MEMORANDUM

To: Representative Her
Senator Frentz

From: Brian Rice BARice

Date: March 23, 2023

Re: State General Fund Pension Aids

This memo explains my suggestion that you include as part of your 2023 omnibus pension bill the removal of the sunsets on state general fund aids dedicated to pension funds based on 100% funding status.

Several public pension plans, including the PERA Police and Fire Plan, State Patrol Plan, the Saint Paul Teachers Plan, MSRS Corrections Plan, MSRS Judges Plan and TRA have general fund state aid aids directed to them. Each of those general fund appropriations now terminate when the respective pension funds reach 100% funding.

The fact of the matter is with the passage of assumed rate return to 7%, none of the plans will be 100% funded or close to100% funded now or in the next several years.

Now would be an appropriate time when the funds are all less than 100% funded to make these state aids permanent for the pension plans.

This change would not have a budget impact in the upcoming biennium or the subsequent biennium given the projected funding ratios. Therefore, MMB could not score the cost against the 2023 omnibus pension bill.

There are two reasons to do this. First, Minnesota already underfunds pensions. According to NASRA, Minnesota ranks 46th in the nation in per capita spending on pensions. Minnesota spends 2.4% of all state and local spending on pensions compared to 5.2% nationwide. (See, attached NASRA report.) It's clear the state needs to better resource their pension plans.

The dedication of these aids until the full funding date of 2048 for pension purposes would be of great assistance to achieving better state support for all pensions. I think combining the lowering of the assumed rate of return to 7% with providing permanent state funding to the pension plans would be good public policy. The state has $100 billion in pension liability and $83 billion in assets. There is no doubt more significant state aid is needed. This would be a small step in that direction.

Second, I believe if this change was made the Pension Commission would have more control and supervision over a number of these funding resources than you currently have. The policy of tying the aids to full funding of the plans has meant the funding was less subject to LCPR oversight and more subject to stock market conditions which are highly volatile.

To my knowledge there is approximately $87 million annually in state general fund pension aids with the 100% trigger dedicated to pension plans. While the $87 million in state aids is a fraction of the $1.3 billion in public resources going into pensions, this amount is meaningful.

According to an LCPR report from January, 2022, the aids that could be made permanent are:

Saint Paul Teachers:	$15.7 million
PERA Police and Fire:	$18 million.
State Highway Patrol:	$7.2 million
MSRS Corrections:	$12.5 million
MSRS Judges:	$6 million
TRA First Class Cities:	$27.6 million
TOTAL:	$87 million

While these aids are less than 10% of all state and local contributions going into the plans, as you've learned this year it is very, very hard to get money of any type for pensions.

I would be glad to meet with both of you and your staff to discuss this matter further. Attached is a helpful fact sheet the LCPR prepared that gives specifics on various pension plans and references the statutes.

NASRA Issue Brief:
State and Local Government Spending on Public Employee Retirement Systems

Updated February 2023

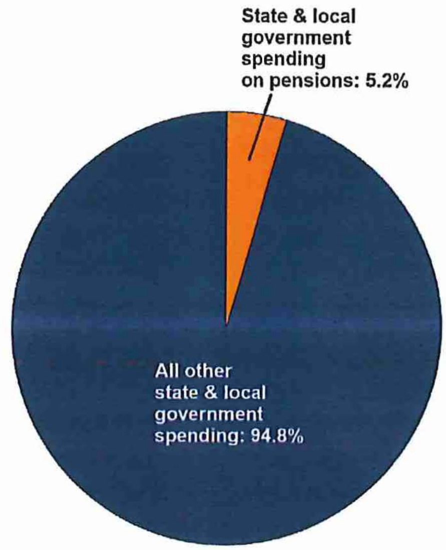
State and local government pension benefits are paid not from general operating revenues, but from trust funds to which state and local government retirees and their employers contribute during retirees' working years. These trusts pay over $300 billion annually to retirees and their beneficiaries, benefits that reach virtually every city and town in the nation.[i] On a nationwide basis, contributions made by state and local governments to pension trust funds account for 5.19 percent of direct general spending (see Figure 1).[ii] Pension spending levels, however, vary widely among states, depending on various factors, and are actuarially sufficient for some pension plans and insufficient for others.

