

1.1 A bill for an act
1.2 relating to retirement; establishing the probation and telecommunicator retirement
1.3 subplan administered by the Minnesota State Retirement System; revising various
1.4 retirement statutes to include references to the probation and telecommunicator
1.5 retirement subplan; appropriating money; amending Minnesota Statutes 2024,
1.6 sections 352.75, subdivision 2; 352.951; 356.30, subdivisions 1, 3, by adding a
1.7 subdivision; 356.315, subdivision 9; proposing coding for new law in Minnesota
1.8 Statutes, chapter 352.

1.9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.10 **ARTICLE 1**
1.11 **PROBATION AND TELECOMMUNICATOR RETIREMENT SUBPLAN**

1.12 Section 1. **[352.88] PROBATION OFFICERS AND PUBLIC SAFETY**
1.13 **TELECOMMUNICATORS.**

1.14 Subdivision 1. **Policy.** It is the policy of the legislature that special consideration should
1.15 be given to the pension benefits for employees of the state and governmental subdivisions
1.16 who devote their time and skills to assisting the community and the courts as probation
1.17 officers or serving the public and public safety partners as telecommunicators. Since this
1.18 work can be hazardous or high stress, special provisions are made by this section for earlier
1.19 full retirement than is provided to members of the general state employees retirement plan
1.20 under section 352.01, subdivision 25. The additional cost of this benefit is split between the
1.21 employees and employers.

1.22 Subd. 2. **Definitions.** (a) For purposes of this section and section 352.881, each of the
1.23 following terms has the meaning given unless the language or context clearly indicates that

2.1 a different meaning is intended. The definitions in section 352.01 apply to terms used in
 2.2 this section and section 352.881 unless the term is defined in this section.

2.3 (b) "Committee" means the probation and telecommunicator subplan membership
 2.4 committee established pursuant to section 352.881.

2.5 (c) "Employee organization" has the meaning given in section 179A.03, subdivision 6.

2.6 (d) "General plan" means the general state employees retirement plan of the Minnesota
 2.7 State Retirement System.

2.8 (e) "Member" means an individual to whom this section applies under subdivision 3.

2.9 (f) "Normal retirement age" means age 60.

2.10 (g) "Offset amount" means the lesser of \$..... or percent of the cost to purchase
 2.11 the amount of past service elected by a member under subdivision 6, except that the offset
 2.12 amount must not exceed the cost to purchase the amount of past service elected.

2.13 (h) "Past service" means allowable service credited to a member before January 1, 2027,
 2.14 and covered by the general plan that would have been service covered by this section had
 2.15 this section been in effect before January 1, 2027.

2.16 (i) "Probation officer" means a state employee, as defined in section 352.01, employed
 2.17 by the Department of Corrections:

2.18 (1) as:

2.19 (i) a corrections agent;

2.20 (ii) a corrections agent career;

2.21 (iii) a corrections agent senior;

2.22 (iv) a corrections field service district supervisor;

2.23 (v) a corrections community services regional director;

2.24 (vi) a corrections field services director;

2.25 (vii) a corrections field services program director; or

2.26 (2) whom the commissioner of corrections or the commissioner's delegate certifies, in
 2.27 the manner prescribed by the executive director, as having substantial responsibility for:

2.28 (i) providing community supervision services or overseeing the delivery of probation
 2.29 services; or

2.30 (ii) supervising employees eligible under item (i).

3.1 (j) "Public safety telecommunicator" means a state employee, as defined in section
 3.2 352.01, employed by the Department of Public Safety or Metropolitan Council as:

3.3 (1) as:

3.4 (i) a radio communications operator;

3.5 (ii) a radio communications supervisor;

3.6 (iii) a public safety answering point (PSAP) manager, as defined in Minnesota Rules,
 3.7 part 7580.0100, subpart 12;

3.8 (iv) a supervisor, transit control center; or

3.9 (2) whom the commissioner of public safety, the commissioner's delegate, the Metro
 3.10 Transit general manager, or the general manager's delegate, as applicable, certifies, in the
 3.11 manner prescribed by the executive director, as having substantial responsibility for:

3.12 (i) receiving, processing, transmitting, or dispatching emergency and nonemergency
 3.13 calls for law enforcement, fire, emergency medical, or other public safety services; or

3.14 (ii) supervising employees eligible under item (i).

