.26 Association, to have otherwise met the duty disability criteria set forth in section 353.01,  
84.27 subdivision 41.

84.28 (b) Determinations made in accordance with paragraph (a) are binding on the peace  
84.29 officer or firefighter, employer, and state. The determination must be made by the executive  
84.30 director of the Public Employees Retirement Association or by the executive director of the  
84.31 Minnesota State Retirement System, whichever applies, and is not subject to section 356.96,

85.1 subdivision 2. Upon making a determination, the executive director must provide written  
85.2 notice to the peace officer or firefighter and the employer. The notice must include a written  
85.3 statement of the reasons for the determination. If the notice is from the executive director  
85.4 of the Minnesota State Retirement System, the notice must also include:

85.5 (1) a notice that the person may petition for a review of the determination by requesting  
85.6 that a contested case be initiated before the Office of Administrative Hearings, the cost of  
85.7 which must be borne by the peace officer or firefighter and the employer; and

85.8 (2) a statement that any person who does not petition for a review within 60 days is  
85.9 precluded from contesting issues determined by the executive director in any other  
85.10 administrative review or court procedure.

85.11 If, prior to the contested case hearing, additional information is provided to support the  
85.12 claim for duty disability as defined in section 352B.011, subdivision 7, the executive director  
85.13 may reverse the determination without the requested hearing. If a hearing is held before the  
85.14 Office of Administrative Hearings, the determination rendered by the judge conducting the  
85.15 fact-finding hearing is a final decision and order under section 14.62, subdivision 2a, and  
85.16 is binding on the applicable executive director, the peace officer or firefighter, employer,  
85.17 and state. Review of a final determination made by the Office of Administrative Hearings  
85.18 under this section may only be obtained by writ of certiorari to the Minnesota Court of  
85.19 Appeals under sections 14.63 to 14.68. Only the peace officer or firefighter, employer, and  
85.20 state have standing to participate in a judicial review of the decision of the Office of  
85.21 Administrative Hearings.

85.22 (c) The officer's or firefighter's employer must continue to provide health coverage and  
85.23 pay for the coverage as required by paragraphs (d) to (g) for:

85.24 (1) the officer or firefighter; and

85.25 (2) the officer's or firefighter's dependents if the officer or firefighter was receiving  
85.26 dependent coverage at the time of the injury under the employer's group health plan.

85.27 (d) For an officer or firefighter who has applied for or been approved to receive benefits  
85.28 under section 353.656 ~~prior to the date of enactment~~ before May 24, 2025, or an officer or  
85.29 firefighter who applies for and is approved for total and permanent duty disability benefits  
85.30 under section 353.656, subdivision 1a, the employer is responsible for the continued payment  
85.31 of the employer's contribution for health coverage of the officer or firefighter and, if  
85.32 applicable, the officer's or firefighter's dependents. Coverage must continue for the officer  
85.33 or firefighter and, if applicable, the officer's or firefighter's dependents until the officer or  
85.34 firefighter reaches age 65 or, if deceased, would have reached age 65.

86.1 (e) For an officer or firefighter approved to receive benefits under section 353.656 on  
86.2 or after ~~the date of enactment~~ May 24, 2025, and who is not approved for total and permanent  
86.3 duty disability benefits under section 353.656, subdivision 1a, the employer is responsible  
86.4 for the continued payment of the employer's contribution for health coverage of the officer  
86.5 or firefighter and, if applicable, the officer's or firefighter's dependents. Coverage must  
86.6 continue:

86.7 (1) for the officer or firefighter for a period of 60 months or, if earlier, until the officer  
86.8 or firefighter reaches age 65; and

86.9 (2) for the officer's or firefighter's dependents for a period of 60 months.

86.10 (f) For an officer or firefighter who has applied for or been approved to receive benefits  
86.11 under section 352B.10, subdivision 1, the employer is responsible for the continued payment  
86.12 of the employer's contribution for health coverage of the officer or firefighter and, if  
86.13 applicable, the officer's or firefighter's dependents. Coverage must continue for the officer  
86.14 or firefighter and, if applicable, the officer's or firefighter's dependents until the officer or  
86.15 firefighter reaches age 65 or, if deceased, would have reached age 65.

86.16 (g) The employer is not required to continue health coverage for dependents after the  
86.17 person is no longer a dependent.