In the wake of the 2008-09 market decline, nearly every state and many cities took steps to improve the financial condition of their retirement plans and to reduce costs.[iii] States and cities changed their pension plans by adjusting employee and employer contribution levels, reducing benefits, or both. This update provides figures for public pension contributions as a percentage of state and local government direct general spending for FY 2020, and projects a rate of spending on pensions on an aggregate basis for FY 2021.

Nationwide Spending on Public Pensions

Based on the most recent information provided by the U.S. Census Bureau, in FY 20, 5.19 percent of all state and local government spending is used to fund pension benefits for employees of state and local government. As shown in Figure 2, pension costs rose sharply following FY 02 after falling equally sharply in the preceding years. These costs declined from 3.4 percent, in FY 92, to a low point of 2.3 percent in FY 02, and breached 5.0 percent in FY 17, where it has remained. FY 20 saw the aggregate percentage of spending increase, from 5.03 to 5.19 percent, driven mostly by an increase in employer pension contributions of approximately 7.4 percent.

Figure 1. State and local spending on public pensions as a percentage of total government direct general spending, FY 20

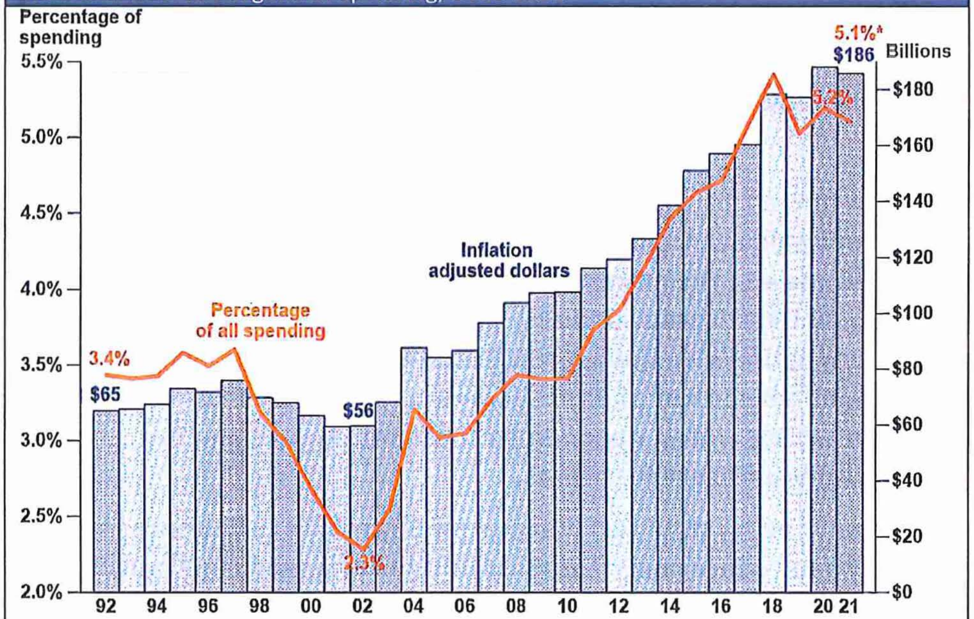


Compiled by NASRA based on U.S. Census Bureau data

State and local governments contributed, in aggregate, approximately $186 billion to pension funds in FY 21, which represents a 3.5 percent increase from the prior year and includes additional funding, above actuarial requirements, contributed by several state and local governments (see NASRA Issue Brief: State and Local Government Contributions to Statewide Pension Plans, FY 21). As displayed in Figure 2, this change is projected to result in a slight decline in the percentage of state and local direct general spending on public pensions, from 5.19 percent to 5.10 percent.[iv]

Although pensions in most states do not comprise a significant portion of aggregate state and local spending, (as shown in Table 1 on page 5), spending on pensions by states and political subdivisions varies widely among states, from just under 2.0 percent to more than 10.0 percent. Some municipalities have reported higher pension costs as a percentage of their budget.