3.15 (k) "Vesting" or "vested" means obtaining or having obtained a nonforfeitable entitlement
 3.16 to an annuity or benefit under this section by having earned credit for not less than three
 3.17 years of allowable service covered by this section or the general plan.

3.18 Subd. 3. **Eligibility.** This section applies to probation officers and public safety
 3.19 telecommunicators, unless the probation officer or public safety telecommunicator is age
 3.20 60 or older with at least three years of allowable service in the general plan on January 1,
 3.21 2027.

3.22 Subd. 4. **Retirement annuity.** (a) After separation from state service, a member who
 3.23 has attained at least normal retirement age and is vested is entitled, upon application, to a
 3.24 normal retirement annuity. The normal retirement annuity is equal to the member's average
 3.25 salary multiplied by 1.9 percent for each year of allowable service.

3.26 (b) After separation from state service, a member who has reached the age of 55 and is
 3.27 vested is entitled, upon application, to an early retirement annuity that is actuarially equivalent
 3.28 to the normal retirement annuity.

3.29 (c) Allowable service credited to a member under this section is credited in lieu of service
 3.30 credited to the general plan.

4.1 Subd. 5. **Additional contributions.** (a) A member must make an additional employee
4.2 contribution of 2.71 percent of salary.

4.3 (b) The employer of a member must make an additional employer contribution of 2
4.4 percent of salary.

4.5 (c) Contributions under paragraphs (a) and (b) are in addition to the contributions required
4.6 by section 352.04, subdivisions 2 and 3.

4.7 (d) Contributions under paragraphs (a) and (b) must be made in the manner provided in
4.8 section 352.04, subdivisions 4 to 6.

4.9 Subd. 6. **Purchase of credit for past service.** (a) A member is entitled to elect a onetime
4.10 purchase of credit for periods of past service to be added to the member's allowable service
4.11 covered by this section and used in calculating the member's retirement annuity. The member
4.12 must repay any refunds of employee contributions previously received from the general
4.13 plan before purchasing past service credit under this section.

4.14 (b) A member may request an estimate of the cost of a service credit purchase under
4.15 this paragraph.

4.16 (1) A member may file a request with the executive director for an estimate of the
4.17 purchase price for up to three different periods of past service by filing an application on a
4.18 form approved by the executive director.

4.19 (2) The member must file the request for an estimate before filing an election to purchase
4.20 past service under paragraph (c).

4.21 (3) The member must submit with the estimate request payment of the administrative
4.22 fee in the amount of \$250 to cover the cost of preparing the estimates. If the member proceeds
4.23 with the purchase, the executive director must credit the administrative fee toward the
4.24 purchase price.

4.25 (4) The executive director must estimate the purchase price using the assumptions and
4.26 applying the offset amount as directed under subdivision 7 for the periods of past service
4.27 requested by the member and provide the estimates to the member.

4.28 (c) To purchase credit for past service, a member must file an application with the
4.29 executive director on a form approved by the executive director before the annuity starting
4.30 date of the member's retirement annuity or benefit. The application must:

4.31 (1) include documentation of the member's eligibility to make the purchase, signed
4.32 written permission to allow the executive director to request and receive verification of

5.1 applicable facts and eligibility requirements from the member's employer, and any other
5.2 relevant information that the executive director may require;

5.3 (2) state the amount of credit for past service the member plans to purchase and be
5.4 accompanied by a certification from one or more employers that the past service fulfills the
5.5 requirements under subdivision 2, paragraph (h); and

5.6 (3) if the member did not previously pay the administrative fee under paragraph (b),
5.7 include payment of the administrative fee of \$250 to cover the cost of calculating the purchase
5.8 price. If the member proceeds with the purchase, the executive director must credit the
5.9 administrative fee toward the purchase price.

5.10 (d) The executive director must apply the assumptions and offset amount under
5.11 subdivision 7 to calculate the purchase price and notify the member. If the member elects
5.12 to make the purchase of credit for past service, the member must arrange for the transfer of
5.13 pretax funds from another retirement plan. Payment must be made in one lump sum prior
5.14 to the annuity starting date of the member's retirement annuity or benefit.