86.18 (h) An officer or firefighter who has applied for or been approved to receive benefits  
86.19 under section 353.656 may affirmatively waive health coverage under this section but must  
86.20 not receive any payment or other consideration from the employer in exchange for waiver  
86.21 of the coverage. Any agreement entered into between an officer or firefighter who has  
86.22 applied for or been approved to receive benefits under section 353.656 and the officer's or  
86.23 firefighter's employer or the employer's agent providing for compensation for a waiver of  
86.24 coverage under this section is void. Nothing in this subdivision shall be construed to render  
86.25 void any agreement entered into ~~prior to the date of enactment~~ before May 24, 2025.

86.26 (i) Once a duty disability determination is made pursuant to section 353.656, the employer  
86.27 has no right to challenge and is prohibited from challenging the continuation and payment  
86.28 of health coverage under this section.

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

86.30 Sec. 2. Minnesota Statutes 2024, section 354A.29, subdivision 7, is amended to read:

86.31 Subd. 7. **Postretirement adjustments.** (a) Except as set forth in paragraph (c), each  
86.32 person who has been receiving an annuity or benefit under the articles of incorporation, the  
86.33 bylaws, or this chapter, whose effective date of benefit commencement occurred on or

87.1 before July 1 of the calendar year immediately before the adjustment, is eligible to receive  
87.2 an annual postretirement adjustment, effective as of each January 1, as follows:

87.3 (1) there shall be no postretirement adjustment on January 1, 2019, and January 1, 2020;  
87.4 and

87.5 (2) the postretirement adjustment shall be one percent on January 1, 2021, and each  
87.6 January 1 thereafter.

87.7 (b) A postretirement adjustment is to be applied as a permanent increase to the regular  
87.8 payment of each eligible member on January 1. For any eligible member whose effective  
87.9 date of benefit commencement occurred after January 1 of the immediately preceding  
87.10 calendar year, the amount of the postretirement adjustment must be reduced by 50 percent.

87.11 (c) Each person who retires on or after July 1, 2024, is entitled to an annual postretirement  
87.12 adjustment, effective as of each January 1, beginning with the year following the year in  
87.13 which the member attains normal retirement age.

87.14 (d) Paragraph (c) does not apply to members who retire under section 354A.31,  
87.15 subdivision 6, paragraph ~~(b)~~ (c), or who retire when the member is at least age 62 and has  
87.16 at least 30 years of service under section 354A.31, subdivision 7.

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

87.18 Sec. 3. Minnesota Statutes 2025 Supplement, section 356.24, subdivision 1, is amended  
87.19 to read:

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

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

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

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

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

87.31 (5) to a deferred compensation plan defined in subdivision 3;

88.1 (6) for personnel employed by the Board of Trustees of the Minnesota State Colleges  
88.2 and Universities and not covered by clause (5), to the supplemental retirement plan under  
88.3 chapter 354C, if the supplemental plan coverage is provided for in a personnel policy or in  
88.4 the collective bargaining agreement of the public employer with the exclusive representative  
88.5 of the covered employees in an appropriate unit, in an amount matching employee  
88.6 contributions on a dollar for dollar basis, but not to exceed an employer contribution of  
88.7 \$4,300 a year for each employee;

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

88.13 (8) to the laborers national industrial pension fund or to a laborers local pension fund  
88.14 for the employees of a governmental subdivision who are covered by a collective bargaining  
88.15 agreement that provides for coverage by that fund and that sets forth a fund contribution  
88.16 rate, but not to exceed an employer contribution of \$10,000 per year per employee;

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

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

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

88.30 (12) for employees of United Hospital District, Blue Earth, to the state of Minnesota  
88.31 deferred compensation program, if the employee makes a contribution, in an amount that  
88.32 does not exceed the total percentage of covered salary under section 353.27, subdivisions  
88.33 3 and 3a;

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

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

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

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

89.11 Sec. 4. Minnesota Statutes 2025 Supplement, section 423A.022, subdivision 2, is amended  
89.12 to read:

89.13 Subd. 2. **Allocation.** (a) Of the total amount appropriated as supplemental state aid:

89.14 (1) 58.064 percent must be paid to the executive director of the Public Employees  
89.15 Retirement Association for deposit in the public employees police and fire retirement fund  
89.16 established by section 353.65, subdivision 1;

89.17 (2) 35.484 percent must be allocated and paid as required by paragraphs (b) and (c),  
89.18 respectively, to or on behalf of municipalities who qualify for supplemental state aid under  
89.19 paragraph (d); and

89.20 (3) 6.452 percent must be paid to the executive director of the Minnesota State Retirement  
89.21 System for deposit in the state patrol retirement fund.