Figure 2. State and local pension contributions, in 2021 dollars, and as a percentage of state and local direct general spending, 1991-2021*



Compiled by NASRA based on U.S. Census Bureau data

*Projected, based on estimated state and local government spending from National Association of State Budget Officers (NASBO) and U.S. Census Bureau data

Differences in Pension Cost Levels

The variation in pension spending levels among states is attributable to such factors as differences in pension benefit levels; variation in the size of unfunded pension liabilities; the level of commitment by the state and its local government plan sponsors to make required pension contributions; the portion of the state's population that lives in an urban area; and the fiscal condition of government plan sponsors. Most employees of state and local government participate in statewide retirement systems. In FY 21, state and local government employer contributions to statewide retirement systems accounted for 78 percent of total pension contributions, with the remaining 22 percent going to locally administered systems. As a percentage of total spending, cities spent approximately 31 percent more than states on pensions over the 30-year period spanning 1988-2017.[v] This higher level of spending is largely attributable to the types of services delivered at the local level (i.e., more labor-intensive, such as public safety personnel) and the resulting larger portion of local government spending that goes toward salaries and related benefits compared to spending by states.

Differences in Benefit Levels

Pension benefit levels, and therefore required costs, vary among public pension plans. As described below, this difference is particularly pronounced for the 25 percent to 30 percent of state and local government employees who do not participate in Social Security, as their pension benefit levels—and costs—generally are higher to compensate for all or part of the absence of Social Security benefits. In addition to pension benefit accrual rates, variations in benefit levels may manifest themselves also via differences in required employee contribution rates and other features of the plan design, such as vesting periods, age of retirement benefit eligibility, etc.

Size of Unfunded Liabilities

An unfunded pension liability is the projected difference between the pension benefits that have been accrued and the assets that have been set aside to pay for them. For a plan with a relatively large unfunded liability, the annual cost of paying down that liability can exceed the cost of benefits accrued each year. By contrast, the cost for a plan with no unfunded liability is simply the cost of benefits accrued each year, i.e., the normal cost. Assuming the employer is making a good faith effort to pay its required contributions, states with pension plans that have a relatively large unfunded liability will have higher pension plan spending levels.

Social Security Coverage

Twenty-five to thirty percent of state and local governments and their employees make contributions to their retirement plan instead of to Social Security. This is the case for most to substantially all of the state and local government workforce in seven states, 40 percent of the nation's public school teachers, and a majority of firefighters and police officers.[vi] Pension benefits—and costs—for those who do not participate in Social Security are usually higher than for those who do participate, in order to compensate for the absence of Social Security benefits. This higher cost should be considered in the context of the 12.4 percent of payroll, or an estimated $36.5 billion annually,[vii] these employers and employees would otherwise be paying into Social Security.

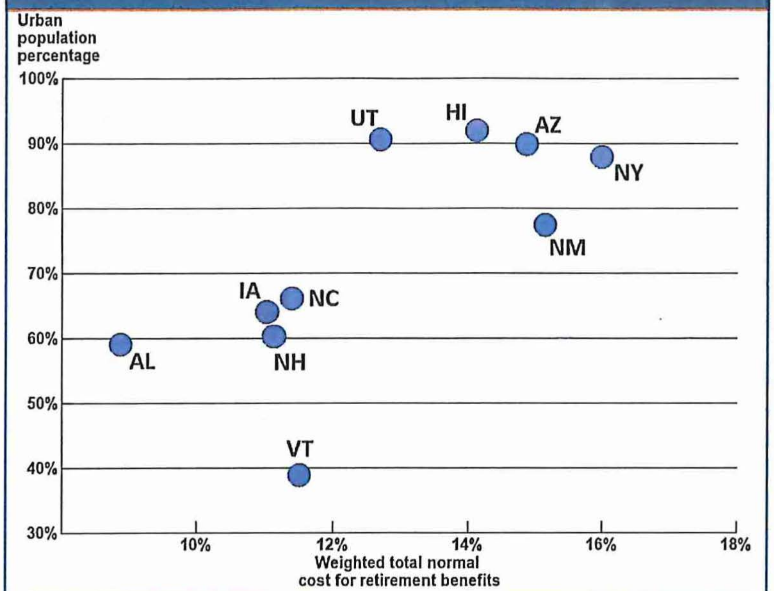
Level of Commitment to Pay Required Contributions

State and local government efforts to pay required contributions vary widely: some employers consistently pay the full Actuarially Determined Contribution, others pay less, and some pay more.[viii] Whatever the cost of the pension plan, actual spending on pensions as a percentage of all spending is affected by employers' effort to actuarially fund the plan.[ix]

Urbanization

Another factor that appears to contribute to differences among states in pension costs is the extent to which the state's population resides in urban areas, or cities. Figure 3 plots state and local spending on pensions and the percentage of population residing in metropolitan areas within selected states.[x] This data suggests that, although not true in every case, states characterized by greater urban populations are more likely to experience higher costs for public pension benefits than states with lower urban populations.[xi] Tighter labor markets and higher cost of living – factors that may characterize densely populated cities – may lead employers to offer higher retirement benefits in order to meet their workforce management objectives. Pension benefits are just one component of total compensation, and other factors, such as salaries and health benefits for active and/or retired workers, may also be correlated with a state's degree of urbanization, and may also affect the difference in pension costs. Further research into the relationship of these factors may clarify these differences.

