

1.1 moves to amend S.F. No. 1712; H.F. No. 1758, as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 **"2021 OMNIBUS PENSIONS AND RETIREMENT BILL as of March 23**

1.4 **ARTICLE 1**

1.5 **PUBLIC EMPLOYEES RETIREMENT ASSOCIATION PROVISIONS**

1.6 Section 1. Minnesota Statutes 2020, section 353.01, subdivision 16, is amended to read:

1.7 Subd. 16. **Allowable service; limits and computation.** (a) "Allowable service" means:

1.8 (1) service during years of actual membership in the course of which employee deductions
1.9 were withheld from salary and contributions were made at the applicable rates under section
1.10 353.27, 353.65, or 353E.03;

1.11 (2) periods of service covered by payments in lieu of salary deductions under sections
1.12 353.27, subdivisions 12 and 12a, and 353.35;

1.13 (3) service in years during which the public employee was not a member but for which
1.14 the member later elected, while a member, to obtain credit by making payments to the fund
1.15 as permitted by any law then in effect;

1.16 (4) a period of authorized leave of absence during which the employee receives pay as
1.17 specified in subdivision 10, paragraph (a), clause (4) or (5), from which deductions for
1.18 employee contributions are made, deposited, and credited to the fund;

1.19 (5) a period of authorized leave of absence without pay, or with pay that is not included
1.20 in the definition of salary under subdivision 10, paragraph (a), clause (4) or (5), for which
1.21 salary deductions are not authorized, and for which a member obtained service credit for
1.22 up to 12 months of the authorized leave period by payment under section 353.0162, to the
1.23 fund made in place of salary deductions;

1.24 ~~(6) a periodic, repetitive leave that is offered to all employees of a governmental~~
1.25 ~~subdivision. The leave program may not exceed 208 hours per annual normal work cycle~~
1.26 ~~as certified to the association by the employer. A participating member obtains service credit~~
1.27 ~~by making employee contributions in an amount or amounts based on the member's average~~
1.28 ~~salary, excluding overtime pay, that would have been paid if the leave had not been taken.~~
1.29 ~~The employer shall pay the employer and additional employer contributions on behalf of~~
1.30 ~~the participating member. The employee and the employer are responsible to pay interest~~
1.31 ~~on their respective shares at the applicable rate or rates specified in section 356.59,~~
1.32 ~~subdivision 3, compounded annually, from the end of the normal cycle until full payment~~

2.1 ~~is made. An employer shall also make the employer and additional employer contributions;~~
 2.2 ~~plus interest at the applicable rate or rates specified in section 356.59, subdivision 3;~~
 2.3 ~~compounded annually, on behalf of an employee who makes employee contributions but~~
 2.4 ~~terminates public service. The employee contributions must be made within one year after~~
 2.5 ~~the end of the annual normal working cycle or within 30 days after termination of public~~
 2.6 ~~service, whichever is sooner. The executive director shall prescribe the manner and forms~~
 2.7 ~~to be used by a governmental subdivision in administering a periodic, repetitive leave. Upon~~
 2.8 ~~payment, the member must be granted allowable service credit for the purchased period;~~

2.9 ~~(7)~~ (6) an authorized temporary or seasonal layoff under subdivision 12, limited to three
 2.10 months allowable service per authorized temporary or seasonal layoff in one calendar year.
 2.11 An employee who has received the maximum service credit allowed for an authorized
 2.12 temporary or seasonal layoff must return to public service and must obtain a minimum of
 2.13 three months of allowable service subsequent to the layoff in order to receive allowable
 2.14 service for a subsequent authorized temporary or seasonal layoff;

2.15 ~~(8)~~ (7) a period of uniformed services leave purchased under section 353.014;

2.16 ~~(9)~~ (8) a period of military service purchased under section 353.0141; or

2.17 ~~(10)~~ (9) a period ~~specified~~ of reduced salary purchased under section 353.0162.

2.18 (b) No member may receive more than 12 months of allowable service credit in a year
 2.19 either for vesting purposes or for benefit calculation purposes.

2.20 (c) For an active member who was an active member of the former Minneapolis
 2.21 Firefighters Relief Association on December 29, 2011, "allowable service" is the period of
 2.22 service credited by the Minneapolis Firefighters Relief Association as reflected in the
 2.23 transferred records of the association up to December 30, 2011, and the period of service
 2.24 credited under paragraph (a), clause (1), after December 30, 2011. For an active member
 2.25 who was an active member of the former Minneapolis Police Relief Association on December
 2.26 29, 2011, "allowable service" is the period of service credited by the Minneapolis Police
 2.27 Relief Association as reflected in the transferred records of the association up to December
 2.28 30, 2011, and the period of service credited under paragraph (a), clause (1), after December
 2.29 30, 2011.

2.30 **EFFECTIVE DATE.** This section is effective July 1, 2021.

2.31 Sec. 2. Minnesota Statutes 2020, section 353.01, subdivision 28, is amended to read:

2.32 Subd. 28. **Retirement.** (a) "Retirement" means the payment of an annuity by the
 2.33 association. A right to retirement is subject to termination of public service under subdivision

3.1 11a. A right to retirement requires a complete and continuous separation for 30 days from
3.2 employment as a public employee.

3.3 (b) Notwithstanding the 30-day separation requirement under paragraph (a), a member
3.4 of a defined benefit plan under this chapter, who also participates in the public employees
3.5 defined contribution plan under chapter 353D for other public service, may be paid, if
3.6 eligible, a retirement annuity from the defined benefit plan while participating in the defined
3.7 contribution plan. A retirement annuity is also payable from a defined benefit plan under
3.8 this chapter to an eligible member who terminates public service and who, within 30 days
3.9 of separation, takes office as an elected official of a governmental subdivision.

3.10 (c) Elected officials included in association membership under subdivisions 2a and 2d
3.11 meet the 30-day separation requirement under this section by resigning from office before
3.12 filing for a subsequent term in the same office and by remaining completely and continuously
3.13 separated from that office for 30 days prior to the date of the election.

3.14 (d) The 30-day separation requirement under paragraph (a) does not apply to a retirement
3.15 annuity payable from a defined benefit plan under this chapter to a public employee if the
3.16 public employee:

3.17 (1) is covered by a covered retirement plan under section 356.30, subdivision 3;

3.18 (2) is eligible for a combined service annuity under section 356.30, subdivision 1; and

3.19 (3) has entered into a phased retirement agreement or its equivalent permitted by the
3.20 laws applicable to the covered retirement plan with coverage of the last period of public
3.21 service.

3.22 **EFFECTIVE DATE.** This section is effective July 1, 2021.

3.23 Sec. 3. Minnesota Statutes 2020, section 353.014, subdivision 4, is amended to read:

3.24 Subd. 4. **Time period for making member's payment.** Payment of the employee
3.25 equivalent contributions must be made during a period that begins with the date on which
3.26 the member returns to public employment and that is three times the length of the military
3.27 leave period, or within five years of the date on which the member returns to public
3.28 employment, whichever is less. If the payment period is less than ~~one year~~ three years,
3.29 payment of the employee equivalent contributions may be made within ~~one year~~ three years
3.30 of the date of the member's discharge from service in the uniformed services. Payment may
3.31 not be accepted after ~~30 days~~ six months following termination of public service under
3.32 section 353.01, subdivision 11a.

4.1 **EFFECTIVE DATE.** This section is effective July 1, 2021, except the amendments
4.2 changing one year to three years are effective the day following final enactment.

4.3 Sec. 4. Minnesota Statutes 2020, section 353.0162, is amended to read:

4.4 **353.0162 SALARY CREDIT PURCHASE FOR PERIODS OF REDUCED**
4.5 **SALARY.**

4.6 (a) A member may purchase differential salary credit as described in paragraph (c) for
4.7 a period ~~specified~~ of reduced salary as described in paragraph (b).

4.8 (b) The ~~applicable~~ period is of reduced salary must be a period occurring entirely within
4.9 one school year, for school year employees, or one calendar year, for all other employees,
4.10 during which the member is ~~receiving~~ receives no salary or a reduced salary from the
4.11 employer while the member is:

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

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

4.17 (3) on an authorized leave of absence as a result of a budgetary or salary savings program
4.18 offered or mandated by a governmental subdivision, if certified to the executive director
4.19 by the governmental subdivision; or

4.20 (4) on a periodic, repetitive leave that is offered to all employees of a governmental
4.21 subdivision where the leave program is certified by the employer to the association as one
4.22 that does not exceed 208 hours during the school year or calendar year, as applicable.

4.23 (c) Differential salary credit is the difference between the salary received by the member
4.24 during a period of reduced salary specified in paragraph (b) and the salary of the member,
4.25 excluding overtime, on which contributions to the applicable plan would have been made
4.26 during the period based on the member's normal employment period, measured in hours or
4.27 otherwise, as applicable, and rate of pay.

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

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

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

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

5.7 (e) The employer, by appropriate action of its governing body and documented in its
5.8 official records, may pay ~~the employer equivalent contributions and~~ on behalf of the member
5.9 the amounts determined under paragraph (d), clauses (2) and (3), as applicable, the equivalent
5.10 employer additional contributions on behalf of the member plus interest under paragraph
5.11 (f). However, if the period of reduced salary is a periodic, repetitive leave under paragraph
5.12 (b), clause (4), then the employer must pay on behalf of the member the amount determined
5.13 under paragraph (d), clauses (2) and (3), as applicable, plus interest under paragraph (f).

5.14 (f) Payment under this section must include interest on the contribution amount or
5.15 amounts, whichever applies, at the applicable rate or rates specified in section 356.59,
5.16 subdivision 3, compounded annually, prorated for the number of months, if less than 12
5.17 months, from the ~~date on which the period of reduced salary specified in paragraph (b)~~
5.18 ~~terminates to the date on which the payment or payments are~~ end of the school year or
5.19 calendar year, as applicable, until full payment is received by the executive director. Payment
5.20 under this section must be completed by the earliest of:

5.21 (1) ~~30 days~~ six months after termination of public service by the employee under section
5.22 353.01, subdivision 11a;

5.23 (2) one year after the termination of the period of reduced salary specified in paragraph
5.24 (b); or

5.25 (3) ~~30 days~~ six months after the commencement of a disability benefit.

5.26 ~~(g) If the member has purchased 12 months of differential salary credit, the member~~
5.27 ~~must return to public service and render a minimum of three months of allowable service~~
5.28 ~~to purchase differential salary credit for a subsequent leave of absence.~~

5.29 **EFFECTIVE DATE.** This section is effective July 1, 2021.

5.30 Sec. 5. Minnesota Statutes 2020, section 353.27, subdivision 12, is amended to read:

5.31 Subd. 12. **Omitted salary deductions; obligations.** (a) In the case of omission of
5.32 required deductions for the general employees retirement plan, the public employees police

6.1 and fire retirement plan, or the local government correctional employees retirement plan
6.2 from the salary of an employee, the department head or designee shall immediately, upon
6.3 discovery, report the employee for membership and deduct the employee deductions under
6.4 subdivision 4 during the current pay period or during the pay period immediately following
6.5 the discovery of the omission. Payment for the omitted obligations may only be made in
6.6 accordance with reporting procedures and methods established by the executive director.

6.7 (b) When the entire omission period of an employee does not exceed 60 days, the
6.8 governmental subdivision may report and submit payment of the omitted employee
6.9 deductions and the omitted employer contributions through the reporting processes under
6.10 subdivision 4.

6.11 (c) When the omission period of an employee exceeds 60 days, the governmental
6.12 subdivision shall furnish to the association sufficient data and documentation upon which
6.13 the obligation for omitted employee and employer contributions can be calculated. The
6.14 omitted employee deductions must be deducted from the employee's subsequent salary
6.15 payment or payments and remitted to the association for deposit in the applicable retirement
6.16 fund. The employee shall pay omitted employee deductions due for the 60 days prior to the
6.17 end of the last pay period in the omission period during which salary was earned. The
6.18 employer shall pay any remaining omitted employee deductions and any omitted employer
6.19 contributions, plus cumulative interest at the annual rate of 8.5 percent until June 30, 2015,
6.20 and eight percent thereafter applicable rate or rates specified in section 356.59, subdivision
6.21 3, compounded annually, from the date or dates each omitted employee contribution was
6.22 first payable.

6.23 (d) An employer shall not hold an employee liable for omitted employee deductions
6.24 beyond the pay period dates under paragraph (c), nor attempt to recover from the employee
6.25 those employee deductions paid by the employer on behalf of the employee. Omitted
6.26 deductions due under paragraph (c) which are not paid by the employee constitute a liability
6.27 of the employer that failed to deduct the omitted deductions from the employee's salary.
6.28 The employer shall make payment with interest at the applicable rate or rates specified in
6.29 section 356.59, subdivision 3, compounded annually. Omitted employee deductions are no
6.30 longer due if an employee terminates public service before making payment of omitted
6.31 employee deductions to the association, but the employer remains liable to pay omitted
6.32 employer contributions plus interest at the applicable rate or rates specified in section 356.59,
6.33 subdivision 3, compounded annually, from the date the contributions were first payable.

6.34 (e) The association may not commence action for the recovery of omitted employee
6.35 deductions and employer contributions after the expiration of three calendar years after the

7.1 calendar year in which the contributions and deductions were omitted. Except as provided
7.2 under paragraph (b), no payment may be made or accepted unless the association has already
7.3 commenced action for recovery of omitted deductions. An action for recovery commences
7.4 on the date of the mailing of any written correspondence from the association requesting
7.5 information from the governmental subdivision upon which to determine whether or not
7.6 omitted deductions occurred.