89.22 (b) Supplemental state aid under paragraph (a), clause (2), must be allocated to each  
89.23 municipality that qualifies for supplemental state aid under paragraph (d) in the same  
89.24 proportion that the most recent amount of fire state aid paid under section 477B.04 for the  
89.25 municipality bears to the most recent total fire state aid paid under section 477B.04 for all  
89.26 municipalities other than municipalities solely employing firefighters with retirement  
89.27 coverage by one or more pension plans under chapter 353.

89.28 (c) Supplemental state aid under paragraph (a), clause (2), must be paid:

89.29 (1) to the executive director of the Public Employees Retirement Association for each  
89.30 municipality with a fire department that participates in the statewide volunteer firefighter  
89.31 plan for deposit in the fund established by section ~~352G.02~~ 353G.02, subdivision 3, and  
89.32 credited to the fire department's account; and

90.1 (2) with the balance to the treasurer of each municipality for transmittal within 30 days  
 90.2 of receipt to the treasurer of the applicable firefighters relief association for deposit in its  
 90.3 special fund.

90.4 (d) A municipality qualifies for supplemental state aid under paragraph (a), clause (2),  
 90.5 if the municipality:

90.6 (1) does not solely employ firefighters with retirement coverage provided by one or  
 90.7 more pension plans established under chapter 353; and

90.8 (2) qualified to receive fire state aid in that calendar year.

90.9 (e) For purposes of this section, the term "municipalities" includes independent nonprofit  
 90.10 firefighting corporations that participate in the statewide volunteer firefighter plan under  
 90.11 chapter 353G or with subsidiary firefighter relief associations operating under chapter 424A.

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

## 90.13 **ARTICLE 11**

### 90.14 **STATEWIDE VOLUNTEER FIREFIGHTER PLAN**

90.15 Section 1. Minnesota Statutes 2024, section 353G.02, subdivision 4, is amended to read:

90.16 Subd. 4. **Periodic audit; biennial actuarial valuation; biennial annual funding**  
 90.17 **report.** (a) The legislative auditor shall periodically audit the retirement fund.

90.18 (b) The executive director must retain an approved actuary under section 356.214 to  
 90.19 perform biennial actuarial valuations of each fire department account in the monthly division.  
 90.20 The actuarial valuation must conform with section 356.215 and the standards for actuarial  
 90.21 work. The actuarial valuation must contain sufficient detail for each participating employer  
 90.22 to ascertain the actuarial condition of its account in the retirement fund and the amount of  
 90.23 its required contribution to the account.

90.24 (c) The executive director must perform ~~biennial~~ annual funding assessments of each  
 90.25 fire department account in the ~~lump-sum division~~ defined benefit plan. The assessment must  
 90.26 comply with section 353G.08, subdivision 1 or 1a, as applicable.

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

90.28 Sec. 2. Minnesota Statutes 2024, section 353G.08, subdivision 1, is amended to read:

90.29 Subdivision 1. **Biennial Annual funding reports; lump-sum division.** (a) The executive  
 90.30 director must annually determine the funding requirements for each fire department account  
 90.31 in the lump-sum division on or before August 1 ~~every other year~~. The funding requirements

91.1 computed under this subdivision must be determined using a mathematical procedure  
91.2 developed and certified as accurate by the approved actuary retained by the association and  
91.3 must be based on present value factors using a six percent investment return rate, without  
91.4 any decrement assumptions. The executive director must provide written notice of the  
91.5 funding requirements to the entity or entities associated with the fire department whose  
91.6 active firefighters are covered by the plan.

91.7 (b) The overall funding balance of each fire department account for the current calendar  
91.8 year must be determined in the following manner:

91.9 (1) The total accrued liability for all active and deferred members of the fire department  
91.10 as of December 31 of the current year must be calculated based on the service credit of  
91.11 active and deferred members as of that date.

91.12 (2) The assets of the fire department account projected to December 31 of the current  
91.13 year, including receipts by and disbursements from the account anticipated to occur on or  
91.14 before December 31, must be calculated. The executive director must begin phasing in the  
91.15 use of actuarial value of assets in making this calculation beginning with the funding reports  
91.16 for 2026.

91.17 (3) The amount of the assets calculated under clause (2) must be subtracted from the  
91.18 amount of the total accrued liability calculated under clause (1). If the amount of the assets  
91.19 exceeds the amount of the total accrued liability, then the account is considered to have a  
91.20 surplus over full funding. If the amount of the assets is less than the amount of the total  
91.21 accrued liability, then the account is considered to have a deficit from full funding. If the  
91.22 amount of assets is equal to the amount of the total accrued liability, then the account is  
91.23 considered to be fully funded.