Figure 3. FY 2020 State Retirement Benefit Costs and Urban Population Percentage for Selected States



Fiscal Resources of the Plan Sponsor

The fiscal status of governments that sponsor public pension plans is an important factor to consider when measuring the percentage of state spending dedicated to pensions in each state. The national aggregate rate of increase in state expenditures from FY 19 to FY 20 was 4.6 percent, which is consistent with the recent recovery in state and local finances. FY 20 represents the seventh consecutive year of state and local spending growth at or above 3.5 percent, following four straight years of growth below 2.0 percent. The individual state experience, however, is mixed: compared to FY 19, FY 20 individual state spending ranged from a 1.4 percent decline to a nearly 11 percent rate of increase. States with greater increased spending may be better able to absorb higher pension contributions than states with weaker or negative spending.

In addition to these causes of variation in pension costs among states, consistent comparisons of pension spending by local governments can be difficult to make because the fiscal relationship between each state and its political subdivisions is unique with respect to revenue, spending structure and taxing authority, and varies widely. For example, funding responsibility among states for K-12 education budgets ranges from primarily a state duty to one that is primarily a local responsibility.[xii] Likewise, revenue-sharing arrangements and the authority of local governments to tax and raise revenue also run a wide range. As with states, pension costs for municipalities also can vary widely.

Cost and Financing Factors

Public pensions are financed through a combination of contributions from public employers (state and local agencies) and public employees, and the investment earnings on those contributions. Since 1992, investment earnings have accounted for 64 percent of all public pension revenue; employer contributions, 25 percent; and employee contributions, 11 percent.[xiii]

Employee Contributions
Because nearly all public employees are required both to participate in their employer-sponsored retirement plan and to contribute toward the cost of their pension benefit—typically four to eight percent of pay—most state and local government retirement plans are, in fact, mandatory savings programs. In recent years, many states increased rates of required employee contributions. On a national basis, in fiscal year 2021, employee contributions accounted for nearly 24 percent of all public pension plan contributions, with employer contributions making up the remaining 76 percent.[xiv]

Employer Contributions
A variety of state and local laws and policies guide governmental pension funding practices. Most require employers to contribute what is known as the Actuarially Determined Employer Contribution (ADEC), which is the amount needed to finance benefits accrued each year, plus the annual cost to amortize unfunded liabilities from past years, less required employee contributions. On a weighted basis, the average ADEC paid has been over 90 percent for seven consecutive years. Beneath this average contribution experience lies diversity: approximately 75 percent of plans in the Public Fund Survey[xv] consistently receive 90 percent or more of their ADC.[xvi] This means that although a majority of plans have been receiving their actuarial required funding, some plans have not been adequately funded, which will result in higher future costs.

Leading national public sector associations established a Pension Funding Task Force, which in 2013 released its report *Pension Funding: A Guide for Elected Officials* urging policymakers to follow recommended guidelines for an actuarially determined contribution to government retirement systems.

Investments and Other Parts of the Financing Equation
As mentioned previously, the largest portion of public pension funding – over 60 percent for the 30-year period 1992-2021 – comes from investment earnings, which illustrates the major role this revenue source plays in determining pension costs (see *NASRA Issue Brief: Public Pension Plan Investment Return Assumptions*, March 2022).

In addition to the performance of pension fund investments, actuarial expectations regarding macro-economic and demographic events also affect the cost of the plan. These events include the rate of inflation, retirement rates, attrition and rates of hiring, and wage growth, which can be affected by salary cuts and layoffs. Additionally, legislatures in nearly every state made changes to pension benefits and/or financing structures, in some cases reducing plan costs and long-term obligations.

Conclusion
Pension costs paid by state and local government employers vary widely and reflect multiple factors, including differing levels of public services, benefits, pension funding levels, employer efforts to pay required contributions, and the fiscal condition of states and their political subdivisions, among others. Employers in FY 21 contributed nearly $186 billion to pension benefits for employees, an amount that, in total, is a relatively small—but growing—part of state and local government spending.