7.7 **EFFECTIVE DATE.** This section is effective July 1, 2021.

7.8 Sec. 6. Minnesota Statutes 2020, section 353.30, subdivision 1a, is amended to read:

7.9 Subd. 1a. **Pre-July 1, 1989, members: rule of 90.** Upon termination of public service
7.10 under section 353.01, subdivision 11a, a person who first became a public employee or a
7.11 member of a pension fund listed in section 356.30, subdivision 3, before July 1, 1989, and
7.12 whose attained age plus credited allowable service totals 90 years is entitled upon application
7.13 to a retirement annuity in an amount equal to the applicable normal annuity provided in
7.14 section 353.29, subdivision 3, paragraph (a), ~~without any~~; section 353.651, subdivision 3;
7.15 or section 353E.04, subdivision 3. Such annuity is not subject to a reduction in annuity due
7.16 ~~to~~ for early retirement.

7.17 **EFFECTIVE DATE.** This section is effective July 1, 2021.

7.18 Sec. 7. Minnesota Statutes 2020, section 353.30, subdivision 1b, is amended to read:

7.19 Subd. 1b. **Pre-July 1, 1989, members: 30 years of service.** Upon termination of public
7.20 service under section 353.01, subdivision 11a, a person who first became a public employee
7.21 or a member of a pension fund listed in section 356.30, subdivision 3, before July 1, 1989,
7.22 ~~with~~ and has 30 years or more of allowable service credit, and who elects to retire prior to
7.23 normal retirement age, shall receive an annuity in an amount equal to the applicable normal
7.24 annuity provided under section 353.29, subdivision 3, paragraph (a); section 353.651,
7.25 subdivision 3; or section 353E.04, subdivision 3. Such annuity must be reduced by
7.26 one-quarter of one percent for each month that the member is under age 62 at the time of
7.27 retirement.

7.28 **EFFECTIVE DATE.** This section is effective July 1, 2021.

7.29 Sec. 8. Minnesota Statutes 2020, section 353.30, subdivision 1c, is amended to read:

7.30 Subd. 1c. **Pre-July 1, 1989, members: early retirement.** Upon termination of public
7.31 service under section 353.01, subdivision 11a, a person who first became a public employee
7.32 or a member of a pension fund listed in section 356.30, subdivision 3, before July 1, 1989,

8.1 ~~who has become~~ and is at least 55 years old but ~~not~~ is younger than normal retirement age,
8.2 and who is vested under section 353.01, subdivision 47, is entitled, upon application, to a
8.3 retirement annuity in an amount equal to the applicable normal annuity provided in section
8.4 353.29, subdivision 3, paragraph (a); Such annuity must be reduced by one-quarter of one
8.5 percent for each month that the member is under normal retirement age at the time of
8.6 retirement.

8.7 **EFFECTIVE DATE.** This section is effective July 1, 2021.

8.8 Sec. 9. Minnesota Statutes 2020, section 353.335, is amended to read:

8.9 **353.335 DISABILITANT EARNINGS REPORTS.**

8.10 Unless waived by the executive director, a disability benefit recipients recipient must
8.11 report all earnings from reemployment and from income from workers' compensation to
8.12 the association annually by May 15 in a format prescribed by the executive director. If the
8.13 form is not submitted by May 15, benefits must be suspended effective June 1. Upon receipt
8.14 of the form by the association, if the disability benefit recipient is deemed by the executive
8.15 director to be eligible for continued payment, benefits must be reinstated retroactive to June
8.16 1. The executive director may waive the requirements in this section if the medical evidence
8.17 supports that the disability benefit recipient will not have earnings from reemployment.

8.18 **EFFECTIVE DATE.** This section is effective July 1, 2021.

8.19 Sec. 10. Minnesota Statutes 2020, section 353.34, subdivision 2, is amended to read:

8.20 Subd. 2. **Refund with interest.** (a) Except as provided in subdivision 1, any person who
8.21 ceases to be a member is entitled to receive a refund in an amount equal to accumulated
8.22 deductions, less the sum of any disability benefits that have been paid by the fund, plus
8.23 annual compound interest at the applicable rate or rates under paragraph (b) to the first day
8.24 of the month in which the refund is processed.

8.25 (b) Annual compound interest rates ~~on a refund under paragraph (a)~~ shall be as follows:

8.26 (1) six percent to June 30, 2011;

8.27 (2) four percent after June 30, 2011, to June 30, 2018; and

8.28 (3) three percent after June 30, 2018.

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

9.1 (d) If the refund payable to a member is based on employee deductions that are
9.2 determined to be invalid under section 353.27, subdivision 7, the interest payable on the
9.3 invalid employee deductions is ~~three percent~~ annual compound interest at the applicable
9.4 rate or rates under paragraph (b).

9.5 **EFFECTIVE DATE.** This section is effective July 1, 2021.

9.6 Sec. 11. Minnesota Statutes 2020, section 353D.071, subdivision 1, is amended to read:

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

9.9 (b) "Designated beneficiary" means the person designated as the beneficiary under
9.10 section 353D.07, subdivision 5, and who is the designated beneficiary under section 401(a)(9)
9.11 of the Internal Revenue Code and section 1.401 (a)(9)-1, Q&A-4 of the Treasury regulations.

9.12 (c) "Distribution calendar year" means a calendar year for which a minimum distribution
9.13 is required. For distributions beginning before the member's death, the first distribution
9.14 calendar year is the calendar year immediately preceding the calendar year which contains
9.15 the member's required beginning date. For distributions beginning after the member's death,
9.16 the first distribution calendar year is the calendar year in which distributions are required
9.17 to begin under subdivision 2, paragraph (c). The required minimum distribution for the
9.18 member's first distribution calendar year shall be made on or before the member's required
9.19 beginning date.

9.20 (d) "Member's account balance" means the account balance as of the last valuation date
9.21 in the valuation calendar year increased by the amount of any contributions made and
9.22 allocated to the account balance as of dates in the valuation calendar year after the valuation
9.23 date and decreased by distributions made in the valuation calendar year after the valuation
9.24 date. The account balance for the valuation calendar year includes any amounts rolled over
9.25 or transferred to the plan either in the valuation calendar year or in the distribution calendar
9.26 year if distributed or transferred in the valuation calendar year.

9.27 (e) "Required beginning date" means the ~~later of April 1 of the calendar year following~~
9.28 ~~the calendar year that the member attains age 70 years, six months, or April 1 of the calendar~~
9.29 ~~year following the calendar year in which the member terminates employment~~ date a
9.30 terminated member's retirement benefit must begin under section 356.635, subdivision 1,
9.31 paragraph (a).

9.32 (f) "Valuation calendar year" means the calendar year immediately preceding the
9.33 distribution calendar year.

10.1 **EFFECTIVE DATE.** This section is effective July 1, 2021.

10.2 **ARTICLE 2**

10.3 **FEDERAL COMPLIANCE AFFECTING MSRS AND PERA ELIGIBILITY FOR**
10.4 **CERTAIN VISA HOLDERS**

10.5 Section 1. Minnesota Statutes 2020, section 352.01, subdivision 2b, is amended to read:

10.6 Subd. 2b. **Excluded employees.** "State employee" does not include:

10.7 (1) persons who are:

10.8 (i) students employed by the University of Minnesota, or within the Minnesota State
10.9 Colleges and Universities system, unless approved for coverage by the Board of Regents
10.10 of the University of Minnesota or the Board of Trustees of the Minnesota State Colleges
10.11 and Universities, whichever applies;

10.12 (ii) employed as interns for a period not to exceed six months unless included under
10.13 subdivision 2a, paragraph (a), clause (8);

10.14 (iii) employed as trainee employees unless included under subdivision 2a, paragraph
10.15 (a), clause (8); or

10.16 (iv) employed in the student worker classification as designated by Minnesota
10.17 Management and Budget;

10.18 (2) employees who are:

10.19 (i) eligible for membership in the state Teachers Retirement Association, unless the
10.20 person is an employee of the Department of Education who elected to be covered by the
10.21 general state employees retirement plan of the Minnesota State Retirement System instead
10.22 of the Teachers Retirement Association;

10.23 (ii) employees of the state who, in any year, were credited with 12 months of allowable
10.24 service as a public school teacher and, as such, are members of a retirement plan governed
10.25 by chapter 354 or 354A unless the employment is incidental employment as a state employee
10.26 that is not covered by a retirement plan governed by chapter 354 or 354A;

10.27 (iii) employees of the state who are employed by the Board of Trustees of the Minnesota
10.28 State Colleges and Universities in an unclassified position that is listed in section 43A.08,
10.29 subdivision 1, clause (9);

10.30 (iv) persons employed by the Board of Trustees of the Minnesota State Colleges and
10.31 Universities who elected retirement coverage other than by the general state employees

11.1 retirement plan of the Minnesota State Retirement System under Minnesota Statutes 1994,
11.2 section 136C.75;

11.3 (v) officers or enlisted personnel in the National Guard or in the naval militia who are
11.4 assigned to permanent peacetime duty and who are or are required to be members of a
11.5 federal retirement system under federal law;

11.6 (vi) persons employed by the Department of Military Affairs as full-time firefighters
11.7 and who, as such, are members of the public employees police and fire retirement plan;

11.8 (vii) members of the State Patrol retirement plan under section 352B.011, subdivision
11.9 10;

11.10 (viii) off-duty police officers while employed by the Metropolitan Council and persons
11.11 employed as full-time police officers by the Metropolitan Council and who, as such, are
11.12 members of the public employees police and fire retirement plan; and

11.13 (ix) employees of the state who have elected to transfer account balances derived from
11.14 state service to the unclassified state employees retirement program under section 352D.02,
11.15 subdivision 1d;

11.16 (3) employees of the University of Minnesota who are excluded from coverage by action
11.17 of the Board of Regents;

11.18 (4) election judges and persons who are employed solely to administer elections;

11.19 (5) persons who are:

11.20 (i) engaged in public work for the state but who are employed by contractors when the
11.21 performance of the contract is authorized by the legislature or other competent authority;

11.22 (ii) employed to perform professional services where the service is incidental to the
11.23 person's regular professional duties and where compensation is paid on a per diem basis;

11.24 or

11.25 (iii) compensated on a fee payment basis or as an independent contractor;

11.26 (6) persons who are employed:

11.27 (i) on a temporary basis by the house of representatives, the senate, or a legislative
11.28 commission or agency under the jurisdiction of the Legislative Coordinating Commission;

11.29 (ii) as a temporary employee on or after July 1 for a period ending on or before October
11.30 15 of that calendar year for the Minnesota State Agricultural Society or the Minnesota State
11.31 Fair, or as an employee at any time for a special event held on the fairgrounds;

12.1 (iii) by the executive branch as a temporary employee in the classified service or as an
12.2 executive branch temporary employee in the unclassified service if appointed for a definite
12.3 period not to exceed six months, and if employment is less than six months, then in any
12.4 12-month period;

12.5 (iv) by the adjutant general if employed on an unlimited intermittent or temporary basis
12.6 in the classified service or in the unclassified service for the support of Army or Air National
12.7 Guard training facilities;

12.8 (v) by a state or federal program for training or rehabilitation as a temporary employee
12.9 if employed for a limited period from an area of economic distress and if other than a skilled
12.10 or supervisory personnel position or other than a position that has civil service status covered
12.11 by the retirement system; and

12.12 (vi) by the Metropolitan Council or a statutory board of the Metropolitan Council where
12.13 the members of the board are appointed by the Metropolitan Council as a temporary employee
12.14 if the appointment does not exceed six months;

12.15 (7) receivers, jurors, notaries public, and court employees who are not in the judicial
12.16 branch as defined in section 43A.02, subdivision 25, except referees and adjusters employed
12.17 by the Department of Labor and Industry;

12.18 (8) patient and inmate help who perform services in state charitable, penal, and
12.19 correctional institutions, including a Minnesota Veterans Home;

12.20 (9) employees of the Sibley House Association;

12.21 (10) persons who are:

12.22 (i) members of any state board or commission who serve the state intermittently and are
12.23 paid on a per diem basis, the secretary, secretary-treasurer, and treasurer of those boards if
12.24 their compensation is \$5,000 or less per year, or, if they are legally prohibited from serving
12.25 more than three years, and the board of managers of the State Agricultural Society and its
12.26 treasurer unless the treasurer is also its full-time secretary;

12.27 (ii) examination monitors employed by a department, agency, commission, or board of
12.28 the state to conduct examinations that are required by law; or

12.29 (iii) appointees serving as a member of a fact-finding commission or an adjustment
12.30 panel, an arbitrator, or a labor referee under chapter 179;

12.31 (11) emergency employees who are in the classified service, but if an emergency
12.32 employee, within the same pay period, becomes a provisional or probationary employee on

13.1 other than a temporary basis, the employee must be considered a "state employee"
13.2 retroactively to the beginning of the pay period;

13.3 (12) persons who are members of a religious order who are excluded from coverage
13.4 under the federal Old Age, Survivors, Disability, and Health Insurance Program for the
13.5 performance of service as specified in United States Code, title 42, section 410(a)(8)(A),
13.6 as amended, if no irrevocable election of coverage has been made under section 3121(r) of
13.7 the Internal Revenue Code of 1986, as amended;

13.8 (13) members of trades who are employed by the successor to the Metropolitan Waste
13.9 Control Commission, who have trade union pension plan coverage under a collective
13.10 bargaining agreement, and who are first employed after June 1, 1977;

13.11 (14) for the first three years of employment, foreign citizens who are ~~employed under~~
13.12 ~~a work permit of less than three years or under an H-1b visa or a J-1 visa that is initially~~
13.13 ~~valid for less than three years of employment, unless notice of a visa extension which allows~~
13.14 ~~them to work for three or more years as of the date that the extension is granted and is~~
13.15 ~~supplied to the retirement plan, in which case the person is eligible for coverage from the~~
13.16 ~~date of the extension~~ state employees under subdivision 2 or included employees under
13.17 subdivision 2a, unless the foreign citizen is:

13.18 (i) an H-1B, H-1B1, or E-3 status holder;

13.19 (ii) an employee legally authorized to work in the United States for three years or more;

13.20 or

13.21 (iii) an employee otherwise required to participate under federal law; and

13.22 (15) reemployed annuitants of the general state employees retirement plan, the military
13.23 affairs personnel retirement plan, the transportation department pilots retirement plan, the
13.24 state fire marshal employees retirement plan, or the correctional state employees retirement
13.25 plan during the course of that reemployment.