91.24 (c) The financial requirements of each fire department for the following calendar year  
91.25 must be determined in the following manner:

91.26 (1) The total accrued liability for all active and deferred members of the fire department  
91.27 as of December 31 of the calendar year next following the current calendar year must be  
91.28 calculated based on the service used in the calculation under paragraph (b), clause (1),  
91.29 increased by one year.

91.30 (2) The increase in the total accrued liability of the account for the following calendar  
91.31 year over the total accrued liability of the account for the current year must be calculated.

91.32 (3) The amount of administrative expenses of the account must be calculated by  
91.33 multiplying the per-person dollar amount of the administrative expenses for the most recent

92.1 prior calendar year by the number of active and deferred firefighters reported to the  
92.2 association on the most recent service credit certification form for the account.

92.3 (4) If the account is fully funded, the financial requirement of the account for the  
92.4 following calendar year is the total of the amounts calculated under clauses (2) and (3).

92.5 (5) If the account has a deficit from full funding, the financial requirement of the account  
92.6 for the following calendar year is the total of the amounts calculated under clauses (2) and  
92.7 (3) plus an amount equal to one-tenth of the amount of the deficit from full funding of the  
92.8 account.

92.9 (6) If the account has a surplus over full funding, the financial requirement of the account  
92.10 for the following calendar year is the financial requirement of the account calculated as  
92.11 though the account was fully funded under clause (4) and, if the account has also had a  
92.12 surplus over full funding during the prior two years, additionally reduced by an amount  
92.13 equal to one-tenth of the amount of the surplus over full funding of the account.

92.14 (d) The required contribution of the entity or entities associated with the fire department  
92.15 whose active firefighters are covered by the lump-sum division is the annual financial  
92.16 requirements of the fire department account under paragraph (c) reduced by the amount of  
92.17 any fire state aid payable under chapter 477B or police and firefighter retirement  
92.18 supplemental state aid payable under section 423A.022 that is reasonably anticipated to be  
92.19 received by the retirement plan attributable to the entity or entities during the following  
92.20 calendar year, and an amount of investment earnings on the assets projected to be received  
92.21 during the following calendar year calculated at the rate of six percent per annum. The  
92.22 required contribution must be allocated between the entities if more than one entity is  
92.23 involved. A reasonable amount of anticipated fire state aid is an amount that does not exceed  
92.24 the fire state aid received in the prior year multiplied by the factor 1.035.

92.25 ~~(e) The financial requirement for each fire department account in the lump-sum division~~  
92.26 ~~for the second year of the biennial valuation period must be in the amount determined in~~  
92.27 ~~paragraph (d) increased by six percent, but no more than the excess, if any, of the amount~~  
92.28 ~~determined under paragraph (c), clause (1), less the actual market value of assets in the fire~~  
92.29 ~~department account as of that date.~~

92.30 ~~(f)~~(e) The required contribution calculated in paragraph (d) must be paid to the retirement  
92.31 plan on or before December 31 of the year for which it was calculated. If the contribution  
92.32 is not received by the plan by December 31, it is payable with interest at an annual compound  
92.33 rate of six percent from the date due until the date payment is received by the plan. If the

93.1 entity does not pay the full amount of the required contribution, the executive director shall  
93.2 collect the unpaid amount under section 353.28, subdivision 6.

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

93.4 **ARTICLE ...**

93.5 **PERA POLICE AND FIRE PLAN; REMOVE THE COLA DELAY; DIRECT STATE**  
93.6 **AID**

93.7 Section 1. Minnesota Statutes 2025 Supplement, section 353.65, subdivision 3b, is amended  
93.8 to read:

93.9 Subd. 3b. **Direct state aid.** (a) The state must pay \$4,500,000 on October 1, 2018, and  
93.10 October 1, 2019, to the public employees police and fire retirement plan. By October 1 of  
93.11 each year after 2019, the state must pay \$9,000,000 to the public employees police and fire  
93.12 retirement plan.

93.13 (b) By October 1 of each year after 2024, the state must pay \$17,700,000 to the public  
93.14 employees police and fire retirement plan.

93.15 (c) By October 1 of each year after 2025, the state must pay \$8,000,000 to the public  
93.16 employees police and fire retirement plan.