Table 1: State and local government contributions to pensions as a percentage of all state and local government direct general spending, by state, FY 11 to FY 20

	FY 11 %	FY 11 to FY 20 %	FY 20 %
Alabama	3.47		3.32
Alaska	2.87		5.54
Arizona	3.26		4.53
Arkansas	3.44		3.59
California	5.28		8.45[1]
Colorado	2.73		3.99
Connecticut	4.90		8.92
Delaware	2.33		2.74
District of Columbia	2.06		2.36
Florida	3.39		2.81
Georgia	2.64		5.27
Hawaii	4.38		6.84
Idaho	2.68		3.01
Illinois	6.15		10.60
Indiana	3.28		3.28
Iowa	2.03		2.56
Kansas	2.59		3.73
Kentucky	4.99		6.87
Louisiana	4.59		6.86
Maine	3.13		3.64
Maryland	4.06		4.48
Massachusetts	4.57		5.60
Michigan	3.25		4.97
Minnesota	2.00		2.39
Mississippi	3.16		4.31
Missouri	3.84		4.64

	FY 11 %	FY 11 to FY 20 %	FY 20 %
Montana	2.71		3.59
Nebraska	2.32		2.87
Nevada[2]	8.68		8.12
New Hampshire	2.80		3.82
New Jersey	1.39		6.24
New Mexico	3.16		3.48
New York	6.22		5.76
North Carolina	1.60		2.96
North Dakota	1.54		2.13
Ohio	3.59		4.01
Oklahoma	3.88		4.38
Oregon	1.81		4.59
Pennsylvania	1.87		6.05
Rhode Island	4.97		6.40
South Carolina	2.69		4.02
South Dakota	1.72		1.92
Tennessee	2.92		2.93
Texas	2.43		3.04
Utah	3.46		3.73
Vermont	1.49		2.93
Virginia	3.11		3.85
Washington	1.77		3.83
West Virginia	5.02		4.21
Wisconsin	2.57		2.10
Wyoming	1.62		2.09
US Average	**3.73**		**5.19**

Compiled by NASRA based on U.S. Census Bureau data

Table Notes

Charts in the FY 11 to FY 20 % column reflect the percentage spending for each of the 10 years within the timeframe.

Percent-of-spending is as of publication date; figures are subject to periodic revisions by the U.S. Census Bureau.

States where more than one-half of public employee payrolls are estimated to be outside of Social Security are italicized.

[1]Figure reflects additional contributions above the actuarially determined contribution from California local governments, made to reduce their unfunded pension liabilities.

[2]In addition to being a non-Social Security state, one-half of Nevada PERS employers' contribution is attributable to a non-refundable pre-tax salary reduction to fund the employees' portion of the contribution Excepting FY 16, FY17 and FY 19 the employees' portion of the contribution is attributed by Census to employers.

See Also

National Governors Association, National Conference of State Legislatures, The Council of State Governments, National Association of Counties, National League of Cities, The U.S. Conference of Mayors, International City/County Management Association, National Council on Teacher Retirement, National Association of State Auditors, Comptrollers and Treasurers, Government Finance Officers Association, and National Association of State Retirement Administrators, "Pension Funding: A Guide for Elected Officials," 2013, https://www.nasra.org//Files/JointPublications/PensionFundingGuide(1).pdf

National Association of State Retirement Administrators, Issue Brief: Public Pension Plan Investment Return Assumptions, Updated March 2022, http://www.nasra.org/returnassumptionsbrief

National Association of State Retirement Administrators, Issue Brief: Employee Contributions to Public Pension Funds, September 2022, https://www.nasra.org/contributionsbrief

Contact

Keith Brainard, Research Director, keith@nasra.org
Alex Brown, Research Manager, alex@nasra.org
National Association of State Retirement Administrators

---

[i] U.S. Census Bureau, Annual Survey of Public Pensions, https://www.census.gov/programs-surveys/aspp.html, 2021; see also "Economic Effects of Public Pensions," http://www.nasra.org/economiceffects

[ii] The U.S. Census Bureau defines direct general expenditures as all payments to employees, suppliers, contractors, beneficiaries, and other final recipients of governmental payments. Excluded from this category are expenditures for utilities, publicly owned liquor stores, employee retirement benefits paid from trust funds, and intergovernmental payments. Some state and local government spending is non-discretionary, and therefore not in competition for funds with other programs and services. Including non-discretionary spending would make the effect of pension spending appear smaller. In addition, some states and cities do not contribute the amount determined actuarially to adequately fund the plan.