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

13.27 Sec. 2. Minnesota Statutes 2020, section 353.01, subdivision 2b, is amended to read:

13.28 Subd. 2b. **Excluded employees.** (a) The following public employees are not eligible to
13.29 participate as members of the association with retirement coverage by the general employees
13.30 retirement plan, the local government correctional employees retirement plan under chapter
13.31 353E, or the public employees police and fire retirement plan:

14.1 (1) persons whose annual salary from one governmental subdivision never exceeds an
14.2 amount, stipulated in writing in advance, of \$5,100 if the person is not a school district
14.3 employee or \$3,800 if the person is a school year employee. If annual compensation from
14.4 one governmental subdivision to an employee exceeds the stipulated amount in a calendar
14.5 year or a school year, whichever applies, after being stipulated in advance not to exceed the
14.6 applicable amount, the stipulation is no longer valid and contributions must be made on
14.7 behalf of the employee under section 353.27, subdivision 12, from the first month in which
14.8 the employee received salary exceeding \$425 in a month;

14.9 (2) public officers who are elected to a governing body, city mayors, or persons who
14.10 are appointed to fill a vacancy in an elected office of a governing body, whose term of office
14.11 commences on or after July 1, 2002, for the service to be rendered in that elected position;

14.12 (3) election judges and persons employed solely to administer elections;

14.13 (4) patient and inmate personnel who perform services for a governmental subdivision;

14.14 (5) except as otherwise specified in subdivision 12a, employees who are employed solely
14.15 in a temporary position as defined under subdivision 12a, and employees who resign from
14.16 a nontemporary position and accept a temporary position within 30 days of that resignation
14.17 in the same governmental subdivision;

14.18 (6) employees who are employed by reason of work emergency caused by fire, flood,
14.19 storm, or similar disaster, but if the person becomes a probationary or provisional employee
14.20 within the same pay period, other than on a temporary basis, the person is a "public
14.21 employee" retroactively to the beginning of the pay period;

14.22 (7) employees who by virtue of their employment in one governmental subdivision are
14.23 required by law to be a member of and to contribute to any of the plans or funds administered
14.24 by the Minnesota State Retirement System, the Teachers Retirement Association, or the St.
14.25 Paul Teachers Retirement Fund Association, but this exclusion must not be construed to
14.26 prevent a person from being a member of and contributing to the Public Employees
14.27 Retirement Association and also belonging to and contributing to another public pension
14.28 plan or fund for other service occurring during the same period of time, and a person who
14.29 meets the definition of "public employee" in subdivision 2 by virtue of other service occurring
14.30 during the same period of time becomes a member of the association unless contributions
14.31 are made to another public retirement plan on the salary based on the other service or to the
14.32 Teachers Retirement Association by a teacher as defined in section 354.05, subdivision 2;

14.33 (8) persons who are members of a religious order and are excluded from coverage under
14.34 the federal Old Age, Survivors, Disability, and Health Insurance Program for the performance

15.1 of service as specified in United States Code, title 42, section 410(a)(8)(A), as amended, if
15.2 no irrevocable election of coverage has been made under section 3121(r) of the Internal
15.3 Revenue Code of 1954, as amended;

15.4 (9) persons who are:

15.5 (i) employed by a governmental subdivision who have not reached the age of 23 and
15.6 who are enrolled on a full-time basis to attend or are attending classes on a full-time basis
15.7 at an accredited school, college, or university in an undergraduate, graduate, or
15.8 professional-technical program, or at a public or charter high school;

15.9 (ii) employed as resident physicians, medical interns, pharmacist residents, or pharmacist
15.10 interns and are serving in a degree or residency program in a public hospital or in a public
15.11 clinic; or

15.12 (iii) students who are serving for a period not to exceed five years in an internship or a
15.13 residency program that is sponsored by a governmental subdivision, including an accredited
15.14 educational institution;

15.15 (10) persons who hold a part-time adult supplementary technical college license who
15.16 render part-time teaching service in a technical college;

15.17 (11) for the first three years of employment, foreign citizens who are employed by a
15.18 governmental subdivision, except that the following foreign citizens ~~are~~ must be considered
15.19 included employees under subdivision 2a:

15.20 (i) H-1B, H-1B1, and E-3 status holders;

15.21 ~~(i)~~ (ii) employees of Hennepin County or Hennepin Healthcare System, Inc.;

15.22 ~~(ii)~~ (iii) employees legally authorized to work in the United States for three years or
15.23 more; and

15.24 ~~(iii)~~ (iv) employees otherwise required to participate under federal law;

15.25 (12) public hospital employees who elected not to participate as members of the
15.26 association before 1972 and who did not elect to participate from July 1, 1988, to October
15.27 1, 1988;

15.28 (13) except as provided in section 353.86, volunteer ambulance service personnel, as
15.29 defined in subdivision 35, but persons who serve as volunteer ambulance service personnel
15.30 may still qualify as public employees under subdivision 2 and may be members of the Public
15.31 Employees Retirement Association and participants in the general employees retirement
15.32 plan or the public employees police and fire plan, whichever applies, on the basis of

16.1 compensation received from public employment service other than service as volunteer
16.2 ambulance service personnel;

16.3 (14) except as provided in section 353.87, volunteer firefighters, as defined in subdivision
16.4 36, engaging in activities undertaken as part of volunteer firefighter duties, but a person
16.5 who is a volunteer firefighter may still qualify as a public employee under subdivision 2
16.6 and may be a member of the Public Employees Retirement Association and a participant
16.7 in the general employees retirement plan or the public employees police and fire plan,
16.8 whichever applies, on the basis of compensation received from public employment activities
16.9 other than those as a volunteer firefighter;

16.10 (15) employees in the building and construction trades, as follows:

16.11 (i) pipefitters and associated trades personnel employed by Independent School District
16.12 No. 625, St. Paul, with coverage under a collective bargaining agreement by the pipefitters
16.13 local 455 pension plan who were either first employed after May 1, 1997, or, if first employed
16.14 before May 2, 1997, elected to be excluded under Laws 1997, chapter 241, article 2, section
16.15 12;

16.16 (ii) electrical workers, plumbers, carpenters, and associated trades personnel employed
16.17 by Independent School District No. 625, St. Paul, or the city of St. Paul, with coverage
16.18 under a collective bargaining agreement by the electrical workers local 110 pension plan,
16.19 the plumbers local 34 pension plan, or the carpenters local 322 pension plan who were either
16.20 first employed after May 1, 2000, or, if first employed before May 2, 2000, elected to be
16.21 excluded under Laws 2000, chapter 461, article 7, section 5;

16.22 (iii) bricklayers, allied craftworkers, cement masons, glaziers, glassworkers, painters,
16.23 allied tradesworkers, and plasterers employed by the city of St. Paul or Independent School
16.24 District No. 625, St. Paul, with coverage under a collective bargaining agreement by the
16.25 bricklayers and allied craftworkers local 1 pension plan, the cement masons local 633
16.26 pension plan, the glaziers and glassworkers local 1324 pension plan, the painters and allied
16.27 trades local 61 pension plan, or the plasterers local 265 pension plan who were either first
16.28 employed after May 1, 2001, or if first employed before May 2, 2001, elected to be excluded
16.29 under Laws 2001, First Special Session chapter 10, article 10, section 6;

16.30 (iv) plumbers employed by the Metropolitan Airports Commission, with coverage under
16.31 a collective bargaining agreement by the plumbers local 34 pension plan, who were either
16.32 first employed after May 1, 2001, or if first employed before May 2, 2001, elected to be
16.33 excluded under Laws 2001, First Special Session chapter 10, article 10, section 6;

17.1 (v) electrical workers or pipefitters employed by the Minneapolis Park and Recreation
17.2 Board, with coverage under a collective bargaining agreement by the electrical workers
17.3 local 292 pension plan or the pipefitters local 539 pension plan, who were first employed
17.4 before May 2, 2015, and elected to be excluded under Laws 2015, chapter 68, article 11,
17.5 section 5;

17.6 (vi) laborers and associated trades personnel employed by the city of St. Paul or
17.7 Independent School District No. 625, St. Paul, who are designated as temporary employees
17.8 with coverage under a collective bargaining agreement by a multiemployer plan as defined
17.9 in section 356.27, subdivision 1, who were either first employed on or after June 1, 2018,
17.10 or if first employed before June 1, 2018, elected to be excluded under Laws 2018, chapter
17.11 211, article 16, section 13; and

17.12 (vii) employees who are trades employees as defined in section 356.27, subdivision 1,
17.13 first hired on or after July 1, 2020, by the city of St. Paul or Independent School District
17.14 No. 625, St. Paul, except for any trades employee for whom contributions are made under
17.15 section 356.24, subdivision 1, clause (8), (9), or (10), by either employer to a multiemployer
17.16 plan as defined in section 356.27, subdivision 1;

17.17 (16) employees who are hired after June 30, 2002, solely to fill seasonal positions under
17.18 subdivision 12b which are limited in duration by the employer to a period of six months or
17.19 less in each year of employment with the governmental subdivision;

17.20 (17) persons who are provided supported employment or work-study positions by a
17.21 governmental subdivision and who participate in an employment or industries program
17.22 maintained for the benefit of these persons where the governmental subdivision limits the
17.23 position's duration to up to five years, including persons participating in a federal or state
17.24 subsidized on-the-job training, work experience, senior citizen, youth, or unemployment
17.25 relief program where the training or work experience is not provided as a part of, or for,
17.26 future permanent public employment;

17.27 (18) independent contractors and the employees of independent contractors;

17.28 (19) reemployed annuitants of the association during the course of that reemployment;

17.29 (20) persons appointed to serve on a board or commission of a governmental subdivision
17.30 or an instrumentality thereof; and

17.31 (21) persons employed as full-time fixed-route bus drivers by the St. Cloud Metropolitan
17.32 Transit Commission who are members of the International Brotherhood of Teamsters Local

18.1 638 and who are, by virtue of that employment, members of the International Brotherhood
18.2 of Teamsters Central States pension plan.

18.3 (b) Any person performing the duties of a public officer in a position defined in
18.4 subdivision 2a, paragraph (a), clause (3), is not an independent contractor and is not an
18.5 employee of an independent contractor.

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

18.7 **Sec. 3. MSRS; RETROACTIVE EMPLOYEE AND EMPLOYER CONTRIBUTIONS**
18.8 **PERMITTED.**

18.9 (a) If an employee hired on or after October 1, 2020, was an excluded employee under
18.10 Minnesota Statutes 2020, section 352.01, subdivision 2b, clause (14), but is now an included
18.11 employee under the amendments made by section 1, the employee is eligible to receive
18.12 service credit from the employee's date of hire, if the executive director of the Minnesota
18.13 State Retirement System receives the employee and employer contributions described in
18.14 paragraph (b).

18.15 (b) For the period beginning with the first payroll date after the date on which coverage
18.16 for the included employee would have begun under the amendments made in section 1
18.17 through the payroll date following final enactment, (1) the employee or the employer, on
18.18 behalf of the employee, may, no later than August 31, 2021, make the missed employee
18.19 contributions and (2) if the employee contributions are made, the employee's employer must
18.20 make the missed employer contributions no later than September 30, 2021. Upon receipt
18.21 of the employee and employer contributions, the executive director of the Minnesota State
18.22 Retirement System must provide service credit for the period starting with the first day that
18.23 the employee would have been considered an included employee under the amendments in
18.24 section 1.

18.25 **ARTICLE 3**

18.26 **PERA STATEWIDE VOLUNTEER FIREFIGHTER PLAN PROVISIONS**

18.27 Section 1. Minnesota Statutes 2020, section 477B.04, subdivision 3, is amended to read:

18.28 Subd. 3. **Deposit of state aid.** (a) This paragraph applies if the municipality or the
18.29 independent nonprofit firefighting corporation is covered by the statewide volunteer
18.30 firefighter plan ~~under chapter 353G~~. If this paragraph applies and the executive director of
18.31 the Public Employees Retirement Association has not approved an aid allocation plan under
18.32 section 477B.041, the executive director of the Public Employees Retirement Association

19.1 must credit the fire state aid against future municipal contribution requirements under section
19.2 353G.08 and must notify the municipality or the independent nonprofit firefighting
19.3 corporation of the fire state aid so credited at least annually. If this paragraph applies and
19.4 the executive director has approved an aid allocation plan under section 477B.041, the
19.5 executive director must allocate fire state aid in the manner described under section 477B.041.