93.17 ~~(e)~~ (d) The commissioner of management and budget must pay the aid specified in this  
93.18 subdivision. The amount required is annually appropriated from the general fund to the  
93.19 commissioner of management and budget.

93.20 ~~(d)~~ (e) The aid under paragraph (a) continues until the first day of the fiscal year following  
93.21 three consecutive fiscal years in which, for each fiscal year, the actuarial value of assets of  
93.22 the fund equals or exceeds 110 percent of the actuarial accrued liabilities as reported by the  
93.23 actuary retained under section 356.214 in the annual actuarial valuation prepared under  
93.24 section 356.215.

93.25 ~~(e)~~ (f) The aid under paragraph (b) expires July 1, 2048.

93.26 (g) The aid under paragraph (c) expires July 1, 2042.

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

93.28 Sec. 2. Minnesota Statutes 2025 Supplement, section 356.415, subdivision 1c, is amended  
93.29 to read:

93.30 Subd. 1c. **Public employees police and fire retirement plan.** (a) Retirement annuity,  
93.31 disability benefit, or survivor benefit recipients of the public employees police and fire

94.1 retirement plan are entitled to an annual postretirement adjustment, effective as of each  
94.2 January 1, as follows:

94.3 (1) for each annuitant or benefit recipient who ~~will have~~ has been receiving ~~an~~ the annuity  
94.4 or benefit for at least ~~24~~ 12 full months as of the ~~immediate preceding~~ June 30 of the calendar  
94.5 year immediately before the effective date of the increase, a postretirement increase of one  
94.6 percent must be applied each year to the amount of the monthly annuity or benefit of the  
94.7 annuitant or benefit recipient; or

94.8 (2) for each annuitant or benefit recipient who has been receiving the annuity or benefit  
94.9 for at least ~~13~~ one full ~~months~~ month, but less than ~~24~~ 12 months as of the ~~immediate~~  
94.10 ~~preceding~~ June 30 of the calendar year immediately before the effective date of the increase,  
94.11 a postretirement increase of 1/12 of one percent for each full month that the person has been  
94.12 receiving an annuity or benefit during the fiscal year in which the annuity or benefit was  
94.13 effective must be applied each year to the amount of the monthly annuity or benefit of the  
94.14 annuitant or benefit recipient.

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

94.19 **EFFECTIVE DATE.** This section is effective for postretirement adjustments beginning  
94.20 on or after January 1, 2027.

## 94.21 ARTICLE ...

### 94.22 STATE BOARD OF INVESTMENT

94.23 Section 1. Minnesota Statutes 2025 Supplement, section 11A.04, is amended to read:

#### 94.24 **11A.04 DUTIES AND POWERS; APPROPRIATION.**

94.25 The state board shall:

94.26 (1) Act as trustees for each fund for which it invests or manages money in accordance  
94.27 with the standard of care set forth in section 11A.09 if state assets are involved and in  
94.28 accordance with chapter 356A if pension assets are involved.

94.29 (2) Formulate policies and procedures deemed necessary and appropriate to carry out  
94.30 its functions. Procedures adopted by the state board must allow fund beneficiaries and  
94.31 members of the public to become informed of proposed board actions. Procedures and  
94.32 policies of the state board are not subject to the Administrative Procedure Act.

- 95.1 (3) Employ an executive director as provided in section 11A.07.
- 95.2 (4) ~~Employ~~ Retain investment advisors and consultants as it deems necessary.
- 95.3 (5) Prescribe policies concerning personal investments of all employees of the state  
95.4 board to prevent conflicts of interest.
- 95.5 (6) Maintain a record of its proceedings.
- 95.6 (7) As it deems necessary, establish advisory committees subject to section 15.059 to  
95.7 assist the state board in carrying out its duties.
- 95.8 (8) Not permit state funds to be used for the underwriting or direct purchase of municipal  
95.9 securities from the issuer or the issuer's agent.
- 95.10 (9) Direct the commissioner of management and budget to sell property other than money  
95.11 that has escheated to the state when the state board determines that sale of the property is  
95.12 in the best interest of the state. Escheated property must be sold to the highest bidder in the  
95.13 manner and upon terms and conditions prescribed by the state board.
- 95.14 (10) Undertake any other activities necessary to implement the duties and powers set  
95.15 forth in this section.
- 95.16 (11) Establish a formula or formulas to measure management performance and return  
95.17 on investment. Public pension funds in the state shall utilize the formula or formulas  
95.18 developed by the state board.
- 95.19 (12) Except as otherwise provided in article XI, section 8, of the Constitution of the state  
95.20 of Minnesota, ~~employ~~ retain, at its discretion, qualified ~~private~~ external firms to invest ~~and~~,  
95.21 manage, or provide services with respect to the assets of funds over which the state board  
95.22 has investment management responsibility. ~~There is annually appropriated to the state board,~~  
95.23 ~~from the assets of the funds for which the state board utilizes a private investment manager,~~  
95.24 ~~sums sufficient to pay the costs of employing private firms. Each year, by January 15, the~~  
95.25 ~~board shall report to the governor and legislature on the cost and the investment~~ The state  
95.26 board must include in the report required under section 11A.07, subdivision 4, clause (8),  
95.27 the management fees paid under this clause and the performance of each investment manager  
95.28 ~~employed~~ retained by the state board.
- 95.29 (13) Adopt an investment policy statement that includes investment objectives, asset  
95.30 allocation, and the investment management structure for the retirement fund assets under  
95.31 its control. The statement may be revised at the discretion of the state board. The state board  
95.32 shall seek the advice of the council regarding its investment policy statement. Adoption of  
95.33 the statement is not subject to chapter 14.