[iii] NASRA, Significant Reforms to State Retirement Systems, https://www.nasra.org/reforms & Selected Approved Changes to State Public Pensions, https://www.nasra.org/files/Compiled%20Resources/nasrapensionchanges.pdf

[iv] Projected spending for 2021 derived from actual state expenditures as reported by the National Association of State Budget Officers in the 2020-2022 State Expenditure Report (https://www.nasbo.org/reports-data/state-expenditure-report p. 8 and projected increase in local government direct general spending, as provided by the U.S. Census Bureau https://www.census.gov/programs-surveys/gov-finances.html

[v] Author's calculations using public pension and state and local government finance data provided by the U.S. Census Bureau

[vi] Social Security Coverage @NASRA.org, http://www.nasra.org/socialsecurity

[vii] Author's calculation based on 25 percent of state and local government employees not participating in Social Security, using US Census, 2016 Annual Survey of Public Employment & Payroll, https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=bkmk

[viii] NASRA, The Annual Required Contribution Experience of State Retirement Plans, FY 01 to FY 13, https://www.nasra.org/arcspotlight and State and Local Government Contributions to Statewide Pension Plans: FY 21, http://www.nasra.org/adcbrief

[ix] NASRA, State and Local Government Contributions to Statewide Pension Plans, FY 21

[x] Pension costs are sourced from Public Plans Data (https://publicplansdata.org/) , and are weighted for plans in each selected state Urban density data are published by the U.S. Census Bureau and may be accessed at https://www.census.gov/geo/reference/ua/urban-rural-2010.html.

[xi] The states selected for this chart are based on consistency of key factors: Social Security participation; a large or predominant statewide retirement plan; and similarity of benefits.

[xiii] U.S. Census Bureau, Annual Survey of Public Pensions, https://www.census.gov/programs-surveys/aspp.html, 1992-2021

[xiv] U.S. Census Bureau, Annual Survey of Public Pensions, https://www.census.gov/programs-surveys/aspp.html, 2021

[xv] NASRA Public Fund Survey, http://www.nasra.org/publicfundsurvey

Supplemental Employer Contributions and Direct State Aid Payments to Public Pension Plans

Minnesota law provides for several types of supplemental contributions and direct state. This compilation describes each of these contributions or state aids, the plan to which the payment is made, when the aid expires, and the statute or session law that requires the payment.[1]

Two acronyms that appear throughout this table are defined as follows:

MVA: "Market value of assets" means the value of plan assets as of the most recent fiscal year end (June 30th).

AVA: "Actuarial value of assets" means the value of plan assets resulting from the averaging of asset values over a five-year period to smooth the effect of market fluctuations.

Minnesota State Retirement System

	Aid Amount	Aid Expiration	Statute/Law
Correctional State Employees Retirement Plan	4.45% of covered salary *(about $12.5 million in 2021)*	The first day of the first full pay period of the fiscal year immediately following the issuance of the actuarial valuation showing that the funded ratio using the MVA equals or exceeds 100%.	Minn. Stat. § 352.92, Subd. 2a, (a)
State Patrol Plan **Police and Firefighter Retirement Supplemental State Aid**	$1,000,000	The earlier of: (1) December 1 following the end of the fiscal year in which the funded ratio using the AVA of both the PERA P&F Plan and The State Patrol Plan equal or exceed 90%; (2) July 1, 2048	Minn. Stat. § 423A.022, Subd. 2, (a)(3)
State Patrol Plan Supplemental Employer Contributions	7% of covered salary *(about $6.2 million in 2021)*	The first day of the first full pay period of the fiscal year immediately following the issuance of the actuarial valuation showing that the funded ratio using the MVA equals or exceeds 100%.	Minn. Stat. § 352B.02, Subd. 1c, (d)
Judges Plan Direct State Aid	$6,000,000	"continues each fiscal year until the Judges Plan reaches 100 percent funding as determined by the actuarial valuation"	Laws 2016, Ch. 189, Art. 13, Sec. 7

[1] The State also makes direct payments to public employers to help fund contributions the employer is required to make to public pension plans. For example, see the payments required to the cities of Fairmont, Minneapolis, Duluth, and Virginia under Section 423A.02 to defray employer contributions required to pension plans. This compilation does not include payments made directly to public employers.