5.15 (e) Upon receipt of payment, the executive director must:

5.16 (1) direct the transfer of the offset amount from the state probation and telecommunicator
5.17 past service account established under subdivision 8 to the fund; and

5.18 (2) grant the member service credit for the period of past service for which credit was
5.19 purchased.

5.20 Subd. 7. **Determination of past service purchase price.** (a) The executive director
5.21 must calculate the purchase price for the period of past service elected by the member. The
5.22 purchase price is an amount equal to the actuarial present value, on the date of payment, of
5.23 the amount of the additional retirement annuity obtained by the additional service credit
5.24 being purchased minus the offset amount.

5.25 (b) The executive director must calculate the purchase price by:

5.26 (1) using the investment return assumption specified in section 356.215, subdivision 8,
5.27 and the mortality table in effect for the general plan;

5.28 (2) assuming continuous future service in the plan until the plan's minimum requirements
5.29 for normal retirement or retirement with an annuity unreduced for retirement at an early
5.30 age are met with the additional service credit purchased;

6.1 (3) assuming a full-time equivalent salary or actual salary, whichever is greater, and a
 6.2 future salary history that includes annual salary increases at the applicable salary increase
 6.3 rate for the plan; and

6.4 (4) reducing the amount determined under clauses (1) to (3) by the offset amount.

6.5 **Subd. 8. State probation and telecommunicator past service account established. (a)**
 6.6 The state probation and telecommunicator past service account is created in the special
 6.7 revenue fund.

6.8 (b) The executive director must use the money in the state probation and
 6.9 telecommunicator past service account established under paragraph (a) to transfer amounts
 6.10 required by subdivision 6, paragraph (e), until the balance in the account is zero.

6.11 **Sec. 2. [352.881] SUBPLAN COVERAGE CHANGES.**

6.12 Subdivision 1. Standing review committees. (a) The commissioner of corrections must
 6.13 appoint a standing review committee to review and determine positions or employees of
 6.14 the Department of Corrections that should be covered by section 352.88. The commissioner
 6.15 of public safety must appoint a standing review committee to review and determine positions
 6.16 or employees of the Department of Public Safety that should be covered by section 352.88.
 6.17 The Metro Transit general manager must appoint a standing review committee to review
 6.18 and determine positions or employees of the Metropolitan Council that should be covered
 6.19 by section 352.88.

6.20 (b) The Department of Corrections, Department of Public Safety, and Metropolitan
 6.21 Council must each establish a procedure for the department's or agency's respective
 6.22 committee to evaluate coverage by section 352.88. Each committee must follow:

6.23 (1) subdivision 2 when evaluating a change in the title of an employment position listed
 6.24 in section 352.88, subdivision 2, paragraph (i), clause (1), or (j), clause (1); and

6.25 (2) subdivision 3 when evaluating requests for starting or ceasing coverage by section
 6.26 352.88.

6.27 (c) If a committee has received one or more requests for changes to the title of an
 6.28 employment position or the commencement or cessation of coverage of an employee by
 6.29 section 352.88, the committee must convene at least as frequently as once every three
 6.30 months. If a committee has not received any requests during a three-month period, the
 6.31 review committee is not required to convene a meeting.

7.1 (d) Each committee must retain each request to the committee and the related
7.2 documentation and final determination for an employee or employment position in the
7.3 committee's respective department or agency.

7.4 (e) Meetings of a standing review committee are not subject to chapter 13D.

7.5 (f) A standing review committee is not an agency for the purposes of sections 15.0597
7.6 and 15.0599.

7.7 Subd. 2. Procedures for changing employment titles. (a) The applicable standing
7.8 review committee must review a change in the title of an employment position listed in
7.9 section 352.88, subdivision 2, paragraph (i), clause (1), or (j), clause (1), and determine
7.10 whether the responsibilities of the employment position satisfy the requirements under
7.11 section 352.88, subdivision 2, paragraph (i) or (j).