19.6 (b) If (1) the municipality or the independent nonprofit firefighting corporation is not
19.7 covered by the statewide volunteer firefighter plan and is affiliated with a duly incorporated
19.8 firefighters relief association, (2) the relief association has filed a financial report with the
19.9 municipality pursuant to section 424A.014, subdivision 1 or 2, whichever applies, and (3)
19.10 there is not an aid allocation agreement under section 477B.042 in effect, then the treasurer
19.11 of the municipality must, within 30 days after receipt, transmit the fire state aid to the
19.12 treasurer of the relief association. If clauses (1) and (2) are satisfied and there is an aid
19.13 allocation agreement under section 477B.042 in effect, then fire state aid must be transmitted
19.14 as described in that section. If the relief association has not filed a financial report with the
19.15 municipality, then, regardless of whether an aid allocation agreement is in effect, the treasurer
19.16 of the municipality must delay transmission of the fire state aid to the relief association until
19.17 the complete financial report is filed.

19.18 (c) The treasurer of the municipality must deposit the fire state aid money in the municipal
19.19 treasury if (1) the municipality or independent nonprofit firefighting corporation is not
19.20 covered by the statewide volunteer firefighter plan, (2) there is no relief association organized,
19.21 (3) the association has dissolved, or (4) the association has been removed as trustees of state
19.22 aid. The money may be disbursed from the municipal treasury only for the purposes and in
19.23 the manner set forth in section 424A.08 or for the payment of the employer contribution
19.24 requirement with respect to firefighters covered by the public employees police and fire
19.25 retirement plan under section 353.65, subdivision 3.

19.26 **EFFECTIVE DATE.** This section is effective for aids payable in 2022 and thereafter.

19.27 Sec. 2. **[477B.041] ALLOCATION OF FIRE STATE AID FOR THE STATEWIDE**
19.28 **VOLUNTEER FIREFIGHTER PLAN.**

19.29 **Subdivision 1. Definitions.** For the purposes of this section, unless the language or
19.30 context clearly indicates that a different meaning is intended, the following terms have the
19.31 meanings given to them:

19.32 (1) "Active volunteer firefighter" means a member of the statewide volunteer firefighter
19.33 plan as defined in section 353G.01, subdivision 8.

20.1 (2) "Chief petitioning firefighter" means an active volunteer firefighter who, on behalf
20.2 of petitioning firefighters, submits a petition to stop an aid allocation plan under subdivision
20.3 6 to the executive director.

20.4 (3) "Combination department" means a municipality or independent nonprofit firefighting
20.5 corporation which, during the previous calendar year and on January 1, 2021:

20.6 (i) employed one or more firefighters covered by the statewide volunteer firefighter
20.7 plan; and

20.8 (ii) contributed on behalf of one or more firefighters to the public employees police and
20.9 fire retirement plan under chapter 353.

20.10 (4) "Covered period" means the period covered by the aid allocation plan beginning
20.11 with the calendar year immediately following the calendar year in which the plan is approved
20.12 and continuing for not more than three years.

20.13 (5) "Executive director" means the executive director of the Public Employees Retirement
20.14 Association.

20.15 (6) "Reimbursement amount" means the amount calculated under subdivision 4, which
20.16 reimburses a combination department for employer contributions made to the public
20.17 employees police and fire retirement plan on behalf of covered firefighters.

20.18 (7) "Total state aid" means the combined total of fire state aid and police and firefighter
20.19 supplemental state aid payable to the Public Employees Retirement Association on behalf
20.20 of a combination department on October 1 under sections 477B.04, subdivision 1, and
20.21 423A.022, subdivision 4, respectively.

20.22 Subd. 2. **Submission of an aid allocation plan.** Beginning on March 1 of each year, a
20.23 combination department may submit to the executive director an aid allocation plan that
20.24 conforms with the requirements in this paragraph. The aid allocation plan must:

20.25 (1) be approved by the governing body of the combination department;

20.26 (2) be in writing and specify:

20.27 (i) the percentage of the fire state aid, dollar amount, or formula for determining the
20.28 amount of fire state aid that will be transmitted to the combination department as the
20.29 reimbursement amount; and

20.30 (ii) the covered period;

20.31 (3) be signed by the municipal clerk or secretary; and

21.1 (4) include the date that notice was provided to firefighters under subdivision 7.

21.2 Subd. 3. **Approval of aid allocation plan.** The executive director shall approve an aid
21.3 allocation plan submitted by a combination department if:

21.4 (1) the aid allocation plan is submitted on or after March 1;

21.5 (2) the aid allocation plan meets the requirements in subdivision 2; and

21.6 (3) within 45 days after receipt of the aid allocation plan, the executive director has not
21.7 received a petition to stop aid allocation described in subdivision 6.

21.8 Subd. 4. **Deposit; transfer of fire state aid under aid allocation plan.** (a) Fire state
21.9 aid covered by an approved aid allocation plan must be deposited in accordance with this
21.10 subdivision. Within 30 days after receipt of the fire state aid, the executive director must
21.11 transmit the reimbursement amount to the combination department. The reimbursement
21.12 amount must not exceed the smallest of the following amounts:

21.13 (1) the percentage, dollar amount, or formula specified by the combination department
21.14 under subdivision 2;

21.15 (2) the combination department's total employer contribution to the public employees
21.16 police and fire retirement plan on behalf of firefighters during the preceding calendar year;

21.17 (3) the amount of fire state aid payable to the Public Employees Retirement Association
21.18 on behalf of the combination department on October 1 of the current calendar year under
21.19 section 477B.04, subdivision 1;

21.20 (4) the amount determined by subtracting from the combination department's total state
21.21 aid the combination department's annual funding requirement under section 353G.08 as
21.22 calculated on or before August 1 for the current year; or

21.23 (5) the amount determined by subtracting from the combination department's total state
21.24 aid the amount required to increase the funding ratio of the combination department's account
21.25 to not less than 100 percent as of the date of the valuation used to determine the funding
21.26 requirement under clause (4).

21.27 (b) After transmitting the reimbursement amount, the executive director must immediately
21.28 credit any remaining fire state aid against the combination department's annual funding
21.29 requirement under section 353G.08. The executive director must notify the combination
21.30 department of the disposition of fire state aid within 30 days of transmission of the
21.31 reimbursement amount.

22.1 (c) Fire state aids payable before or after the covered period must be credited as if no
22.2 aid allocation plan has been approved under section 477B.04, subdivision 3, paragraph (a).

22.3 Subd. 5. **Termination; modification of aid allocation plan.** (a) The governing body
22.4 of a combination department may terminate an aid allocation plan at any time by submitting
22.5 a notice of termination to the executive director.

22.6 (b) A combination department may modify an aid allocation plan at any time during the
22.7 covered period by submitting a modified aid allocation plan to the executive director. The
22.8 modified aid allocation plan must meet the requirements of an aid allocation plan under
22.9 subdivision 3.

22.10 (c) The termination or modification of an aid allocation plan applies only to subsequent
22.11 fire state aid payments and does not affect any reimbursement amount already transmitted
22.12 to the combination department.

22.13 (d) The combination department must provide notice of any modification or termination
22.14 as required under subdivision 7.

22.15 Subd. 6. **Petition to stop aid allocation.** (a) Within 45 days after a combination
22.16 department submits an aid allocation plan or modified aid allocation plan to the executive
22.17 director, an active volunteer firefighter employed by the combination department may submit
22.18 to the executive director a petition to stop the aid allocation plan. The petition must be in a
22.19 form prescribed by the executive director. The executive director must reject an aid allocation
22.20 plan or modified aid allocation plan as a result of the petition if:

22.21 (1) the executive director receives the petition to stop the aid allocation plan within 45
22.22 days after receiving an aid allocation plan or modified aid allocation plan for the same
22.23 combination department; and

22.24 (2) the petition to stop aid allocation is in writing and includes the names and signatures
22.25 of a majority of the active volunteer firefighters employed by the combination department
22.26 and the name and contact information for the chief petitioning firefighter.

22.27 (b) When determining whether a petition includes the names and signatures of a majority
22.28 of the active volunteer firefighters affiliated with the combination department, the executive
22.29 director must verify that the names provided match the active volunteer firefighter records
22.30 maintained by the Public Employees Retirement Association.

22.31 (c) Upon receipt of a petition to stop aid allocation, the executive director must
22.32 immediately notify the combination department that a petition was received. Within 15 days
22.33 after receipt of the petition to stop aid allocation, the executive director must report to the

23.1 combination department and the chief petitioning firefighter whether the aid allocation plan
 23.2 was rejected as a result of the petition.

23.3 (d) If an aid allocation plan is rejected as a result of a petition, the combination department
 23.4 may revise the aid allocation plan and submit the revised plan, subject to the requirements
 23.5 in this section, including the notice under subdivision 7 and the firefighters' right to petition
 23.6 to stop aid allocation under the revised plan under subdivision 6.

23.7 Subd. 7. **Notice to volunteer firefighters.** Within 30 days before submitting to the
 23.8 executive director an aid allocation plan or modification or termination of an aid allocation
 23.9 plan, the combination department must notify all active volunteer firefighters employed by
 23.10 the combination department in writing. The notice must include a copy of the aid allocation
 23.11 plan, modified aid allocation plan, or notice of termination approved by the governing body
 23.12 of the combination department.

23.13 Subd. 8. **Forms authorized.** The executive director must prescribe a form of petition
 23.14 that satisfies the requirements of subdivision 6 and may prescribe other forms as required
 23.15 for the administration of this section.

23.16 **EFFECTIVE DATE.** This section is effective for aids payable in 2022 and thereafter.

23.17 **ARTICLE 4**

23.18 **ST. PAUL TEACHERS RETIREMENT FUND ASSOCIATION PROVISIONS**

23.19 Section 1. Minnesota Statutes 2020, section 354A.12, subdivision 1, is amended to read:

23.20 Subdivision 1. **Employee contributions.** (a) The contribution required to be paid by
 23.21 each member of the St. Paul Teachers Retirement Fund Association is the percentage of
 23.22 total salary specified below for the applicable association and program:

23.23	Program	Percentage of Total Salary
23.24	St. Paul Teachers Retirement Fund Association	
23.25	basic program after June 30, 2016	10 percent
23.26	basic program after June 30, 2022 <u>2023</u>	10.25 percent
23.27	coordinated program after June 30, 2016	7.5 percent
23.28	coordinated program after June 30, 2022 <u>2023</u>	7.75 percent

23.29 (b) Contributions must be made by deduction from salary and must be remitted directly
 23.30 to the St. Paul Teachers Retirement Fund Association at least once each month.

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

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

24.2 Sec. 2. Minnesota Statutes 2020, section 354A.31, subdivision 7, is amended to read:

24.3 Subd. 7. **Reduction for early retirement.** (a) This subdivision applies to a person who
24.4 has become at least 55 years old and first becomes a coordinated member after June 30,
24.5 1989, and to any other coordinated member who has become at least 55 years old and whose
24.6 annuity is higher when calculated using the retirement annuity formula percentage in
24.7 subdivision 4, paragraph (d), in conjunction with this subdivision than when calculated
24.8 under subdivision 4, paragraph (c), in conjunction with subdivision 6. An employee who
24.9 retires under the formula annuity before the normal retirement age shall be paid the normal
24.10 annuity reduced as described in paragraph (b) if the person retires on or after July 1, 2019,
24.11 or in paragraph (c) if the person retires before July 1, 2019, as applicable.

24.12 (b) A coordinated member who retires before the normal retirement age and on or after
24.13 July 1, 2019, is entitled to receive a retirement annuity calculated using the retirement
24.14 annuity formula percentage in subdivision 4, paragraph (d), reduced as described in clause
24.15 (1) or (2), as applicable.

24.16 (1) If the member retires when the member is younger than age 62 or with fewer than
24.17 30 years of service, the annuity must be reduced by an early reduction factor for each year
24.18 that the member's age of retirement precedes normal retirement age. The early reduction
24.19 factors are four percent per year for ~~ages~~ members whose age at retirement is at least 55
24.20 ~~through but not yet 59~~ and seven percent per year for ~~ages 60 through~~ members whose age
24.21 at retirement is at least 59 but not yet normal retirement age. The resulting annuity must be
24.22 further adjusted to take into account augmentation as if the employee had deferred receipt
24.23 of the annuity until normal retirement age and the annuity were augmented at the applicable
24.24 annual rate, compounded annually, from the day the annuity begins to accrue until normal
24.25 retirement age. The applicable annual rate is the rate in effect on the employee's effective
24.26 date of retirement and shall be considered as fixed for the employee. The applicable annual
24.27 rates are the following:

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

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

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

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

25.3 (2) If the member retires when the member is at least age 62 or older and has at least 30
25.4 years of service, the member is entitled to receive a retirement annuity calculated using the
25.5 retirement annuity formula percentage in subdivision 4, paragraph (d), multiplied by the
25.6 applicable early retirement factor specified for members "Age 62 or older with 30 years of
25.7 service" in the table in paragraph (c).

25.8 (c) A coordinated member who retires before the normal retirement age and before July
25.9 1, 2019, is entitled to receive a retirement annuity calculated using the retirement annuity
25.10 formula percentage in subdivision 4, paragraph (d), multiplied by the applicable early
25.11 retirement factor specified below:

	Under age 62 or less than 30 years of service		Age 62 or older with 30 years of service	
25.14 Normal retirement age:	65	66	65	66
25.15 Age at retirement				
25.16 55	0.5376	0.4592		
25.17 56	0.5745	0.4992		
25.18 57	0.6092	0.5370		
25.19 58	0.6419	0.5726		
25.20 59	0.6726	0.6062		
25.21 60	0.7354	0.6726		
25.22 61	0.7947	0.7354		
25.23 62	0.8507	0.7947	0.8831	0.8389
25.24 63	0.9035	0.8507	0.9246	0.8831
25.25 64	0.9533	0.9035	0.9635	0.9246
25.26 65	1.0000	0.9533	1.0000	0.9635
25.27 66		1.0000		1.0000

25.28 For normal retirement ages between ages 65 and 66, the early retirement factors must
25.29 be determined by linear interpolation between the early retirement factors applicable for
25.30 normal retirement ages 65 and 66.

