

1.1 ..... moves to amend S.F. No. 2000; H.F. No. 1582, as follows:

1.2 Page 1, line 2, after "Association;" insert "St. Paul Teachers Retirement Fund  
1.3 Association;"

1.4 Page 1, lines 24, strike "2.3 percent"

1.5 Page 1, line 25, strike "for fiscal year 2023," and strike "fiscal year 2024 and" and strike  
1.6 "3.25" and insert "7.05"

1.7 Page 6, after line 14, insert:

1.8 "Section 4. Minnesota Statutes 2024, section 354A.12, subdivision 2a, is amended to read:

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

1.11 (1) for each coordinated member of the St. Paul Teachers Retirement Fund Association,  
1.12 the employing unit shall make a regular employer contribution to the retirement fund  
1.13 association in an amount equal to ~~the designated percentage~~ 13.55 percent of the salary of  
1.14 the coordinated member ~~as provided below:~~

1.15	<del>after June 30, 2022</del>	<del>8.8 percent</del>
1.16	<del>after June 30, 2023</del>	<del>9 percent</del>
1.17	<del>after June 30, 2025</del>	<del>9.75 percent</del>

1.18 (2) for each basic member of the St. Paul Teachers Retirement Fund Association, the  
1.19 employing unit shall make a regular employer contribution to the respective retirement fund  
1.20 in an amount ~~according to the schedule below:~~ equal to 17.05 percent of the salary of the  
1.21 basic member.

1.22	<del>after June 30, 2022</del>	<del>12.3 percent of salary</del>
1.23	<del>after June 30, 2023</del>	<del>12.5 percent of salary</del>
1.24	<del>after June 30, 2025</del>	<del>13.25 percent of salary</del>

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

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

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

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

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

2.9 **EFFECTIVE DATE.** This section is effective July 1, 2025.

2.10 Sec. 5. Minnesota Statutes 2024, section 354A.29, subdivision 7, is amended to read:

2.11 Subd. 7. **Postretirement adjustments.** (a) Except as set forth in paragraph (c), each  
2.12 person who has been receiving an annuity or benefit under the articles of incorporation, the  
2.13 bylaws, or this chapter, whose effective date of benefit commencement occurred on or  
2.14 before July 1 of the calendar year immediately before the adjustment, is eligible to receive  
2.15 an annual postretirement adjustment, effective as of each January 1, as follows:

2.16 (1) there shall be no postretirement adjustment on January 1, 2019, and January 1, 2020;  
2.17 and

2.18 (2) the postretirement adjustment shall be ~~one~~ 1.5 percent on January 1, ~~2024~~ 2026, and  
2.19 each January 1 thereafter.

2.20 (b) A postretirement adjustment is to be applied as a permanent increase to the regular  
2.21 payment of each eligible member on January 1. For any eligible member whose effective  
2.22 date of benefit commencement occurred after January 1 of the immediately preceding  
2.23 calendar year, the amount of the postretirement adjustment must be reduced by 50 percent.

2.24 ~~(c) Each person who retires on or after July 1, 2024, is entitled to an annual postretirement~~  
2.25 ~~adjustment, effective as of each January 1, beginning with the year following the year in~~  
2.26 ~~which the member attains normal retirement age.~~

2.27 ~~(d) Paragraph (c) does not apply to members who retire under section 354A.31,~~  
2.28 ~~subdivision 6, paragraph (b), or who retire when the member is at least age 62 and has at~~  
2.29 ~~least 30 years of service under section 354A.31, subdivision 7.~~

2.30 **EFFECTIVE DATE.** The amendment to paragraph (a) is effective for postretirement  
2.31 adjustments beginning January 1, 2026. The amendments to paragraphs (c) and (d) are  
2.32 effective July 1, 2025.

3.1 Sec. 6. Minnesota Statutes 2024, section 354A.31, subdivision 5a, is amended to read:

3.2 Subd. 5a. **Unreduced early retirement.** If a member retires on or after July 1, 2023,  
3.3 when the member is at least age ~~62~~ 60 and has at least 30 years of service, the member is  
3.4 entitled to receive a retirement annuity calculated using the retirement annuity formula  
3.5 percentage in subdivision 4, without any reduction by reason of early retirement.

3.6 **EFFECTIVE DATE.** This section is effective July 1, 2025.