7.12 (b) If the committee determines that the responsibilities of the employment position
7.13 have not changed, or the responsibilities of the employment position have changed but the
7.14 changes do not affect the eligibility of the employment position for coverage by section
7.15 352.88, the department or agency affected by the determination must:

7.16 (1) submit the title change to the executive director of the Legislative Commission on
7.17 Pensions and Retirement before the start of the next legislative session and request legislation
7.18 to replace the title in section 352.88, subdivision 2, paragraph (i) or (j), as applicable, with
7.19 the new title; and

7.20 (2) notify each employee in the employment position no later than 30 days after the
7.21 effective date of the title change that the title change will not affect the continued coverage
7.22 of the employee by section 352.88 and that the department or agency, as applicable, has
7.23 submitted a request to the legislature to change the title in section 352.88, subdivision 2,
7.24 paragraph (i) or (j), as applicable.

7.25 (c) If the committee determines that the responsibilities of the employment position have
7.26 changed and the changes result in the employment position no longer being qualified for
7.27 coverage by section 352.88, the department or agency affected by the determination must
7.28 communicate the committee's determination to all affected employees no later than 10 days
7.29 after the date of the meeting at which the determination was made and inform the employees
7.30 of the right to appeal the determination under subdivision 4.

7.31 (d) The department or agency affected by the determination to remove a title must contact
7.32 the executive director of the Legislative Commission on Pensions and Retirement before

8.1 the start of the next legislative session and request legislation to remove the title in section
8.2 352.88, subdivision 2, paragraph (i) or (j), as applicable, if:

8.3 (1) an employee appeals the determination and the determination is upheld; or

8.4 (2) an employee does not appeal the determination.

8.5 (e) The committee must include an effective date in any determination to change or
8.6 remove an employment position from the lists in section 352.88, subdivision 2, paragraph
8.7 (i) or (j). The effective date may be retroactive for a determination to change an employment
8.8 position.

8.9 Subd. 3. Procedures for starting or ceasing coverage. (a) The applicable standing
8.10 review committee must consider requests to provide coverage by section 352.88 to an
8.11 employee who satisfies the requirements of section 352.88, subdivision 2, paragraph (i),
8.12 clause (2), or (j), clause (2), or to cease coverage of an employee who does not satisfy the
8.13 requirements of section 352.88, subdivision 2, paragraph (i), clause (2), or (j), clause (2).

8.14 (b) An employee, an employee's employee organization, or an employee's manager may
8.15 submit a request to the committee to provide coverage to an employee who satisfies the
8.16 requirements of section 352.88, subdivision 2, paragraph (i), clause (2), or (j), clause (2).

8.17 The request must include:

8.18 (1) a signed and dated position description for the employee's position; and

8.19 (2) a statement signed by the employee that describes the extent to which the employee's
8.20 job duties meet the requirements of section 352.88, subdivision 2, paragraph (i), clause (2),
8.21 or (j), clause (2).

8.22 (c) An employer may submit a request to the committee to cease coverage of an employee
8.23 who no longer satisfies the requirements of section 352.88, subdivision 2, paragraph (i),
8.24 clause (2), or (j), clause (2). The request must include:

8.25 (1) a signed and dated position description for the employee's position; and

8.26 (2) a statement signed by the employee's employer describing how the employee no
8.27 longer meets the requirements of section 352.88, subdivision 2, paragraph (i), clause (2),
8.28 or (j), clause (2).

8.29 (d) After making a determination of coverage or no coverage for an employee, the
8.30 department or agency affected by the determination must communicate the committee's
8.31 determination to the affected employee no later than ten days after the date of the meeting

9.1 at which the determination was made and inform the employee of the right to appeal the
9.2 determination under subdivision 4.

9.3 (e) If after making a determination of coverage, the committee determines that an
9.4 employment position should be added to the list of employment positions in section 352.88,
9.5 subdivision 2, paragraph (i) or (j), as applicable, the department or agency affected by the
9.6 determination must submit the employment position addition to the executive director of
9.7 the Legislative Commission on Pensions and Retirement before the start of the next legislative
9.8 session and request legislation to make the change.

9.9 (f) The committee must include an effective date in any determination that an employee
9.10 must begin to receive coverage under section 352.88 or that coverage must cease. The
9.11 effective date may be retroactive to the date on which the coverage requirements were first
9.12 satisfied or were no longer met.