25.31 **EFFECTIVE DATE.** This section is effective retroactively from June 30, 2018.

ARTICLE 5

VOLUNTEER FIREFIGHTER RELIEF ASSOCIATION PROVISIONS

Section 1. Minnesota Statutes 2020, section 424A.001, is amended by adding a subdivision to read:

Subd. 2b. **Municipal clerk.** "Municipal clerk" means the person elected or appointed to the position of municipal clerk, the chief financial official or chief administrative official designated to perform such function, or, if there is no such person or designation, the chief financial official, the chief administrative official, or the person primarily responsible for managing the finances of a municipality.

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

Sec. 2. Minnesota Statutes 2020, section 424A.014, subdivision 1, is amended to read:

Subdivision 1. **Financial report and audit.** (a) An annual financial report and audited financial statements in accordance with paragraphs (c) to (e) must be submitted by the board of trustees of the Bloomington Fire Department Relief Association and the board of trustees of each volunteer firefighters relief association with special fund assets of at least \$500,000 or special fund liabilities of at least \$500,000 in the prior year or in any previous year, according to the applicable actuarial valuation or according to the financial report if no valuation is required, must prepare a financial report covering the special and general funds of the relief association for the preceding fiscal year, file the any previous year's financial report, and submit financial statements.

(b) The board of trustees of a volunteer firefighters relief association with special fund assets of less than \$500,000 and special fund liabilities of less than \$500,000, according to each previous year's financial report, may submit an annual financial report and audited financial statements in accordance with paragraphs (c) to (e).

~~(b) (c) The financial report must contain financial statements and disclosures that present the true financial condition of the relief association and the results of relief association operations in conformity with generally accepted accounting principles and in compliance with the regulatory, financing, and funding provisions of this chapter and any other applicable laws cover the relief association's special fund and general fund and be in the style and form prescribed by the state auditor. The financial report must be countersigned by:~~

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

27.1 (2) the municipal clerk or clerk-treasurer of the largest municipality in population that
 27.2 contracts with the independent nonprofit firefighting corporation if the volunteer firefighter
 27.3 relief association is a subsidiary of an independent nonprofit firefighting corporation, and
 27.4 by the secretary of the independent nonprofit firefighting corporation; or

27.5 (3) the chief financial official of the county in which the volunteer firefighter relief
 27.6 association is located or primarily located if the relief association is associated with a fire
 27.7 department that is not located in or associated with an organized municipality.

27.8 ~~(e)~~ (d) The financial report must be retained in the office of the Bloomington Fire
 27.9 Department Relief Association or the volunteer firefighter relief association for public
 27.10 inspection and must be filed with the governing body of the government subdivision in
 27.11 which the associated fire department is located after the close of the fiscal year. One copy
 27.12 of the financial report must be furnished to the state auditor on or before June 30 after the
 27.13 close of the fiscal year.

27.14 ~~(d)~~ (e) Audited financial statements that present the true financial condition of the relief
 27.15 association's special fund and general fund must be attested to by a certified public accountant
 27.16 or by the state auditor and must be filed with the state auditor on or before June 30 after the
 27.17 close of the fiscal year. Audits must be conducted in compliance with generally accepted
 27.18 auditing standards and section 6.65 governing audit procedures. The state auditor may accept
 27.19 ~~this report~~ audited financial statements in lieu of the financial report required in paragraph
 27.20 ~~(e)~~ (a).

27.21 **EFFECTIVE DATE.** This section is effective January 1, 2022.

27.22 Sec. 3. Minnesota Statutes 2020, section 424A.014, subdivision 2, is amended to read:

27.23 Subd. 2. **Financial statement.** (a) The board of trustees of each volunteer firefighter
 27.24 relief association that is not required to and does not choose to file a financial report and
 27.25 audit under subdivision 1 must prepare a detailed statement of the financial affairs for the
 27.26 preceding fiscal year of the relief association's special and general funds in the style and
 27.27 form prescribed by the state auditor. The detailed statement must show:

27.28 (1) the sources and amounts of all money received;

27.29 (2) all disbursements, accounts payable, and accounts receivable;

27.30 (3) the amount of money remaining in the treasury;

27.31 (4) total assets, including a listing of all investments;

27.32 (5) the accrued liabilities; and

28.1 (6) all other items necessary to show accurately the revenues and expenditures and
28.2 financial position of the relief association.

28.3 (b) The detailed financial statement of the special and general funds required under
28.4 paragraph (a) must be certified by a certified public accountant or by the state auditor in
28.5 accordance with agreed-upon procedures and forms prescribed by the state auditor. The
28.6 accountant must have at least five years of public accounting, auditing, or similar experience
28.7 and must not be an active, inactive, or retired member of the relief association or the fire
28.8 department.

28.9 (c) The detailed financial statement required under paragraph (a) must be countersigned
28.10 by:

28.11 (1) the municipal clerk or clerk-treasurer of the municipality;

28.12 (2) where applicable, the municipal clerk or clerk-treasurer of the largest municipality
28.13 in population that contracts with the independent nonprofit firefighting corporation if the
28.14 relief association is a subsidiary of an independent nonprofit firefighting corporation, and
28.15 by the secretary of the independent nonprofit firefighting corporation; or

28.16 (3) the chief financial official of the county in which the volunteer firefighter relief
28.17 association is located or primarily located if the relief association is associated with a fire
28.18 department that is not located in or associated with an organized municipality.

28.19 (d) The volunteer firefighters relief association board must submit a copy of the detailed
28.20 financial statement required under paragraph (a) that has been certified by the governing
28.21 body of the municipality to the state auditor on or before March 31 after the close of the
28.22 fiscal year.

28.23 (e) A certified public accountant or auditor who performs the agreed-upon procedures
28.24 under paragraph (b) is subject to the reporting requirement of section 6.67.

28.25 **EFFECTIVE DATE.** This section is effective January 1, 2022.

28.26 Sec. 4. Minnesota Statutes 2020, section 424A.015, subdivision 7, is amended to read:

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

28.30 (1) the articles of incorporation or bylaws of the relief associations provide for such
28.31 combined service pensions;

28.32 (2) the applicable requirements of paragraphs (b) ~~and (e)~~ to (e) are met; and

29.1 (3) the ~~volunteer firefighter~~ member otherwise qualifies.

29.2 (b) A ~~volunteer firefighter~~ member receiving a ~~prorated~~ service pension under this
29.3 subdivision must ~~have a total combined amount of service credit from the two or more relief~~
29.4 ~~associations of ten years or more, unless the bylaws of every affected relief association~~
29.5 ~~specify less than a ten-year service vesting requirement, in which case, the total amount of~~
29.6 ~~required service credit is the longest service vesting requirement of the relief associations~~
29.7 be at least partially vested under the bylaws of the first participating relief association on
29.8 the date on which the member terminates active service with that relief association. The
29.9 service pension paid from the first participating relief association shall be based on the years
29.10 of active service accrued in the first relief association and the vesting percentage applicable
29.11 to those years of active service.

29.12 (c) To receive a service pension from each subsequent relief association, the member
29.13 must be at least partially vested under the bylaws of the subsequent relief association, taking
29.14 into consideration the member's total service credit accrued in all participating relief
29.15 associations to the date the member terminates active service with the subsequent relief
29.16 association. The service pension paid from each subsequent relief association shall be based
29.17 on the years of active service accrued solely in that relief association and the vesting
29.18 percentage applicable to the combined amount of total service credit accrued in all of the
29.19 participating relief associations.

29.20 (d) The member must have one ~~year~~ or more years of service credit in each participating
29.21 relief association. The ~~prorated~~ service pension must be based on:

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

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

29.28 (e) (e) To receive a ~~prorated~~ service pension under this subdivision, the ~~firefighter~~
29.29 member must become a member of the ~~second or succeeding~~ subsequent relief association
29.30 ~~and must give notice of membership to the prior association~~ within two years of the date of
29.31 termination of active service with the prior relief association. ~~The second or~~ If requested
29.32 by the member or a subsequent relief association, the secretary of each prior relief association
29.33 must ~~certify the~~ provide written notice to the member and the subsequent relief association
29.34 regarding the amount of active service accrued by the member in the prior relief association.

30.1 **EFFECTIVE DATE.** This section is effective January 1, 2022.

30.2 Sec. 5. Minnesota Statutes 2020, section 424A.016, subdivision 4, is amended to read:

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

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

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

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

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

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

30.17 (ii) any ~~retired~~ member who ~~retired~~ terminated active service before obtaining a full
30.18 nonforfeitable interest in the amounts credited to becoming 100 percent vested in the
30.19 ~~individual member~~ member's account under subdivision 2, paragraph (b), and any applicable
30.20 provision of the bylaws of the relief association.

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

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

30.28 (e) Amounts to be credited to individual accounts under paragraph (b) must be allocated
30.29 uniformly for all years of active service and allocations must be made for all years of service,
30.30 except for caps on service credit if so provided in the bylaws of the relief association.
30.31 Amounts forfeited under paragraph (b), clause (3), before a resumption of active service
30.32 and membership under section 424A.01, subdivision 6, remain forfeited and may not be

31.1 reinstated upon the resumption of active service and membership. The allocation method
31.2 may utilize monthly proration for fractional years of service, as the bylaws or articles of
31.3 incorporation of the relief association so provide. The bylaws or articles of incorporation
31.4 may define a "month," but the definition must require a calendar month to have at least 16
31.5 days of active service. If the bylaws or articles of incorporation do not define a "month," a
31.6 "month" is a completed calendar month of active service measured from the member's date
31.7 of entry to the same date in the subsequent month.

31.8 (f) At the time of retirement under subdivision 2 and any applicable provision of the
31.9 bylaws of the relief association, a retiring member is entitled to that portion of the assets of
31.10 the special fund to the credit of the member in the individual member account which is
31.11 nonforfeitable under subdivision 3 and any applicable provision of the bylaws of the relief
31.12 association based on the number of years of service to the credit of the retiring member.

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

31.16 **EFFECTIVE DATE.** This section is effective January 1, 2022.

31.17 Sec. 6. Minnesota Statutes 2020, section 424A.016, subdivision 6, is amended to read:

31.18 Subd. 6. **Deferred service pensions.** (a) A "deferred member" means a member of a
31.19 relief association who has separated from active service and membership and has completed
31.20 the minimum service and membership requirements in subdivision 2. The requirement that
31.21 a member separate from active service and membership is waived for persons who have
31.22 discontinued their volunteer firefighter duties and who are employed on a full-time basis
31.23 under section 424A.015, subdivision 1.

31.24 (b) A deferred member is entitled to receive a deferred service pension when the member
31.25 reaches at least age 50, or at least the minimum age specified in the bylaws governing the
31.26 relief association if that age is greater than age 50, and makes a valid written application.

31.27 (c) A defined contribution relief association must credit interest or additional investment
31.28 performance on the deferred lump-sum service pension during the period of deferral for all
31.29 deferred members on or after January 1, 2021. ~~Interest must be credited using one of the~~
31.30 ~~following methods, as provided for in the~~ A defined contribution relief association may
31.31 specify in its bylaws the method by which it will credit interest or additional investment
31.32 performance to the accounts of deferred members. Such method shall be limited to one of
31.33 the three methods provided in this paragraph. In the event the bylaws do not specify a

32.1 method, the interest or additional investment performance must be credited using the method
32.2 defined in clause (3). The permissible methods are:

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

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

32.9 (3) at the investment return on the assets of the special fund of the defined contribution
32.10 volunteer firefighters relief association in proportion to the share of the assets of the special
32.11 fund to the credit of each individual deferred member account through the accounting date
32.12 on which the investment return is recognized by and credited to the special fund.

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

32.16 ~~(d)~~ (e) Unless the bylaws of provide differently, the dates that will be used by a relief
32.17 association that has elected to pay interest or additional investment performance on deferred
32.18 lump-sum service pensions under paragraph (c) specifies a different interest or additional
32.19 investment performance method, including the interest or additional investment performance
32.20 period starting date and ending date, the in determining the creditable amount of interest or
32.21 additional investment performance on a deferred service pension is creditable shall be as
32.22 follows:

32.23 (1) for a relief association that has elected to credit interest or additional investment
32.24 performance under paragraph (c), clause (1) or (3), beginning on the date that the member
32.25 separates from active service and membership and ending on the accounting date immediately
32.26 before the deferred member commences receipt of the deferred service pension; or

32.27 (2) for a relief association that has elected to credit interest or additional investment
32.28 performance under paragraph (c), clause (2), beginning on the date that the member separates
32.29 from active service and membership and ending on the date that the separate investment
32.30 vehicle is valued immediately before the date on which the deferred member commences
32.31 receipt of the deferred service pension.

33.1 ~~(e) If the bylaws do not define a method for crediting interest or additional investment~~
33.2 ~~performance, the interest or additional investment performance must be credited using the~~
33.3 ~~method defined in paragraph (e), clause (3).~~

33.4 ~~(f) Until December 31, 2020, a defined contribution relief association is permitted, if its~~
33.5 ~~governing bylaws so provide, to credit interest or additional investment performance on the~~
33.6 ~~deferred lump-sum service pension during the period of deferral using the method set forth~~
33.7 ~~in the bylaws applicable on the date on which each deferred member separated from active~~
33.8 ~~service.~~

33.9 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2021.

