

Possible Legislation, Work Groups, and Topics for Study

2023-2024 Interim

April 12, 2023

Required:

- Work group on transfers from the MN State **IRAP to TRA**
- Work with PERA to draft legislation to add a defined contribution component to the **Statewide Volunteer Firefighter Plan** and make other changes to make the plan more attractive to relief associations
- Prepare legislation consisting of the rest of the recommended legislation from the **State Auditor's Fire Relief Working Group**, including eliminating the word "volunteer" from most of the volunteer firefighter relief association chapter (424A)
- Prepare legislation to amend **PERA** chapters to bring uniformity to the treatment of **survivor benefits**
- Prepare legislation to expand eligibility to the **PERA Defined Contribution Plan** and fix noncompliant provisions
- Assessment of **pension bills not heard by the Commission** during the 2023 session

Discretionary:

- Finalize proposed legislation to move the **actuarial assumption for investment rate of return** from the statutes to the appendix to the Standards where changes would be approved by the Commission rather than the legislature
- Update the **Standards for Actuarial Work**
- Assess the need for, effectiveness of, and compliance with filing and documentation requirements and limits on employer contributions under Section 356.24, subdivision 3, relating to supplemental retirement plans, including **403(b) plans and other deferred compensation plans**
- Assess the need for, modification of, and compliance with the limits on employer contributions to **multiemployer plans** under Section 356.24, subdivision 1
- Prepare legislation to supplement and clarify statutes imposing **federal tax code requirements** generally applicable to MN's tax-qualified pension and defined contribution plans
- Prepare legislation extending the time period for making **transfers of past service credit** from a general plan to a public safety or correctional plan (to reduce or eliminate the need for special legislation)

- Study the feasibility and impact of requiring employers to contribute the **actuarially determined contribution (ADC)** each year rather than the statutorily required contribution
- Study the appropriateness of charging members **interest at 7.5%** (the assumed rate of return) on repayments of refunds and other payments rather than a lower rate
- Prepare legislation changing the **sunset date for all state aids** and supplemental employer contributions to mirror the changes made by MSRS (sunset only if the funded threshold is exceeded for three years)
- Prepare legislation to change fixed rate COLAs for all plans to **tie COLAs to the Social Security COLA**, with a floor and a cap, to mirror the changes made to the PERA General and Correctional Plans
- **Recodify, clean up, clarify, and update terminology** in the following chapters, in order of priority:
 - PERA Defined Contribution Plan (353D)
 - MSRS Unclassified Plan (352D)
 - St. Paul Teachers Retirement Fund Association (354A)
 - Retirement Systems, Generally (356)