9.13 Subd. 4. **Right to appeal.** (a) No later than 30 days after receiving a determination under
9.14 subdivision 2 or 3, the affected employee may appeal the determination from a standing
9.15 review committee by filing an appeal with the human resources director or the chief human
9.16 resources director of the department or agency, as applicable, in which the employee is
9.17 employed. The appeal must include:

9.18 (1) the reasons for the appeal, including the reasons the determination should be reversed;
9.19 and

9.20 (2) new or additional information, if any, not previously submitted or considered by the
9.21 committee, including a new or revised position description.

9.22 (b) The appeal must be decided by the commissioner of corrections if the employee is
9.23 an employee of the Department of Corrections, by the commissioner of public safety if the
9.24 employee is an employee of the Department of Public Safety, or by the Metro Transit general
9.25 manager if the employee is an employee of the Metropolitan Council. The decision of the
9.26 commissioners or general manager, as applicable, is final.

9.27 (c) A determination not timely appealed under paragraph (a) is not entitled to further
9.28 administrative or judicial review. A determination under subdivision 2 or 3 or an appeal
9.29 decided under paragraph (b) may not be appealed under section 356.96.

9.30 **Sec. 3. EFFECTIVE DATE.**

9.31 Sections 1 and 2 are effective January 1, 2027.

10.1

ARTICLE 2

10.2

MIXED SERVICE APPROACH FOR CALCULATING ANNUITIES

10.3 Section 1. Minnesota Statutes 2024, section 356.30, subdivision 1, is amended to read:

10.4 Subdivision 1. **Eligibility; computation of annuity.** (a) Notwithstanding any provisions
10.5 of the laws governing the covered retirement plans listed in subdivision 3 and except as
10.6 provided in subdivision 1a, a person may elect to receive, upon retirement, a retirement
10.7 annuity from each covered retirement plan, subject to the provisions of paragraph (b), if the
10.8 person has:

10.9 (1) allowable service in any two or more of the covered plans;

10.10 (2) at least one-half year of allowable service in each covered plan, based on the allowable
10.11 service in each plan;

10.12 (3) total allowable service that equals or exceeds the longest service credit vesting
10.13 requirement of the applicable retirement plan; and

10.14 (4) not begun to receive an annuity from any covered plan or made application for
10.15 benefits from each applicable plan and the retirement annuity effective dates of each plan
10.16 are within a one-year period.

10.17 (b) If all requirements in paragraph (a) have been satisfied, the retirement annuity from
10.18 each plan must be based upon the allowable service, accrual rates, and average salary in the
10.19 applicable plan except as further specified or modified in the following clauses:

10.20 (1) the laws governing annuities must be the law in effect on the date of termination
10.21 from the last period of public service under a covered retirement plan with which the person
10.22 earned a minimum of one-half year of allowable service credit during that employment;

10.23 (2) the average salary used to calculate the annuity for each formula plan must be based
10.24 on the employee's highest five successive years of covered salary during the entire service
10.25 in covered plans;

10.26 (3) the accrual rates under each plan must be the percentages prescribed by each plan's
10.27 formula in effect for the respective years of allowable service from one plan to the next,
10.28 recognizing all previous allowable service with the other covered plans;

10.29 (4) the allowable service in all the covered plans must be combined in determining
10.30 eligibility for and the application of each plan's provisions with respect to reduction in the
10.31 annuity amount for retirement prior to normal retirement age; and

11.1 (5) the annuity amount payable for any allowable service under a nonformula plan that
11.2 is a covered plan must not be affected, but such service and covered salary must be used in
11.3 the above calculation.

11.4 (c) If a person eligible for an annuity under paragraph (a) from each covered plan
11.5 terminates all public service, the deferred annuity must be augmented from the date of
11.6 termination until the earlier of:

11.7 (1) the effective date of retirement; or

11.8 (2) December 31, 2018, for the Minnesota State Retirement System and the Public
11.9 Employees Retirement Association or June 30, 2019, for the Teachers Retirement Association
11.10 and the St. Paul Teachers Retirement Association.