33.10 Sec. 7. Minnesota Statutes 2020, section 424A.02, subdivision 3, is amended to read:

33.11 Subd. 3. **Flexible service pension maximums.** (a) Annually on or before August 1 as
33.12 part of the certification of the financial requirements and minimum municipal obligation
33.13 determined under section 424A.092, subdivision 4, or 424A.093, subdivision 5, as applicable,
33.14 the secretary or some other official of the relief association designated in the bylaws of each
33.15 defined benefit relief association shall calculate and certify to the governing body of the
33.16 applicable municipality the average amount of available financing per active covered
33.17 firefighter for the most recent three-year period.

33.18 The amount of available financing includes any amounts of fire state aid and police and
33.19 firefighter retirement supplemental state aid received or receivable by the relief association,
33.20 any amounts of municipal contributions to the relief association raised from levies on real
33.21 estate or from other available revenue sources exclusive of fire state aid, and one-tenth of
33.22 the amount of assets in excess of the accrued liabilities of the relief association calculated
33.23 under section 424A.092, subdivision 2; 424A.093, subdivisions 2 and 4; or 424A.094,
33.24 subdivision 2, if any.

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

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

34.1 maximum service pension figure corresponding to the average amount of available financing
 34.2 per active covered firefighter:

34.3	Minimum Average Amount of Available	Maximum Service Pension Amount
34.4	Financing per Firefighter	Payable per Month for Each Year of
34.5		Service
34.6	\$...	\$.25
34.7	41	.50
34.8	81	1.00
34.9	122	1.50
34.10	162	2.00
34.11	203	2.50
34.12	243	3.00
34.13	284	3.50
34.14	324	4.00
34.15	365	4.50
34.16	405	5.00
34.17	486	6.00
34.18	567	7.00
34.19	648	8.00
34.20	729	9.00
34.21	810	10.00
34.22	891	11.00
34.23	972	12.00
34.24	1053	13.00
34.25	1134	14.00
34.26	1215	15.00
34.27	1296	16.00
34.28	1377	17.00
34.29	1458	18.00
34.30	1539	19.00
34.31	1620	20.00
34.32	1701	21.00
34.33	1782	22.00
34.34	1823	22.50
34.35	1863	23.00
34.36	1944	24.00
34.37	2025	25.00
34.38	2106	26.00

35.1	2187	27.00
35.2	2268	28.00
35.3	2349	29.00
35.4	2430	30.00
35.5	2511	31.00
35.6	2592	32.00
35.7	2673	33.00
35.8	2754	34.00
35.9	2834	35.00
35.10	2916	36.00
35.11	2997	37.00
35.12	3078	38.00
35.13	3159	39.00
35.14	3240	40.00
35.15	3321	41.00
35.16	3402	42.00
35.17	3483	43.00
35.18	3564	44.00
35.19	3645	45.00
35.20	3726	46.00
35.21	3807	47.00
35.22	3888	48.00
35.23	3969	49.00
35.24	4050	50.00
35.25	4131	51.00
35.26	4212	52.00
35.27	4293	53.00
35.28	4374	54.00
35.29	4455	55.00
35.30	4536	56.00
35.31	4617	57.00
35.32	4698	58.00
35.33	4779	59.00
35.34	4860	60.00
35.35	4941	61.00
35.36	5022	62.00
35.37	5103	63.00
35.38	5184	64.00

36.1	5265	65.00
36.2	5346	66.00
36.3	5427	67.00
36.4	5508	68.00
36.5	5589	69.00
36.6	5670	70.00
36.7	5751	71.00
36.8	5832	72.00
36.9	5913	73.00
36.10	5994	74.00
36.11	6075	75.00
36.12	6156	76.00
36.13	6237	77.00
36.14	6318	78.00
36.15	6399	79.00
36.16	6480	80.00
36.17	6561	81.00
36.18	6642	82.00
36.19	6723	83.00
36.20	6804	84.00
36.21	6885	85.00
36.22	6966	86.00
36.23	7047	87.00
36.24	7128	88.00
36.25	7209	89.00
36.26	7290	90.00
36.27	7371	91.00
36.28	7452	92.00
36.29	7533	93.00
36.30	7614	94.00
36.31	7695	95.00
36.32	7776	96.00
36.33	7857	97.00
36.34	7938	98.00
36.35	8019	99.00
36.36	8100	100.00
36.37	any amount in excess of	
36.38	8100	100.00

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

37.8	Minimum Average Amount of Available	Maximum Lump-Sum Service Pension
37.9	Financing per Firefighter	Amount Payable for Each Year of Service
37.10	\$...	\$ 10
37.11	11	20
37.12	16	30
37.13	23	40
37.14	27	50
37.15	32	60
37.16	43	80
37.17	54	100
37.18	65	120
37.19	77	140
37.20	86	160
37.21	97	180
37.22	108	200
37.23	131	240
37.24	151	280
37.25	173	320
37.26	194	360
37.27	216	400
37.28	239	440
37.29	259	480
37.30	281	520
37.31	302	560
37.32	324	600
37.33	347	640
37.34	367	680
37.35	389	720
37.36	410	760
37.37	432	800

38.1	486	900
38.2	540	1000
38.3	594	1100
38.4	648	1200
38.5	702	1300
38.6	756	1400
38.7	810	1500
38.8	864	1600
38.9	918	1700
38.10	972	1800
38.11	1026	1900
38.12	1080	2000
38.13	1134	2100
38.14	1188	2200
38.15	1242	2300
38.16	1296	2400
38.17	1350	2500
38.18	1404	2600
38.19	1458	2700
38.20	1512	2800
38.21	1566	2900
38.22	1620	3000
38.23	1672	3100
38.24	1726	3200
38.25	1753	3250
38.26	1780	3300
38.27	1820	3375
38.28	1834	3400
38.29	1888	3500
38.30	1942	3600
38.31	1996	3700
38.32	2023	3750
38.33	2050	3800
38.34	2104	3900
38.35	2158	4000
38.36	2212	4100
38.37	2265	4200
38.38	2319	4300

39.1	2373	4400
39.2	2427	4500
39.3	2481	4600
39.4	2535	4700
39.5	2589	4800
39.6	2643	4900
39.7	2697	5000
39.8	2751	5100
39.9	2805	5200
39.10	2859	5300
39.11	2913	5400
39.12	2967	5500
39.13	3021	5600
39.14	3075	5700
39.15	3129	5800
39.16	3183	5900
39.17	3237	6000
39.18	3291	6100
39.19	3345	6200
39.20	3399	6300
39.21	3453	6400
39.22	3507	6500
39.23	3561	6600
39.24	3615	6700
39.25	3669	6800
39.26	3723	6900
39.27	3777	7000
39.28	3831	7100
39.29	3885	7200
39.30	3939	7300
39.31	3993	7400
39.32	4047	7500
39.33	4101	7600
39.34	4155	7700
39.35	4209	7800
39.36	4263	7900
39.37	4317	8000
39.38	4371	8100

40.1	4425	8200
40.2	4479	8300
40.3	4533	8400
40.4	4587	8500
40.5	4641	8600
40.6	4695	8700
40.7	4749	8800
40.8	4803	8900
40.9	4857	9000
40.10	4911	9100
40.11	4965	9200
40.12	5019	9300
40.13	5073	9400
40.14	5127	9500
40.15	5181	9600
40.16	5235	9700
40.17	5289	9800
40.18	5343	9900
40.19	5397	10,000
40.20	5451	10,100
40.21	5505	10,200
40.22	5559	10,300
40.23	5613	10,400
40.24	5667	10,500
40.25	5721	10,600
40.26	5775	10,700
40.27	5829	10,800
40.28	5883	10,900
40.29	5937	11,000
40.30	5991	11,100
40.31	6045	11,200
40.32	6099	11,300
40.33	6153	11,400
40.34	6207	11,500
40.35	6261	11,600
40.36	6315	11,700
40.37	6369	11,800
40.38	6423	11,900

41.1	6477	12,000
41.2	6531	12,100
41.3	6585	12,200
41.4	6639	12,300
41.5	6693	12,400
41.6	6747	12,500
41.7	6801	12,600
41.8	6855	12,700
41.9	6909	12,800
41.10	6963	12,900
41.11	7017	13,000
41.12	7071	13,100
41.13	7125	13,200
41.14	7179	13,300
41.15	7233	13,400
41.16	7287	13,500
41.17	7341	13,600
41.18	7395	13,700
41.19	7449	13,800
41.20	7503	13,900
41.21	7557	14,000
41.22	7611	14,100
41.23	7665	14,200
41.24	7719	14,300
41.25	7773	14,400
41.26	7827	14,500
41.27	7881	14,600
41.28	7935	14,700
41.29	7989	14,800
41.30	8043	14,900
41.31	8097	15,000
41.32	any amount in excess of	
41.33	8097	15,000

41.34 (e) For a defined benefit relief association in which the governing bylaws provide for a
41.35 monthly benefit service pension as an alternative form of service pension payment to a
41.36 lump-sum service pension, the maximum service pension amount for each pension payment
41.37 type must be determined using the applicable table contained in this subdivision.

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

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

42.13 (h) The method of calculating service pensions must be applied uniformly for all years
 42.14 of active service. Credit must be given for all years of active service ~~except~~, unless the
 42.15 bylaws of the relief association provide that service credit is not given for:

42.16 (1) years of active service in excess of caps on service credit if so provided in the bylaws
 42.17 of the relief association; or

42.18 (2) years of active service earned by a former member who:

42.19 (i) has ceased duties as a volunteer firefighter with the fire department before becoming
 42.20 vested under subdivision 2; and

42.21 (ii) has not resumed active service with the fire department and active membership in
 42.22 the relief association for a period as defined in the relief association's bylaws, of not less
 42.23 than five years.

42.24 **EFFECTIVE DATE.** This section is effective January 1, 2022.

42.25 Sec. 8. Minnesota Statutes 2020, section 424A.05, subdivision 3b, is amended to read:

42.26 Subd. 3b. **Authorized administrative expenses from special fund.** (a) Notwithstanding
 42.27 any provision of law to the contrary, the payment of the following necessary, reasonable,
 42.28 and direct expenses of maintaining, protecting, and administering the special fund, when
 42.29 provided for in the bylaws of the association and approved by the board of trustees,
 42.30 constitutes authorized administrative expenses of a volunteer firefighters relief association
 42.31 organized under any law of the state or the Bloomington Fire Department Relief Association:

43.1 (1) office expenses, including but not limited to rent, utilities, equipment, supplies,
43.2 postage, periodical subscriptions, furniture, fixtures, and salaries of administrative personnel;

43.3 (2) salaries of the officers of the association or their designees, and salaries of the
43.4 members of the board of trustees of the association if the salary amounts are approved by
43.5 the governing body of the entity that is responsible for meeting any minimum obligation
43.6 under section 424A.092 or 424A.093 or Laws 2013, chapter 111, article 5, sections 31 to
43.7 42, and the itemized expenses of relief association officers and board members that are
43.8 incurred as a result of fulfilling their responsibilities as administrators of the special fund;

43.9 (3) tuition, registration fees, organizational dues, and other authorized expenses of the
43.10 officers or members of the board of trustees incurred in attending educational conferences,
43.11 seminars, or classes relating to the administration of the relief association;

43.12 (4) audit and audit-related services, accounting and accounting-related services, and
43.13 actuarial, medical, legal, and investment and performance evaluation expenses;

43.14 (5) filing and application fees necessary to administer the special fund payable by the
43.15 relief association to federal or other government entities;

43.16 (6) reimbursement to the officers and members of the board of trustees or their designees,
43.17 for reasonable and necessary expenses actually paid and incurred in the performance of
43.18 their duties as officers or members of the board; and

43.19 (7) premiums on fiduciary liability insurance and official bonds for the officers, members
43.20 of the board of trustees, and employees of the relief association.

43.21 (b) All other expenses of the relief association must be paid from the general fund of
43.22 the association if one exists. If a relief association has only one fund, that fund is the special
43.23 fund for purposes of this subdivision. If a relief association has a special fund and a general
43.24 fund, the payment of any expense of the relief association that is directly related to the
43.25 purposes for which both funds were established must be apportioned between the two funds
43.26 on the basis of the benefits derived by each fund.

43.27 **EFFECTIVE DATE.** This section is effective January 1, 2022.

43.28 Sec. 9. Minnesota Statutes 2020, section 424A.10, subdivision 2, is amended to read:

43.29 Subd. 2. **Payment of supplemental benefit.** (a) Upon the payment by a volunteer
43.30 firefighters relief association or by the statewide lump-sum volunteer firefighter plan of a
43.31 lump-sum distribution to a qualified recipient, the association must pay a supplemental
43.32 benefit to the qualified recipient. Notwithstanding any law to the contrary, the relief

44.1 association must pay the supplemental benefit out of its special fund and the statewide
44.2 lump-sum volunteer firefighter plan must pay the supplemental benefit out of the statewide
44.3 lump-sum volunteer firefighter plan. This benefit is an amount equal to ten percent of the
44.4 regular lump-sum distribution that is paid on the basis of the recipient's service as a volunteer
44.5 firefighter. In no case may the amount of the supplemental benefit exceed \$1,000. A
44.6 supplemental benefit under this paragraph may not be paid to a survivor of a deceased active
44.7 or deferred volunteer firefighter in that capacity.