96.1 (14) Adopt a compensation plan setting the terms and conditions of employment for  
96.2 unclassified employees of the state board pursuant to section 43A.18, subdivision 3b.

96.3 (15) Contract, as necessary, with the board of trustees of the Minnesota State Colleges  
96.4 and Universities System for the provision of investment review and selection services under  
96.5 section 354B.25, subdivision 3, and arrange for the receipt of payment for those services.

96.6 There is annually appropriated to the state board, from the assets of the funds for which  
96.7 the state board provides investment services, sums sufficient to pay the ~~costs of all necessary~~  
96.8 ~~expenses for the administration of the state board, including any fees or expenses charged~~  
96.9 by advisors, consultants, or external firms. These sums will be deposited in the State Board  
96.10 of Investment operating account, which must be established by the commissioner of  
96.11 management and budget in the special revenue fund.

96.12 Sec. 2. Minnesota Statutes 2025 Supplement, section 11A.07, subdivision 4, is amended  
96.13 to read:

96.14 Subd. 4. **Duties and powers.** The executive director, at the direction of the state board,  
96.15 shall:

96.16 (1) plan, direct, coordinate, and execute administrative and investment functions in  
96.17 conformity with the policies and directives of the state board and the requirements of this  
96.18 chapter and of chapter 356A;

96.19 (2) prepare and submit biennial and annual budgets to the state board and with the  
96.20 approval of the state board submit the budgets to the Department of Management and Budget;

96.21 (3) employ professional and clerical staff as necessary;

96.22 (4) report to the state board on all operations under the executive director's control and  
96.23 supervision;

96.24 (5) maintain accurate and complete records of securities transactions and official  
96.25 activities;

96.26 (6) establish a policy, which is subject to state board approval, relating to the purchase  
96.27 and sale of securities on the basis of competitive offerings or bids;

96.28 (7) cause securities acquired to be kept in the custody of the commissioner of management  
96.29 and budget or other depositories consistent with chapter 356A, as the state board deems  
96.30 appropriate;

97.1 (8) prepare and file with the director of the Legislative Reference Library a report  
 97.2 summarizing the activities of the state board, the council, and the executive director during  
 97.3 the preceding fiscal year;

97.4 (9) include on the state board's website its annual report and an executive summary of  
 97.5 its quarterly reports;

97.6 (10) require state officials from any department or agency to produce and provide access  
 97.7 to any financial documents the state board deems necessary in the conduct of its investment  
 97.8 activities;

97.9 (11) with respect to any fund for which the state board provides investment services,  
 97.10 modify the billing procedure or apportionment of expenses under subdivision 5 to the extent  
 97.11 the executive director determines is appropriate or necessary, with any such modification  
 97.12 consistent with the applicable duties in this chapter and section 356A.04;

97.13 ~~(11)~~ (12) receive and expend legislative appropriations; and

97.14 ~~(12)~~ (13) undertake any other activities necessary to implement the duties and powers  
 97.15 set forth in this subdivision consistent with chapter 356A.