11.11 A deferred annuity must not be augmented after the applicable dates under clause (2).
11.12 The appropriate rate of augmentation is the rate in effect on the date on which the person
11.13 entered into public employment and subsequently adjusted according to the laws governing
11.14 each covered plan, as applicable.

11.15 (d) This section does not apply to any person whose final termination from the last public
11.16 service under a covered plan was before May 1, 1975.

11.17 (e) For the purpose of computing annuities under this section:

11.18 (1) the judges retirement fund accrual rate must not exceed 3.2 percent per year of service
11.19 for any year of service or fraction thereof;

11.20 (2) the public employees police and fire plan and the State Patrol retirement plan accrual
11.21 rate must not exceed 3.0 percent per year of service for any year of service or fraction
11.22 thereof;

11.23 (3) the legislators retirement plan accrual rate must not exceed 2.5 percent, but this limit
11.24 does not apply to the adjustment provided under section 3A.02, subdivision 1, paragraph
11.25 (c); and

11.26 (4) any other covered plan's accrual rate must not exceed 2.7 percent per year of service
11.27 for any year of service or fraction thereof.

11.28 (f) Any period of time for which a person has credit in more than one of the covered
11.29 plans must be used only once for the purpose of determining total allowable service.

11.30 (g) If the period of duplicated service credit is more than one-half year, or the person
11.31 has credit for more than one-half year, with each of the plans, each plan must apply its
11.32 formula to a prorated service credit for the period of duplicated service based on a fraction

12.1 of the salary on which deductions were paid to that fund for the period divided by the total
 12.2 salary on which deductions were paid to all plans for the period.

12.3 (h) If the period of duplicated service credit is less than one-half year, or when added
 12.4 to other service credit with that plan is less than one-half year, the service credit must be
 12.5 ignored and a refund of contributions made to the person in accord with that plan's refund
 12.6 provisions.

12.7 Sec. 2. Minnesota Statutes 2024, section 356.30, is amended by adding a subdivision to
 12.8 read:

12.9 Subd. 1a. Exceptions for certain covered plans. (a) A person meets the requirement
 12.10 of subdivision 1, paragraph (a), clause (1), and does not need to meet the requirements of
 12.11 subdivision 1, paragraph (a), clauses (2) and (4), to calculate a retirement annuity pursuant
 12.12 to this section if the person is eligible to receive retirement annuities from:

12.13 (1) both of the covered plans specified in subdivision 3, clauses (1) and (2);

12.14 (2) both of the covered plans specified in subdivision 3, clauses (1) and (13); or

12.15 (3) the covered plan specified in subdivision 3, clause (12), for allowable service earned
 12.16 under the general employees retirement plan and the local government probation and
 12.17 telecommunicator retirement plan if the person was transferred from the general employees
 12.18 retirement plan to the local government probation and telecommunicator retirement plan
 12.19 on January 1, 2027.

12.20 (b) This paragraph applies to a person who is eligible to receive retirement annuities
 12.21 from the covered plans specified in subdivision 3, clauses (1) and (2), and any other covered
 12.22 plan and who elects to calculate the retirement annuities as follows:

12.23 (1) for the retirement annuities from the covered plans specified in subdivision 3, clauses
 12.24 (1) and (2), the person does not need to meet the requirements of subdivision 1, paragraph
 12.25 (a), clauses (2) and (4), and may begin to receive one of the annuities and defer receiving
 12.26 the other annuity; and

12.27 (2) for the retirement annuity from another covered plan, the person is entitled to have
 12.28 the retirement annuity from the other covered plan calculated under this section if the person
 12.29 meets the requirements of subdivision 1, paragraph (a), clauses (2) and (4), and the person
 12.30 has not begun to receive an annuity from the other covered plan or made application for
 12.31 benefits from the other covered plan, and the retirement annuity effective dates of either of
 12.32 the covered plans specified in subdivision 3, clauses (1) and (2), and the other covered plan
 12.33 are within a one-year period.

