

..... moves to amend S.F. No. 2884; H.F. No. 1889, the delete-everything amendment (S2884-DE1), as follows:

Page ..., after line ..., insert:

"ARTICLE ...

**PUBLIC PENSION PLANS: MODIFYING THE CIRCUMSTANCES FOR
TERMINATING STATE AID AND SUPPLEMENTAL EMPLOYER
CONTRIBUTIONS**

Section 1. Minnesota Statutes 2024, section 352.92, subdivision 2a, is amended to read:

Subd. 2a. **Supplemental employer contribution.** (a) Effective July 1, 2019, the employer shall pay a supplemental contribution. The supplemental contribution is 1.45 percent of salary for covered correctional employees from July 1, 2019, through June 30, 2020; 2.95 percent of salary for covered correctional employees from July 1, 2020, through June 30, 2021; and 4.45 percent of salary for covered correctional employees thereafter. The supplemental contribution rate of 4.45 percent remains in effect until, for three consecutive years, the market value of the assets of the correctional state employees retirement plan of the Minnesota State Retirement System equals or exceeds 110 percent of the actuarial accrued liability of the plan as determined by the actuary retained under section 356.214. The expiration of the supplemental employer contribution is effective the first day of the first full pay period of the fiscal year immediately following the issuance of the third actuarial valuation upon which the expiration is based.

(b) The supplemental contribution under paragraph (a) must be paid starting the first day of the first full pay period after June 30, 2018.

Sec. 2. Minnesota Statutes 2024, section 352B.02, subdivision 1c, is amended to read:

Subd. 1c. **Employer contributions and supplemental employer contribution.** (a) In addition to member contributions, department heads shall pay a sum equal to the specified percentage of the salary upon which deductions were made, which constitutes the employer contribution to the fund as follows:

from July 1, 2014, to June 30, 2016	20.1
from July 1, 2016, to June 30, 2018	21.6
from July 1, 2018, to June 30, 2019	22.35
after June 30, 2019	23.1

(b) Department contributions must be paid out of money appropriated to departments for this purpose.

(c) Contribution increases under paragraph (a) must be paid starting the first day of the first full pay period after the effective date of the increase.

(d) Effective July 1, 2018, department heads shall pay a supplemental employer contribution. The supplemental contribution is 1.75 percent of the salary upon which deductions are made from July 1, 2018, through June 30, 2019; three percent of the salary upon which deductions are made from July 1, 2019, through June 30, 2020; five percent of the salary which deductions are made from July 1, 2020, through June 30, 2021; and seven percent of the salary upon which deductions are made thereafter. The supplemental contribution must be paid starting the first day of the first full pay period after June 30, 2018. The supplemental contribution rate of seven percent remains in effect until, for three consecutive years, the market value of the assets of the State Patrol retirement plan of the Minnesota State Retirement System equals or exceeds 110 percent of the actuarial accrued liability of the plan as determined by the actuary retained under section 356.214. The expiration of the supplemental employer contribution is effective the first day of the first full pay period of the fiscal year immediately following the issuance of the third actuarial valuation upon which the expiration is based.

Sec. 3. Minnesota Statutes 2024, section 353.27, subdivision 3a, is amended to read:

Subd. 3a. **Additional employer contribution.** (a) An additional employer contribution to the general employees retirement fund of the Public Employees Retirement Association must be made equal to the following applicable percentage of the total salary amount for "basic members" and for "coordinated members":

	Basic Program	Coordinated Program
Effective before January 1, 2006	2.68	.43
Effective January 1, 2006	2.68	.5
Effective January 1, 2009	2.68	.75
Effective January 1, 2010	2.68	1

These contributions must be made from funds available to the employing subdivision by the means and in the manner provided in section 353.28.