97.16 Sec. 3. Minnesota Statutes 2024, section 11A.07, subdivision 5, is amended to read:

97.17 Subd. 5. **Apportionment of expenses.** (a) The annual expenses incurred by the State  
 97.18 Board of Investment will state board, including any fees or expenses charged by advisors,  
 97.19 consultants, or external firms, must be apportioned among the state general fund, the  
 97.20 retirement funds administered by the Minnesota State Retirement System, Public Employees  
 97.21 Retirement Association, and Teachers Retirement Association, and all other funds as follows:  
 97.22 for which the state board provides investment services, in accordance with this subdivision.  
 97.23 There is annually appropriated to the state board, from the assets of all funds for which the  
 97.24 state board provides investment services, sums sufficient to pay the apportioned expenses.  
 97.25 These sums must be deposited in the State Board of Investment operating account, which  
 97.26 must be established by the commissioner of management and budget in the special revenue  
 97.27 fund. Those sums must be apportioned as follows:

97.28 ~~(1) on a biennial basis, the State Board of Investment, in accordance with biennial budget~~  
 97.29 ~~procedures established by the commissioner of management and budget, may request a~~  
 97.30 ~~direct appropriation that represents the portion of the State Board of Investment expenses~~  
 97.31 ~~necessary to provide investment services to the state general fund. This appropriation must~~  
 97.32 ~~be deposited in the State Board of Investment operating account;~~

98.1 ~~(2)~~ (1) the executive director shall first apportion ~~the actual~~ expenses allocable solely  
98.2 to a specific fund or in the case of multiple funds, among the funds proportionally based on  
98.3 weighted average assets under management during the fiscal year; and

98.4 (2) next, the executive director shall apportion the expenses incurred by the ~~State Board~~  
98.5 ~~of Investment state board~~, less the ~~charge to the state general fund~~ charges apportioned  
98.6 under clause (1) and accounting for any modification made pursuant to subdivision 4, clause  
98.7 (11), among the funds whose assets are invested by the State Board of Investment, with the  
98.8 exception of the state general fund, for which the state board provides investment services,  
98.9 with such expenses allocated proportionally based on the weighted average assets under  
98.10 management during the fiscal year. The amounts necessary to pay these charges are  
98.11 apportioned from the investment earnings of each fund. Receipts must be credited to the  
98.12 State Board of Investment operating account;

98.13 ~~(3)~~ (b) The ~~actual~~ expenses apportioned and charged to the funds under paragraph (a),  
98.14 with the exception of the state general fund and the retirement funds administered by the  
98.15 Minnesota State Retirement System, Public Employees Retirement Association, and Teachers  
98.16 Retirement Association, must be calculated, billed, and paid at least on a quarterly basis in  
98.17 accordance with procedures for interdepartmental payments established by the commissioner  
98.18 of management and budget; and. Sums received to pay the expenses must be deposited in  
98.19 the operating account under section 11A.04.

98.20 ~~(4)~~ (c) The annual estimated expenses to be incurred by the ~~State Board of Investment~~  
98.21 state board that will be payable by the retirement funds administered by the Minnesota State  
98.22 Retirement System, Public Employees Retirement Association, and Teachers Retirement  
98.23 Association must be deposited in the State Board of Investment operating account under  
98.24 section 11A.04 on or about the first business day of each fiscal year. A reconciliation of the  
98.25 actual expenses allocable to each retirement fund compared to the applicable estimated costs  
98.26 expenses must occur at least annually at the end of each the fiscal year with any surplus or.  
98.27 Any deficit being credited or debited to each of the respective funds. The State Board of  
98.28 Investment must present a statement of accrued actual determined by such reconciliation  
98.29 is due and payable to the State Board of Investment operating account promptly upon notice  
98.30 of the amount due. Any fiscal year-end surplus may, at the executive director's discretion,  
98.31 be retained in the operating account and credited against the following fiscal year's estimated  
98.32 expenses to of each respective retirement fund at the end of each quarter during each fiscal  
98.33 year. The executive director must refund to the respective retirement fund any portion of  
98.34 any surplus not credited against the following fiscal year's estimated expenses.