44.8 (b) Upon the payment by a relief association or the retirement plan of a lump-sum
44.9 survivor benefit to a survivor of a deceased active volunteer firefighter or of a deceased
44.10 deferred volunteer firefighter, the association must pay a supplemental survivor benefit to
44.11 the survivor of the deceased active or deferred volunteer firefighter from the special fund
44.12 of the relief association and the retirement plan must pay a supplemental survivor benefit
44.13 to the survivor of the deceased active or deferred volunteer firefighter from the retirement
44.14 fund if chapter 353G so provides. The amount of the supplemental survivor benefit is 20
44.15 percent of the survivor benefit, but not to exceed \$2,000.

44.16 (c) For purposes of this section, the term "regular lump-sum distribution" means the
44.17 pretax lump-sum distribution excluding any interest that may have been credited on a service
44.18 pension under a defined benefit relief association during a volunteer firefighter's period of
44.19 deferral.

44.20 (d) An individual may receive a supplemental benefit under paragraph (a) or under
44.21 paragraph (b), but not under both paragraphs with respect to one lump-sum volunteer
44.22 firefighter benefit.

44.23 (e) If a qualified recipient receives more than one lump-sum distribution, the qualified
44.24 recipient is eligible to receive a supplemental benefit or supplemental survivor benefit,
44.25 whichever is applicable, with each lump-sum distribution. Each supplemental benefit shall
44.26 be calculated under paragraph (a) or (b), as applicable, and shall be subject to a separate
44.27 limit.

44.28 (f) A qualified recipient who elects to receive a lump-sum distribution in installments
44.29 under section 424A.016, subdivision 5, or 424A.02, subdivision 8, is eligible to receive one
44.30 supplemental benefit calculated on the total lump-sum distribution amount under paragraph
44.31 (a) or (b), as applicable.

44.32 **EFFECTIVE DATE.** This section is effective retroactively for supplemental benefits
44.33 paid in 2018 and thereafter.

45.1 Sec. 10. VESTING AND DISTRIBUTION OF NOWTHEN FIREFIGHTERS'
45.2 ACCOUNTS IN THE RAMSEY VOLUNTEER FIREFIGHTERS' RELIEF
45.3 ASSOCIATION.

45.4 Subdivision 1. Definitions. (a) "Account" means the account established for a member
45.5 under the Ramsey relief association, to which an allocation of fire state aid, supplemental
45.6 aid, contributions, forfeitures, interest, and investment earnings or losses have been credited
45.7 for every year the member was eligible to receive such allocation under the bylaws of the
45.8 Ramsey relief association.

45.9 (b) "Nowthen firefighter" means a firefighter (1) who is or was an employee of the city
45.10 of Ramsey assigned to the Nowthen fire station on March 31, 2021; (2) who has an account
45.11 in the Ramsey relief association; and (3) whose employment is or was terminated by the
45.12 city of Ramsey in 2021.

45.13 (c) "Ramsey relief association" means the Ramsey Volunteer Firefighters' Relief
45.14 Association.

45.15 Subd. 2. Eligibility for allocation, full vesting, and immediate access to
45.16 accounts. Notwithstanding any laws or provisions in the bylaws or articles of incorporation
45.17 of the Ramsey relief association to the contrary:

45.18 (1) Any Nowthen firefighter whose employment with the city of Ramsey terminates
45.19 during 2021 shall be considered as having worked 12 months of active service for 2021 and
45.20 as having the status of active member of the association in good standing on December 31,
45.21 2021, for purposes of (i) allocating fire state aid, supplemental aid, contributions, forfeitures,
45.22 interest, and investment earnings or losses; and (ii) deducting administrative expenses.

45.23 (2) The account of each Nowthen firefighter in the Ramsey relief association shall
45.24 become 100 percent vested as of the date on which the Nowthen firefighter's employment
45.25 with the city of Ramsey is or was terminated.

45.26 (3) The Nowthen firefighter shall be entitled to elect an immediate distribution of the
45.27 Nowthen firefighter's account in the Ramsey relief association, which distribution may be
45.28 paid, at the election of the Nowthen firefighter, in a lump sum directly to the Nowthen
45.29 firefighter or in a direct rollover to an eligible retirement plan, as defined in Minnesota
45.30 Statutes, section 356.635, subdivision 6, designated by the Nowthen firefighter.

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

46.1 Sec. 11. **FIRE STATE AID FOR NOWTHEN.**

46.2 For the purposes of fire state aid payable in 2022 under Minnesota Statutes, chapter
46.3 477B, the city of Nowthen will be considered as having satisfied the requirement under
46.4 Minnesota Statutes, section 477B.02, subdivision 2, paragraph (b), to have provided
46.5 firefighting services for at least one calendar year, if the city of Nowthen provides
46.6 documentation of its fire department being in operation no later than December 31, 2021,
46.7 to the commissioner of revenue no later than February 1, 2022.

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

46.9 Sec. 12. **PARTICIPATION IN THE PERA STATEWIDE VOLUNTEER**
46.10 **FIREFIGHTER PLAN.**

46.11 Notwithstanding Minnesota Statutes, section 353G.05, subdivision 5, paragraph (c),
46.12 coverage by the statewide volunteer firefighter plan of the volunteer firefighters employed
46.13 by the city of Nowthen shall be effective on the date an election of coverage by the statewide
46.14 volunteer firefighter plan is approved by the governing board of the city of Nowthen or, if
46.15 later, on the date that the city of Nowthen satisfies all other requirements for coverage by
46.16 the statewide volunteer firefighter plan under Minnesota Statutes, section 353G.05.

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

46.18 Sec. 13. **REPEALER.**

46.19 Laws 2020, chapter 108, article 14, section 1, is repealed.

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

46.21 **ARTICLE 6**

46.22 **DEADLINE FOR AGENCY REQUESTS TO LCPR STAFF TO DRAFT BILLS**

46.23 Section 1. **[356B.01] DEFINITIONS.**

46.24 (a) Unless the context of the term indicates that a different meaning is intended, each of
46.25 the following terms has the meaning given the term, for the purposes of this chapter.

46.26 (b) "Agency" means:

46.27 (1) an "agency" as defined in section 14.02, subdivision 2; or

46.28 (2) the Minnesota state colleges and universities system governed by chapter 136F.

46.29 (c) "Commission" means the Legislative Commission on Pensions and Retirement.

47.1 (d) "Pension system" means:

47.2 (1) the Minnesota State Retirement System;

47.3 (2) the Public Employees Retirement Association;

47.4 (3) the Teachers Retirement Association; or

47.5 (4) the St. Paul Teachers Retirement Fund Association.

47.6 (e) "Volunteer firefighter relief association" means "relief association" as defined in
47.7 section 424A.001, subdivision 4.

47.8 **Sec. 2. [356B.02] DRAFTING PENSION AND RETIREMENT BILLS.**

47.9 (a) Notwithstanding section 3C.035, an agency or pension system intending to urge the
47.10 legislature to adopt a bill affecting the pension system, one or more plans administered by
47.11 the pension system, one or more volunteer firefighter relief associations, or relating to
47.12 pensions or retirement shall deliver the drafting request for the bill to the executive director
47.13 of the commission no later than November 1 before the regular session of the legislature at
47.14 which adoption will be urged.

47.15 (b) The executive director of the commission may accept a drafting request from an
47.16 agency or a pension system after November 1 if the executive director of the commission
47.17 determines that the request relates to a matter that could not reasonably have been foreseen
47.18 by November 1 or for which the requestor provides other reasonable justification for delay.

47.19 **Sec. 3. REPEALER.**

47.20 Minnesota Statutes 2020, section 356B.05, is repealed.

47.21 **Sec. 4. EFFECTIVE DATE.**

47.22 Sections 1 to 3 are effective the day following final enactment.

47.23 **ARTICLE 7**

47.24 **SESSION LAWS FOR INDIVIDUALS**

47.25 **Section 1. INCREASING THE RETIREMENT BENEFIT FOR CERTAIN RETIRED**
47.26 **STATE EMPLOYEE.**

47.27 Subdivision 1. **Benefit increase authorized.** An eligible person described in subdivision
47.28 2 shall be paid an increased benefit described in subdivision 3 from the general employees

48.1 retirement plan of the Minnesota State Retirement System, notwithstanding any state law
48.2 to the contrary.

48.3 Subd. 2. **Eligible person defined.** An eligible person is a person who:

48.4 (1) was born on June 29, 1955;

48.5 (2) was first covered by the Minnesota unclassified employees retirement program on
48.6 January 12, 1987;

48.7 (3) was employed by the Minnesota House of Representatives from January 12, 1987,
48.8 to January 3, 2011;

48.9 (4) elected to transfer from the unclassified program to the general employees retirement
48.10 plan under Minnesota Statutes, section 352D.02, subdivision 3;

48.11 (5) was employed by the Department of Labor and Industry from April 27, 2011, to June
48.12 1, 2018;

48.13 (6) received a personalized benefit estimate dated November 17, 2017, and multiple
48.14 annual statements from the Minnesota State Retirement System providing estimates of the
48.15 eligible person's monthly retirement benefit that erroneously failed to incorporate a reduction
48.16 for retirement before normal retirement age; and

48.17 (7) retired on June 2, 2018, and began to receive monthly retirement annuity payments
48.18 that were lower than the amount shown in the personalized benefit estimate dated November
48.19 17, 2017.

48.20 Subd. 3. **Calculation of benefit increase.** The increased benefit is equal to the retirement
48.21 annuity calculated under Minnesota Statutes, section 352.115, subdivision 3, paragraph (b),
48.22 without the reduction for retirement before normal retirement age under Minnesota Statutes,
48.23 section 352.116, subdivision 1a. No early retirement factor shall be applied to the eligible
48.24 person's increased benefit. The increased benefit is payable to the eligible person retroactively
48.25 from the eligible person's retirement date. Any postretirement adjustments, optional annuity,
48.26 or reduction for an optional annuity must be calculated based on the increased benefit.

48.27 Subd. 4. **Limited applicability.** This section alters the amount of the benefit the eligible
48.28 person is otherwise entitled to under Minnesota Statutes, section 352.115. This section does
48.29 not otherwise replace general law.

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

49.1 Sec. 2. **TRANSFER OF PAST MSRS GENERAL SERVICE CREDIT TO MSRS**
49.2 **CORRECTIONAL.**

49.3 **Subdivision 1. Definitions.** The following terms as used in this section have the meanings
49.4 given in this subdivision:

49.5 (1) "Correctional plan" means the correctional employees retirement plan of the
49.6 Minnesota State Retirement System.

49.7 (2) "Executive director" means the executive director of the Minnesota State Retirement
49.8 System.

49.9 (3) "General plan" means the general state employees retirement plan of the Minnesota
49.10 State Retirement System.

49.11 (4) "Service credit" means time credited as allowable service under Minnesota Statutes,
49.12 section 352.01, subdivision 11, to an eligible person described in subdivision 3.

49.13 (5) "Transfer period" means the period from March 2, 2011, to March 19, 2020.

49.14 **Subd. 2. Transfer of past service credit authorized.** An eligible person described in
49.15 subdivision 3 who makes payment to the correctional employees retirement fund required
49.16 under subdivision 4 on or before one year following the effective date of this section, is
49.17 entitled to have:

49.18 (1) the employer payment made on the eligible person's behalf under subdivision 5; and

49.19 (2) applicable past service credit transferred from the general plan to the correctional
49.20 plan for the transfer period under subdivision 6.

49.21 **Subd. 3. Eligible person.** An eligible person is a person who meets all of the following
49.22 requirements:

49.23 (1) The person has service credit in the general plan from August 15, 1990, to March
49.24 19, 2020.

49.25 (2) The person was employed by the Department of Human Services at the St. Peter
49.26 State Hospital as a customer services specialist principal from March 2, 2011, until at least
49.27 January 27, 2021.

49.28 (3) The commissioner of human services has certified to the executive director that the
49.29 person spent at least 75 percent of the person's working time in direct contact with patients,
49.30 during the period of the person's employment under clause (2).

49.31 (4) The person has service credit in the correctional plan beginning March 20, 2020.

50.1 Subd. 4. **Payment by eligible person.** (a) An eligible person may pay to the executive
50.2 director the difference between the employee contribution rate for the general plan and the
50.3 employee contribution rate for the correctional plan for the transfer period. The difference
50.4 between the two rates must be applied to the eligible person's salary at the time that each
50.5 contribution would have been deducted from pay if the eligible person had been covered
50.6 by the correctional plan for the transfer period. The payment must include interest at the
50.7 applicable annual rate or rates specified in Minnesota Statutes, section 356.59, subdivision
50.8 2, calculated from the date that each contribution would have been deducted to the date that
50.9 payment is made.

50.10 (b) The payment under paragraph (a) must be made in a lump sum no later than one year
50.11 following the effective date. Upon receipt of the payment, the executive director must notify
50.12 the commissioner of human services that payment was made and of the amount owed under
50.13 subdivision 5.

50.14 Subd. 5. **Payment by the Department of Human Services.** If an eligible person makes
50.15 the payment under subdivision 4, the Department of Human Services, on behalf of the
50.16 eligible person, shall pay to the executive director the actuarial present value of the additional
50.17 benefit resulting from the transferred service credit less the payment made under subdivision
50.18 4. This amount must be paid by the Department of Human Services in a lump sum within
50.19 30 days after the date on which the executive director notifies the commissioner of human
50.20 services under subdivision 4.

50.21 Subd. 6. **Transfer of assets and service credit.** (a) If the payments under subdivisions
50.22 4 and 5 are made, the executive director must transfer assets from the general state employees
50.23 retirement fund to the correctional employees retirement fund in an amount equal to the
50.24 actuarial present value of the benefits earned by the eligible person under the general plan
50.25 during the transfer period. The transfer of assets must be made within 15 days after receipt
50.26 of the payments under subdivisions 4 and 5.