~~(b) The coordinated program contribution rates set forth in paragraph (a) effective for January 1, 2010, must not be implemented if, following receipt of the July 1, 2009, annual actuarial valuation report under section 356.215, respectively, the actuarially required contributions are equal to or less than the total rates under this section in effect as of January 1, 2008.~~

~~(e)~~ (b) This subdivision is repealed once the actuarial value of the assets of the general employees retirement plan of the Public Employees Retirement Association equals or exceeds 110 percent of the actuarial accrued liability of the plan as determined by the actuary retained under sections 356.214 and 356.215. The repeal is effective on the first day of the first full pay period occurring after March 31 of the calendar year following the issuance of the actuarial valuation upon which the repeal is based.

Sec. 4. Minnesota Statutes 2024, section 353.65, subdivision 3b, is amended to read:

Subd. 3b. **Direct state aid.** (a) The state must pay \$4,500,000 on October 1, 2018, and October 1, 2019, to the public employees police and fire retirement plan. By October 1 of each year after 2019, the state must pay \$9,000,000 to the public employees police and fire retirement plan. The commissioner of management and budget must pay the aid specified in this subdivision. The amount required is annually appropriated from the general fund to the commissioner of management and budget.

(b) The aid under paragraph (a) continues until the ~~earlier of:~~ first day of the fiscal year following three consecutive fiscal years in which, for each fiscal year, the actuarial value of assets of the fund equals or exceeds 110 percent of the actuarial accrued liabilities as reported by the actuary retained under section 356.214 in the annual actuarial valuation prepared under section 356.215.

~~(1) the first day of the fiscal year following three consecutive fiscal years in which, for each fiscal year, the actuarial value of assets of the fund equals or exceeds 100 percent of the actuarial accrued liabilities as reported by the actuary retained under section 356.214 in the annual actuarial valuation prepared under section 356.215; or~~

~~(2) July 1, 2048.~~

Sec. 5. Minnesota Statutes 2024, section 423A.022, subdivision 5, is amended to read:

Subd. 5. **Aid termination.** (a) The aid under subdivision 2, paragraph (a), clauses (1) and (3), continues until the ~~earlier of:~~ December 1 following three consecutive fiscal years in which, for each fiscal year, the actuarial value of assets of both the State Patrol retirement plan and the public employees police and fire retirement plan equals or exceeds 100 percent of the actuarial accrued liabilities as reported by the actuary retained under section 356.214 in the annual actuarial valuation prepared under section 356.215.

~~(1) the December 1 following three consecutive fiscal years in which, for each fiscal year, the actuarial value of assets of both the State Patrol retirement plan and the public~~

~~employees police and fire retirement plan equals or exceeds 90 percent of the actuarial
accrued liabilities as reported by the actuary retained under section 356.214 in the annual
actuarial valuation prepared under section 356.215; or~~

~~(2) July 1, 2048.~~

(b) The aid under subdivision 2, paragraph (a), clause (2), does not terminate.

Sec. 6. Minnesota Statutes 2024, section 490.123, subdivision 5, is amended to read:

Subd. 5. **Direct state aid.** (a) The state shall pay \$6,000,000 annually to the judges' retirement fund. The aid is payable each July 1. The amount required is annually appropriated from the general fund to the judges' retirement fund.

(b) The aid under paragraph (a) continues until the ~~earlier of:~~ first day of the fiscal year following three consecutive fiscal years in which, for each fiscal year, the actuarial value of assets of the fund equals or exceeds 110 percent of the actuarial accrued liabilities as reported by the actuary retained under section 356.214 in the annual actuarial valuation prepared under section 356.215.

~~(1) the first day of the fiscal year following three consecutive fiscal years in which the
actuarial value of assets of the fund equals or exceeds 100 percent of the actuarial accrued
liabilities as reported by the actuary retained under section 356.214 in the annual actuarial
valuation prepared under section 356.215; or~~

~~(2) July 1, 2048.~~

Sec. 7. **EFFECTIVE DATE.**

Sections 1 to 6 are effective the day following final enactment."

Renumber the articles in sequence

Amend the title accordingly