DATE: April 6, 2026

TO: Legislative Commission on Pensions and Retirement

RE: Support for SF4721 / HF4514 – PERA Correctional Plan Modifications

Dear Members of the Legislative Commission on Pensions and Retirement:

Law Enforcement Labor Services (LELS), the Minnesota State Patrol Troopers Association (MSPTA), the Minnesota Bureau of Criminal Apprehension Agents Association (BCAAA), and the Minnesota Department of Corrections Fugitive Apprehension Agents Association (FAAA) represent more than 8,800 law enforcement officers and public safety professionals across Minnesota.

SF4721 (Frentz) / HF4514 (Lillie) proposes modifications to the Public Employees Retirement Association (PERA) local government correctional service retirement plan, including adjustments to contribution rates and postretirement adjustments.

Our organizations support this legislation. The correctional plan is currently in a strong actuarial position, with assets exceeding liabilities and a funded ratio above 100 percent, and it is projected to remain fully funded even with the proposed changes.

The bill makes targeted adjustments that reflect this strength. It reduces employee and employer contribution rates while modestly increasing the maximum postretirement adjustment from 2.5 percent to 3 percent. These changes are balanced and sustainable within the plan's current funding position.

Increasing the postretirement adjustment cap will help retirees better maintain purchasing power, particularly during periods of higher inflation. At the same time, aligning contribution rates with the plan's funded status reflects responsible pension policy and sound financial stewardship.

Correctional employees perform difficult and often hazardous public safety work. Maintaining a retirement system that is both sustainable and responsive to the needs of its members is essential to supporting this workforce.

For these reasons, we respectfully urge the Commission to support SF4721 / HF4514.

Sincerely,

Jim Mortenson	**Jason Theel**	**Michael Flanagan**	**Ben Uzlik**
Executive Director	**President**	**President**	**President**
LELS	**MSPTA**	**BCAAA**	**FAAA**