3.7 Sec. 7. Minnesota Statutes 2024, section 354A.31, subdivision 7, is amended to read:

3.8 Subd. 7. **Reduction for early retirement.** (a) This subdivision applies to a person who  
3.9 has become at least 55 years old and first becomes a coordinated member after June 30,  
3.10 1989, and to any other coordinated member who has become at least 55 years old and whose  
3.11 annuity is higher when calculated using the retirement annuity formula percentage in  
3.12 subdivision 4, paragraph (d), in conjunction with this subdivision than when calculated  
3.13 under subdivision 4, paragraph (c), in conjunction with subdivision 6. An employee who  
3.14 retires under the formula annuity before the normal retirement age shall be paid the normal  
3.15 annuity reduced as described in paragraph (b) if the person retires on or after July 1, 2019;  
3.16 ~~or in paragraph (c) if the person retires before July 1, 2019, as applicable.~~

3.17 (b) (1) Unless the member is eligible for an unreduced early retirement annuity under  
3.18 subdivision 5a, a coordinated member who retires before the normal retirement age and on  
3.19 or after July 1, 2019, is entitled to receive a retirement annuity calculated using the retirement  
3.20 annuity formula percentage in subdivision 4, paragraph (d), reduced as described in clause  
3.21 (2).

3.22 (2) If the member retires when the member is younger than age ~~62~~ 60 or with fewer than  
3.23 30 years of service, the annuity must be reduced by an early reduction factor for each year  
3.24 that the member's age of retirement precedes normal retirement age. The early reduction  
3.25 factors are four percent per year for members whose age at retirement is at least 55 but not  
3.26 yet 59 and ~~seven~~ five percent per year for members whose age at retirement is at least 59  
3.27 but not yet normal retirement age. The resulting annuity must be further adjusted to take  
3.28 into account augmentation as if the employee had deferred receipt of the annuity until normal  
3.29 retirement age and the annuity were augmented at the applicable annual rate, compounded  
3.30 annually, from the day the annuity begins to accrue until normal retirement age. The  
3.31 applicable annual rate is the rate in effect on the employee's effective date of retirement and  
3.32 shall be considered as fixed for the employee. The applicable annual rates are the following:

3.33 (i) until June 30, 2019, 2.5 percent;

4.1 (ii) a rate that changes each month, beginning July 1, 2019, through June 30, 2024, which  
 4.2 is determined by reducing the rate in item (i) to zero in equal monthly increments over the  
 4.3 five-year period; and

4.4 (iii) after June 30, 2024, zero percent.

4.5 After June 30, 2024, the reduced annuity commencing before normal retirement age  
 4.6 under this clause shall not take into account any augmentation.

4.7 ~~(e) Unless the member is eligible for an unreduced early retirement annuity under~~  
 4.8 ~~subdivision 5a, a coordinated member who retires before the normal retirement age and~~  
 4.9 ~~before July 1, 2019, is entitled to receive a retirement annuity calculated using the retirement~~  
 4.10 ~~annuity formula percentage in subdivision 4, paragraph (d), multiplied by the applicable~~  
 4.11 ~~early retirement factor specified below:~~

	Under age 62		Age 62 or older	
	or less than 30 years of service		with 30 years of service	
Normal retirement age:	65	66	65	66
Age at retirement				
55	0.5376	0.4592		
56	0.5745	0.4992		
57	0.6092	0.5370		
58	0.6419	0.5726		
59	0.6726	0.6062		
60	0.7354	0.6726		
61	0.7947	0.7354		
62	0.8507	0.7947	0.8831	0.8389
63	0.9035	0.8507	0.9246	0.8831
64	0.9533	0.9035	0.9635	0.9246
65	1.0000	0.9533	1.0000	0.9635
66		1.0000		1.0000

4.28 ~~For normal retirement ages between ages 65 and 66, the early retirement factors must~~  
 4.29 ~~be determined by linear interpolation between the early retirement factors applicable for~~  
 4.30 ~~normal retirement ages 65 and 66.~~

4.31 **EFFECTIVE DATE.** This section is effective July 1, 2025."

4.32 Page 8, line 24, after "ASSOCIATION" insert "AND ST. PAUL TEACHERS  
 4.33 RETIREMENT FUND ASSOCIATION"

4.34 Page 9, after line 9, insert:

5.1 "(e) \$..... in fiscal year 2026 and \$..... in fiscal year 2027 are appropriated from the  
5.2 general fund to the Minnesota State Colleges and Universities for increased employer  
5.3 pension contributions to the St. Paul Teachers Retirement Fund Association. Beginning  
5.4 with fiscal year 2028 and later, the base must increase annually by three percent of the prior  
5.5 fiscal year's base."

5.6 Renumber the sections in sequence and correct the internal references

5.7 Amend the title accordingly