13.1 (c) This paragraph applies to a person who is eligible to receive retirement annuities
13.2 from the covered plans specified in subdivision 3, clauses (1) and (13), and any other covered
13.3 plan and who elects to calculate the retirement annuities as follows:

13.4 (1) for the retirement annuities from the covered plans specified in subdivision 3, clauses
13.5 (1) and (13), the person does not need to meet the requirements of subdivision 1, paragraph
13.6 (a), clauses (2) and (4), and may begin to receive one of the annuities and defer receiving
13.7 the other annuity; and

13.8 (2) for the retirement annuity from another covered plan, the person is entitled to have
13.9 the retirement annuity from the other covered plan calculated under this section if the person
13.10 meets the requirements of subdivision 1, paragraph (a), clauses (2) and (4), and the person
13.11 has not begun to receive an annuity from the other covered plan or made application for
13.12 benefits from the other covered plan, and the retirement annuity effective dates of either of
13.13 the covered plans specified in subdivision 3, clauses (1) and (13), and the other covered
13.14 plan are within a one-year period.

13.15 (d) This paragraph applies to a person who is eligible to receive retirement annuities
13.16 from the covered plan specified in subdivision 3, clause (12), for allowable service earned
13.17 under the general employees retirement plan, the local government probation and
13.18 telecommunicator retirement plan, and any other covered plan, and who elects to calculate
13.19 the retirement annuities as follows:

13.20 (1) for the retirement annuities from the covered plan specified in subdivision 3, clause
13.21 (12), the person does not need to meet the requirements of subdivision 1, paragraph (a),
13.22 clauses (2) and (4), and may begin to receive a retirement annuity for either the allowable
13.23 service under the general employees retirement plan or the local government probation and
13.24 telecommunicator retirement plan and defer receiving the other annuity; and

13.25 (2) for the retirement annuity from another covered plan, the person is entitled to have
13.26 the retirement annuity from the other covered plan calculated under this section if the person
13.27 meets the requirements of subdivision 1, paragraph (a), clauses (2) and (4), and the person
13.28 has not begun to receive an annuity from the other covered plan or made application for
13.29 benefits from the other covered plan, and the retirement annuity effective dates of the covered
13.30 plan specified in subdivision 3, clause (12), and the other covered plan are within a one-year
13.31 period.

13.32 (e) Subdivision 1, paragraph (b), clause (1), does not apply if a person is eligible to
13.33 receive retirement annuities from the covered plans as specified in paragraph (a). Instead,
13.34 an annuity from a covered plan specified in paragraph (a) must be calculated under the law

14.1 in effect on the date of termination of public service covered by the covered plan from which
14.2 the annuity is received.

14.3 Sec. 3. Minnesota Statutes 2024, section 356.30, subdivision 3, is amended to read:

14.4 Subd. 3. **Covered plans.** This section applies to the following retirement plans:

14.5 (1) the general state employees retirement plan of the Minnesota State Retirement System,
14.6 established under chapter 352;

14.7 (2) the correctional state employees retirement plan of the Minnesota State Retirement
14.8 System, established under chapter 352;

14.9 (3) the unclassified employees retirement program, established under chapter 352D;

14.10 (4) the State Patrol retirement plan, established under chapter 352B;

14.11 (5) the legislators retirement plan, established under chapter 3A, including constitutional
14.12 officers as specified in that chapter;

14.13 (6) the general employees retirement plan of the Public Employees Retirement
14.14 Association, established under chapter 353;

14.15 (7) the public employees police and fire retirement plan of the Public Employees
14.16 Retirement Association, established under chapter 353;

14.17 (8) the local government correctional service retirement plan of the Public Employees
14.18 Retirement Association, established under chapter 353E;

14.19 (9) the Teachers Retirement Association, established under chapter 354;

14.20 (10) the St. Paul Teachers Retirement Fund Association, established under chapter 354A;

14.21 ~~and~~

14.22 (11) the judges retirement fund, established by chapter 490.;

14.23 (12) the local government probation and telecommunicator retirement plan of the Public
14.24 Employees Retirement Association, established under chapter 353H; and

14.25 (13) the special coverage subplans, established under section 352.85, 352.86, 352.87,
14.26 or 352.88.