Public Employees Retirement Association

	Aid Amount	Aid Expiration	Statute/Law
General Plan **Additional Employer Contribution**	1% of covered payroll *(about $67.6 million in 2021)*	"First day of the first full pay period occurring after the March 31 of the calendar year following the issuance of the actuarial valuation" showing that the funded ratio using the AVA equals or exceeds 100%.	Minn. Stat. § 353.27, Subd. 3a.
General Plan **MERF Direct State Aid**	$16,000,000	Sept. 15, 2031	Minn. Stat. § 353.505, para. (a)
Police & Fire Plan **Police and Firefighter Retirement Supplemental State Aid**	$9,000,000	The earlier of: (1) December 1 following the end of the fiscal year in which the funded ratio using the AVA of both the PERA P&F Plan and The State Patrol Plan equal or exceed 90%; (2) July 1, 2048	Minn. Stat. § 423A.022, Subd. 2, (a)(1)
Police & Fire Plan **2018 Direct State Aid**	$9,000,000	The earlier of: (1) the first day of the fiscal year following the fiscal year in which the funded ratio using the AVA equals or exceeds 100%; (2) July 1, 2048	Minn. Stat. § 353.65, Subd. 3b

Teachers Retirement Association

	Aid Amount	Aid Expiration	Statute/Law
Matching Aid and Additional Contributions by Special School District No. 1 and City of Minneapolis	$4,500,000 from employers $2,500,000 from state	The earlier of: (1) the first day of the fiscal year following the fiscal year in which the funded ratio using the AVA equals or exceeds 100%; (2) July 1, 2048	Minn. Stat. § 354.435, Subd. 1 & 2
Amortization State Aid	$1,259,073	The earlier of: (1) the December 1 following the end of the fiscal year in which the funded ratio using the AVA equals or exceeds 100%; (2) July 1, 2048	Minn. Stat. § 423A.02, Subd. 3
State Aid related to the Minneapolis Teachers merger	$12,954,000	The earlier of: (1) the first day of the fiscal year following the fiscal year in which the funded ratio AVA equals or exceeds 100%; (2) July 1, 2048	Minn. Stat. § 354.436
State Aid related to the Duluth Teachers Merger	$14,377,000	The earlier of: (1) the first day of the fiscal year following the fiscal year in which the funded ratio using the AVA equals or exceeds 100%; (2) July 1, 2048	Minn. Stat. § 354.436

St. Paul Teachers Retirement Fund Association

	Aid Amount	Aid Expiration	Statute/Law
Amortization State Aid	$838,000*	The earlier of: (1) the December 1 following the end of the fiscal year in which the funded ratio using the AVA equals or exceeds 100%; (2) July 1, 2048 *Note: The aid termination dates in 354A.12, Subd. 3c, and 423.02, Subd. 5, are in conflict.*	Minn. Stat. § 423A.02, Subd. 3
Direct State Aid	$2,827,000	The earlier of: (1) the first day of the fiscal year following the fiscal year in which the funded ratio using the AVA equals or exceeds 100%; (2) July 1, 2048	Minn. Stat. § 354A.12, Subd. 3a, Para. (a)
	$7,000,000	The earlier of: (1) the first day of the fiscal year following the fiscal year in which the funded ratio using the AVA equals or exceeds 100%; (2) July 1, 2048	Minn. Stat. § 354A.12, Subd. 3a, Para. (b)
Direct State Aid	$5,000,000	The earlier of: (1) the first day of the fiscal year following the fiscal year in which the funded ratio using the AVA equals or exceeds 100%; (2) July 1, 2048	Minn. Stat. § 354A.12, Subd. 3a, Para. (c)

* *The amount is based on a formula and is determined annually. The amount shown is for a prior year and may not be the amount of aid payable in 2021.*

Prepared by: Chad Burkitt, Analyst, LCPR
January 25, 2022

Legislative Commission on Pensions and Retirement

55 State Office Building 100 Rev. Dr. Martin Luther King Jr. Blvd. St. Paul, MN 55155-1201
Phone: 651-296-2750 TDD: 651-296-9896 www.lcpr.mn.gov

Supplemental ER Contributions and Direct State Aids.docx