50.27 (b) Upon transfer of the assets under paragraph (a), the eligible person shall have service
50.28 credit in the correctional plan and no service credit in the general plan for the transfer period.

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

50.30 Delete the title and insert:

50.31 "A bill for an act
50.32 relating to retirement; making changes of an administrative nature to the statutes
50.33 applicable to the Public Employees Retirement Association and the St. Paul
50.34 Teachers Retirement Fund Association; extending the time period for service credit
50.35 for periods of military leave under the plans administered by PERA; revising
50.36 eligibility for H-1b visa employees under MSRS and PERA to comply with federal

51.1 law and permitting the purchase of prior service credit; permitting the allocation
51.2 of fire state aid between the Statewide Volunteer Firefighters Plan and
51.3 municipalities; delaying an increase in the employee contribution rates by one year
51.4 for the St. Paul Teachers Retirement Fund Association; making changes to the
51.5 statutes applicable to volunteer firefighter relief associations recommended by the
51.6 State Auditor's fire relief association working group; providing full vesting and
51.7 distribution of accounts for firefighters assigned to the Nowthen fire station and
51.8 revising applicable law to provide fire state aid to Nowthen and permit midyear
51.9 participation in the Statewide Volunteer Firefighter Plan; revising the deadline for
51.10 bill drafting requests to commission staff from agencies and pension systems;
51.11 increasing the benefit for a former Department of Labor & Industry employee who
51.12 retired in reliance on erroneous benefit estimates; authorizing the transfer of service
51.13 credit from the MSRS General Plan to the MSRS Correctional Plan for a
51.14 Department of Human Services employee; amending Minnesota Statutes 2020,
51.15 sections 352.01, subdivision 2b; 353.01, subdivisions 2b, 16, 28; 353.014,
51.16 subdivision 4; 353.0162; 353.27, subdivision 12; 353.30, subdivisions 1a, 1b, 1c;
51.17 353.335; 353.34, subdivision 2; 353D.071, subdivision 1; 354A.12, subdivision
51.18 1; 354A.31, subdivision 7; 424A.001, by adding a subdivision; 424A.014,
51.19 subdivisions 1, 2; 424A.015, subdivision 7; 424A.016, subdivisions 4, 6; 424A.02,
51.20 subdivision 3; 424A.05, subdivision 3b; 424A.10, subdivision 2; 477B.04,
51.21 subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 356B;
51.22 477B; repealing Minnesota Statutes 2020, section 356B.05; Laws 2020, chapter
51.23 108, article 14, section 1."

APPENDIX
Article locations for S1712-1A

ARTICLE 1	PUBLIC EMPLOYEES RETIREMENT ASSOCIATION PROVISIONS.....	Page.Ln 1.4
ARTICLE 2	FEDERAL COMPLIANCE AFFECTING MSRS AND PERA ELIGIBILITY FOR CERTAIN VISA HOLDERS.....	Page.Ln 10.2
ARTICLE 3	PERA STATEWIDE VOLUNTEER FIREFIGHTER PLAN PROVISIONS.....	Page.Ln 18.25
ARTICLE 4	ST. PAUL TEACHERS RETIREMENT FUND ASSOCIATION PROVISIONS.....	Page.Ln 23.17
ARTICLE 5	VOLUNTEER FIREFIGHTER RELIEF ASSOCIATION PROVISIONS.....	Page.Ln 26.1
ARTICLE 6	DEADLINE FOR AGENCY REQUESTS TO LCPR STAFF TO DRAFT BILLS.....	Page.Ln 46.21
ARTICLE 7	SESSION LAWS FOR INDIVIDUALS].....	Page.Ln 47.23

356B.05 PUBLIC PENSION ADMINISTRATION LEGISLATION.

(a) Proposed administrative legislation recommended by or on behalf of the Minnesota State Retirement System, the Public Employees Retirement Association, the Teachers Retirement Association, the Minneapolis Employees Retirement Fund, or a first class city teachers retirement fund association, and proposed retirement-related legislation recommended by the Minnesota State Colleges and Universities system must be presented to the Legislative Commission on Pensions and Retirement, the State and Local Governmental Operations Committee of the senate, and the Governmental Operations and Veterans Affairs Policy Committee of the house of representatives on or before October 1 of each year in order for the proposed administrative legislation to be acted upon during the upcoming legislative session. The executive director or the deputy executive director of the Legislative Commission on Pensions and Retirement shall provide written comments on the proposed administrative provisions to the public pension plans by November 15 of each year.

(b) Proposed administrative legislation recommended by or on behalf of a public employee pension plan or system under paragraph (a) must address provisions:

- (1) authorizing allowable service credit for leaves of absence and related circumstances;
- (2) governing offsets or deductions from the amount of disability benefits;
- (3) authorizing the purchase of allowable service credit for prior uncredited periods;
- (4) governing subsequent employment earnings by reemployed annuitants; and
- (5) authorizing retroactive effect for retirement annuity or benefit applications.

(c) Where possible and desirable, taking into account the differences among the public pension plans in existing law and the unique characteristics of the individual public pension fund memberships, uniform provisions relating to paragraph (b) for all applicable public pension plans must be presented for consideration during the legislative session. Supporting documentation setting forth the policy rationale for each set of uniform provisions must accompany the proposed administrative legislation.

Laws 2020, chapter 108, article 14, section 1

Section 1. DIVISION OF RAMSEY VOLUNTEER FIREFIGHTERS' RELIEF ASSOCIATION.

Subdivision 1. Definitions. (a) For purposes of this section, the terms defined in this section have the meanings given them.

(b) "Account balance" means the account established for a member under the Ramsey relief association, to which an allocation of fire state aid, contributions, forfeitures, and net investment earnings have been credited for every year the member was eligible to receive such funding under the bylaws of the Ramsey relief association.

(c) "Inactive or deferred Nowthen firefighter" means a Ramsey firefighter who, when the firefighter was an active firefighter, was assigned to the Nowthen fire station and whose account in the Ramsey relief association has not yet been distributed or forfeited as provided under the bylaws of the Ramsey relief association.

(d) "Joint powers agreement" means the city of Ramsey and city of Nowthen joint powers fire protection agreement.

(e) "Nowthen firefighter" means a firefighter who is a member of the Ramsey relief association and who is hired to provide firefighting services to the city of Nowthen by the city of Nowthen or a municipality with which the city of Nowthen enters into a joint powers agreement or an independent nonprofit firefighting corporation that provides firefighting services to the city of Nowthen.

(f) "Nowthen relief association" means a volunteer firefighters relief association to be established by the city of Nowthen or a volunteer firefighters relief association affiliated with a municipality with which the city of Nowthen enters into a joint powers agreement or a volunteer firefighters relief association affiliated with an independent nonprofit firefighting corporation that provides firefighting services to the city of Nowthen or an account in the Public Employees Retirement Association statewide volunteer firefighter plan, as directed by the city of Nowthen.

(g) "Other benefit recipient of a Nowthen firefighter" means:

(1) a person who is entitled to receive all or a portion of a Nowthen firefighter's account under the Ramsey relief association due to the person having one of the following relationships to the Nowthen firefighter:

(i) surviving spouse;

(ii) former spouse who is the alternate payee under a state domestic relations order that meets the requirements of section 414(p) of the federal Internal Revenue Code of 1986, as amended, or who is a recipient of a court-ordered distribution of marital property, as provided in Minnesota Statutes, section 518.58; or

(iii) nonspousal beneficiary; or

(2) the estate of a Nowthen firefighter.

(h) "Ramsey firefighter" means a firefighter who is or was an employee of the city of Ramsey, is a member of the Ramsey relief association, and provides or provided firefighting services to the city of Ramsey or the city of Nowthen.

(i) "Ramsey relief association" means the city of Ramsey Volunteer Firefighters' Relief Association.

Subd. 2. Application. This section applies, notwithstanding any provision of Minnesota Statutes, chapter 424A or 424B, if all of the following occurs:

(1) the joint powers agreement expires or is terminated by either party;

(2) the city of Nowthen establishes a fire department or enters into a joint powers agreement with another municipality to provide firefighting services for the city of Nowthen or enters into an agreement with an independent nonprofit firefighting corporation to provide firefighting services to the city of Nowthen;

(3) the city of Nowthen establishes a volunteer firefighters relief association or the municipality with which the city of Nowthen enters into a joint powers agreement is affiliated with a volunteer firefighters relief association or the independent nonprofit firefighting corporation with which the

APPENDIX
Repealed Minnesota Session Laws: S1712-1A

city of Nowthen enters into an agreement to provide firefighting services for the city of Nowthen is affiliated with a volunteer firefighters relief association or the city of Nowthen joins the Public Employees Retirement Association statewide volunteer firefighter plan; and

(4) the Nowthen relief association includes as members one or more firefighters whose employment with the city of Ramsey terminates on or before December 31, 2021, and who are hired as firefighters by:

(i) the city of Nowthen;

(ii) a municipality with which the city of Nowthen enters into a joint powers agreement; or

(iii) an independent nonprofit firefighting corporation that provides firefighting services to the city of Nowthen.

Subd. 3. Transfer of Nowthen firefighter accounts. (a) By the sixtieth day after the satisfaction of the conditions described in subdivision 2, the Ramsey relief association shall transfer to the Nowthen relief association the account balance for each Nowthen firefighter, each inactive or deferred Nowthen firefighter, and any other benefit recipient of a Nowthen firefighter in accordance with this subdivision.

(b) If the city of Ramsey terminates the employment of one or more firefighters who become Nowthen firefighters during 2020, the Ramsey relief association shall transfer, by the end of February 2021, the account balances for each Nowthen firefighter, each inactive or deferred Nowthen firefighter, and each other benefit recipient of a Nowthen firefighter. The transfers shall occur after the accounting has been completed for the 2020 calendar year and all fire state aid, contributions, forfeitures, net investment income, and administrative expenses during 2020 and as of the 2020 calendar year end have been credited, in accordance with the bylaws of the Ramsey relief association. Notwithstanding any provision in the bylaws of the Ramsey relief association, a Nowthen firefighter whose employment is terminated during 2020 shall be considered for purposes of allocating fire state aid, contributions, and forfeitures as having worked 12 active service months for 2020.

(c) If the city of Ramsey terminates the employment of one or more firefighters who become Nowthen firefighters during 2021, the Ramsey relief association shall transfer, by the end of February 2022, the account balances for each Nowthen firefighter and for any inactive or deferred Nowthen firefighter and any other benefit recipient of a Nowthen firefighter whose account balance was not transferred under paragraph (b) in 2021. The transfers shall occur after the accounting has been completed for the 2021 calendar year and all fire state aid, contributions, forfeitures, net investment income, and administrative expenses during 2021 and as of the 2021 calendar year end have been credited, in accordance with the bylaws of the Ramsey relief association. Notwithstanding any provision in the bylaws of the Ramsey relief association, a Nowthen firefighter whose employment is terminated during 2021 shall be considered for purposes of allocating fire state aid, contributions, and forfeitures as having worked 12 active service months for 2021.

(d) The transfer of account balances under this subdivision shall be considered authorized disbursements from the special fund of the Ramsey relief association for purposes of Minnesota Statutes, section 424A.05, subdivision 3.

(e) The Ramsey relief association shall transfer records to the Nowthen relief association regarding service, vesting service, and account activity for each Nowthen firefighter, inactive or deferred Nowthen firefighter, or other benefit recipient whose account balance is transferred.

Subd. 4. Relief association general fund assets. When the Ramsey relief association transfers the account balances under subdivision 3, the Ramsey relief association shall also transfer a proportionate share of the assets in the general fund of the Ramsey relief association to the general fund of the Nowthen relief association. The proportion shall be equal to the ratio that the total value of the account balances transferred to the Nowthen relief association bears to the total value of all account balances in the Ramsey relief association on the day immediately preceding the date of transfer.

Subd. 5. Fire state aid. If subdivision 3, paragraph (b), applies, the city of Ramsey shall transfer to the city of Nowthen a portion of the 2021 fire state aid received by the city of Ramsey on or about October 1, 2021, based on 2020 property value and population. The portion to be transferred shall be equal to the amount determined by the commissioner of revenue to be attributable to the estimated market value of property and population in the city of Nowthen fire service area, as a percentage of the total fire state aid paid to the city of Ramsey on or about October 1, 2021.

APPENDIX
Repealed Minnesota Session Laws: S1712-1A

Subd. 6. **Service credit under the Nowthen relief association.** The Nowthen relief association shall credit each firefighter whose account balance is transferred from the Ramsey relief association to the Nowthen relief association with the same number of years of service credit with which the firefighter had been credited under the Ramsey relief association for vesting and any other purpose for which service credit is granted. Such service credit shall be applied to retain the firefighter's vesting percentage in the account balance that was transferred and shall be applied toward the firefighter's vesting percentage in all funds allocated to the firefighter's account in the Nowthen relief association after the transfer.

Subd. 7. **Full vesting of certain Ramsey firefighters.** (a) This subdivision applies to any Ramsey firefighter:

(1) who is assigned to the Nowthen fire station;

(2) whose employment is terminated by the city of Ramsey on or before December 31, 2021;
and

(3) who is not hired by the city of Nowthen.

(b) Notwithstanding any law or provision in the bylaws of the Ramsey relief association, the Ramsey relief association shall fully (100 percent) vest the Ramsey firefighter in the firefighter's account in the Ramsey relief association as of the date the Ramsey firefighter's employment is terminated.

(c) The Ramsey firefighter shall be considered an inactive or deferred Nowthen firefighter for all purposes under subdivision 3.

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