14.27 Sec. 4. **EFFECTIVE DATE.**

14.28 Sections 1 to 3 are effective January 1, 2027.

15.1

ARTICLE 3

15.2

CONFORMING CHANGES

15.3 Section 1. Minnesota Statutes 2024, section 352.75, subdivision 2, is amended to read:

15.4 Subd. 2. **New employees.** All persons employed by the Metropolitan Council as
 15.5 employees of the Transit Operating Division are:

15.6 (1) members of the general state employees retirement plan of the Minnesota State
 15.7 Retirement System unless specifically covered by the probation and telecommunicator
 15.8 retirement subplan under section 352.88; and are

15.9 (2) state employees for purposes of this chapter unless specifically excluded under section
 15.10 352.01, subdivision 2b.

15.11 Sec. 2. Minnesota Statutes 2024, section 352.951, is amended to read:

15.12 **352.951 APPLICABILITY OF GENERAL LAW.**

15.13 Except as otherwise provided, this chapter applies to covered correctional employees,
 15.14 military affairs personnel covered under section 352.85, Transportation Department pilots
 15.15 covered under section 352.86, ~~and~~ state fire marshal employees covered under section
 15.16 352.87, and probation officers and public safety telecommunicators covered under section
 15.17 352.88.

15.18 Sec. 3. Minnesota Statutes 2024, section 356.315, subdivision 9, is amended to read:

15.19 Subd. 9. **Future benefit accrual rate increases.** After January 2, 1998, benefit accrual
 15.20 rate increases under section 352.115, subdivision 3; 352.87, subdivision 3; 352.88,
 15.21 subdivision 4; 352.93, subdivision 3; 352.95, subdivision 1; 352B.08, subdivision 2; 352B.10,
 15.22 subdivision 1; 353.29, subdivision 3; 353.651, subdivision 3; 353.656, subdivision 1, 1a,
 15.23 or 3a; 353E.04, subdivision 3; 353E.06, subdivision 1; 354.44, subdivision 6; 354A.31,
 15.24 subdivision 4 or 4a; 356.30, subdivision 1; 490.121, subdivision 22; or 490.124, subdivision
 15.25 1, must apply only to allowable service or formula service rendered after the effective date
 15.26 of the benefit accrual rate increase.

15.27 Sec. 4. **EFFECTIVE DATE.**

15.28 Sections 1 to 3 are effective January 1, 2027.

16.1 **ARTICLE 4**

16.2 **APPROPRIATIONS AND FUND TRANSFER**

16.3 Section 1. **ONETIME APPROPRIATION AND FUND TRANSFER.**

16.4 (a) \$..... in fiscal year 2027 is transferred from the general fund to the state probation
 16.5 and telecommunicator past service account established under Minnesota Statutes, section
 16.6 352.88, subdivision 8. This is a onetime transfer.

16.7 (b) Money in the state probation and telecommunicator past service account is
 16.8 appropriated to the board of directors of the Minnesota State Retirement System to reduce
 16.9 the cost of service credit purchases by members who elect to purchase credit for past service
 16.10 under Minnesota Statutes, section 352.88, subdivision 6. This is a onetime appropriation.

16.11 Sec. 2. **APPROPRIATIONS; PENSION CONTRIBUTION INCREASES.**

16.12 (a) \$..... in fiscal year 2027 is appropriated from the general fund to the entities specified
 16.13 in paragraph (b) to offset employer pension contribution increases required of executive
 16.14 branch agencies under this act. These appropriations are for additional employer contributions
 16.15 to the Minnesota State Retirement System General Employees Retirement Plan for employees
 16.16 in the probation and telecommunicator retirement subplan. The base for fiscal year 2027 is
 16.17 \$....., the base for fiscal year 2028 is \$....., and the base for fiscal year 2029 and later is
 16.18 \$.....

16.19 (b) The commissioner of management and budget must determine an allocation of the
 16.20 amount appropriated in paragraph (a) for the Department of Corrections, Department of
 16.21 Public Safety, and the Metropolitan Council. Each allocation is directly appropriated to
 16.22 each of these entities as specified by the commissioner. The commissioner must report the
 16.23 amounts appropriated under this section to the chairs and ranking minority members of the
 16.24 house of representatives Ways and Means Committee and the senate Finance Committee
 16.25 by August 15, 2027.