99.1 Sec. 4. Laws 2025, chapter 39, article 1, section 8, is amended to read:

99.2				<b>139,000</b>
99.3	<b>Sec. 8. STATE BOARD OF INVESTMENT</b>	<b>\$</b>	<b>139,000</b>	<b>\$</b>
				<b><u>-0-</u></b>

99.4 Delete the title and insert:

99.5 "A bill for an act

99.6 relating to retirement; Minnesota State Retirement System; making administrative  
 99.7 and technical changes; modifying enrollment procedures and allowing deputy fire  
 99.8 marshals who missed the election opportunity to elect the special coverage for  
 99.9 state fire marshals; Public Employees Retirement Association; local government  
 99.10 correctional service retirement plan; reducing the employee and employer  
 99.11 contribution rates and increasing postretirement adjustments; Teachers Retirement  
 99.12 Association; making administrative changes; lowering the age at which a teacher  
 99.13 can receive a retirement annuity and enter a return to work agreement; extending  
 99.14 the suspension of earnings limitation for reemployed retired teachers; modifying  
 99.15 the termination process for firefighter relief associations; implementing  
 99.16 recommendations of the State Auditor's fire relief association working group;  
 99.17 special legislation abbreviating the requirements to permit the Maple Plain fire  
 99.18 department to terminate participation in the statewide volunteer firefighter plan;  
 99.19 modifying the definition of "salary" to exclude pay from the family and medical  
 99.20 benefit insurance account for Minnesota paid leave; requiring the employer of a  
 99.21 reemployed annuitant to make employer contributions to the pension plan that  
 99.22 covers the annuitant; moving the investment return assumption for computing joint  
 99.23 and survivor annuities from the statute to the actuarial standards; authorizing  
 99.24 elected officials to participate in the health care savings plan; Minnesota Secure  
 99.25 Choice Retirement Program; revising definitions; transferring the requirement to  
 99.26 provide information to covered employees upon enrollment from covered employers  
 99.27 to the program's board of directors; modifying the annual reporting requirements;  
 99.28 prohibiting disclosure of confidential data and vendor solicitation; eliminating the  
 99.29 requirement that deferred compensation plans and 403(b) arrangements file a copy  
 99.30 of investment return and fee disclosure with the executive director of the Legislative  
 99.31 Commission on Pensions and Retirement; establishing a work group on shortening  
 99.32 vesting schedules and adding emergency medical providers as members of  
 99.33 firefighter relief associations; special legislation authorizing an eligible person  
 99.34 covered by the Public Employees Retirement Association general employees  
 99.35 retirement plan to purchase service credit for periods of omitted service; special  
 99.36 legislation requiring Minnesota State Colleges and Universities to find a  
 99.37 participant's individual retirement account plan account or pay the eligible person  
 99.38 the estimated value of the account; amending Minnesota Statutes 2024, sections  
 99.39 43A.346, subdivisions 8, 10; 187.03, by adding subdivisions; 187.05, subdivisions  
 99.40 1, 7, by adding a subdivision; 187.06, subdivision 3; 187.07, by adding a  
 99.41 subdivision; 187.08, subdivisions 1, 2, 6, 8; 352.01, subdivision 13; 352.021,  
 99.42 subdivision 2; 352.029, subdivisions 1, 2, 2a; 352.115, subdivisions 7a, 8, 9, 10;  
 99.43 352.1155, subdivision 3; 352.87, subdivisions 1, 2; 352.98, subdivision 3; 353.01,  
 99.44 subdivision 10; 353.37, subdivision 5; 353.371, subdivisions 6, 7; 353E.03,  
 99.45 subdivisions 1, 2; 354.05, subdivisions 35, 37, by adding a subdivision; 354.07,  
 99.46 subdivision 2; 354.44, subdivision 5; 354.444, subdivisions 2, 3, 5; 354.445;  
 99.47 354.48, subdivisions 4, 6; 354A.011, subdivision 24; 354A.095; 356.24, subdivision  
 99.48 3; 356.415, subdivision 1g; 356.461, subdivision 1; 424A.001, subdivisions 8, 9,  
 99.49 9a, 9b; 424A.014, subdivision 1; 424A.016, subdivision 4; 424B.22, subdivisions  
 99.50 5, 7, 8, 9; Minnesota Statutes 2025 Supplement, sections 187.03, subdivisions 5,  
 99.51 6a; 187.05, subdivisions 1a, 4; 187.07, subdivision 1; 187.08, subdivision 3; 187.11;  
 99.52 187.12, subdivision 1; 352.029, subdivision 3; 352.905, by adding a subdivision;  
 99.53 352.907, by adding a subdivision; 424A.016, subdivision 6; 424A.05, subdivision  
 99.54 3; Laws 2022, chapter 65, article 3, section 1, subdivisions 2, as amended, 3, as

100.1 amended; proposing coding for new law in Minnesota Statutes, chapters 187;  
100.2 424A; repealing Minnesota Statutes 2024, sections 352.87, subdivision 8; 424A.01,  
100.3 subdivision 6; Minnesota Statutes 2025 Supplement, section 187.07, subdivision  
100.4 3."