

1.1 ..... moves to amend S.F. No. 4767; H.F. No. 4724 as follows:

1.2 Page 1, after line 6, insert:

1.3 "Section 1. Minnesota Statutes 2024, section 353G.05, subdivision 2, is amended to read:

1.4 Subd. 2. **Cost analysis for coverage by lump-sum division of defined benefit plan.** (a)

1.5 Upon receipt of a request for coverage by the defined benefit plan, the executive director  
1.6 must prepare a cost analysis as described in this subdivision and deliver the cost analysis  
1.7 to the board of trustees of the relief association, if one exists, and the governing body.

1.8 (b) The cost analysis under this subdivision must be based on:

1.9 (1) the benefit level under section 353G.11 closest to the benefit level provided by the  
1.10 relief association if the relief association is a lump-sum defined benefit plan, an amount  
1.11 that is equal to 95 percent of the most current average account balance per relief association  
1.12 member if the relief association is a defined contribution plan, or the lowest benefit level  
1.13 under section 353G.11 if there is no relief association, rounded up; and

1.14 (2) if different than the amount under clause (1), the benefit level identified in the request  
1.15 under subdivision 1d.

1.16 (c) The cost analysis must take into account the vesting option selected in the request  
1.17 under subdivision 1c or the vesting schedule under section 353G.09, subdivision 2, as  
1.18 applicable.

1.19 (d) The cost analysis must be prepared using a mathematical procedure certified as  
1.20 accurate by an approved actuary retained by the association.

1.21 (e) If the request for coverage was made by a relief association that has filed the  
1.22 information required under section 424A.014 in a timely fashion, upon request by the  
1.23 executive director, the state auditor shall provide the most recent data available on the  
1.24 financial condition of the relief association, the most recent firefighter demographic data  
1.25 available, and a copy of the current relief association bylaws. If a cost analysis is requested,  
1.26 but no relief association exists, the chief administrative officer of the entity operating the  
1.27 fire department shall provide the demographic information on the volunteer firefighters  
1.28 serving as members of the fire department requested by the executive director.

1.29 Sec. 2. Minnesota Statutes 2024, section 353G.05, subdivision 3, is amended to read:

1.30 Subd. 3. **Cost analysis for coverage by monthly division of defined benefit plan.** (a)

1.31 Upon receipt of a request for coverage by the monthly division, the executive director must

2.1 prepare a cost analysis as described in this subdivision and deliver the cost analysis to the  
2.2 board of trustees of the relief association, if one exists, and the governing body.

2.3 (b) The cost analysis under this subdivision must be prepared by the approved actuary  
2.4 retained by the association. The cost analysis must be based on:

2.5 (1) the monthly benefit level and other retirement benefit types and amounts in effect  
2.6 for the relief association as of the date of the request;

2.7 (2) if different than the amount under clause (1), the monthly pension amount identified  
2.8 in the request under subdivision 1d and evaluated in a special actuarial valuation prepared  
2.9 under sections 356.215 and 356.216; and

2.10 (3) the standards for actuarial work and the actuarial assumptions utilized in the most  
2.11 recent actuarial valuation, except that the applicable investment return actuarial assumption  
2.12 is six percent.

2.13 (c) The cost analysis must take into account the vesting option selected in the request  
2.14 under subdivision 1c or the vesting schedule under section 353G.09, subdivision 2, as  
2.15 applicable.

2.16 (d) The secretary of the relief association making the request must supply the demographic  
2.17 and financial data necessary for the cost analysis to be prepared.

2.18 Sec. 3. Minnesota Statutes 2024, section 353G.09, subdivision 2, is amended to read:

2.19 Subd. 2. **Vested percentage.** A member of the plan has a nonforfeitable right to a  
2.20 retirement benefit, up to the percent vested. The member's vested percentage is determined  
2.21 under paragraph (a), (b), or (c), as applicable.

2.22 (a) If the member is a member of the lump-sum division and employed in a fire  
2.23 department that joined the plan before January 1, 2023, the member's vested percentage is  
2.24 equal to the ~~percentage that corresponds to the number of years of vesting service credit,~~  
2.25 ~~as follows~~ following:

2.26	<del>Completed years of service credit</del>	<del>Vested percentage</del>
2.27	<del>less than 5</del>	<del>0 percent</del>
2.28	<del>5</del>	<del>40 percent</del>
2.29	<del>6</del>	<del>44 percent</del>
2.30	<del>7</del>	<del>48 percent</del>
2.31	<del>8</del>	<del>52 percent</del>
2.32	<del>9</del>	<del>56 percent</del>
2.33	<del>10</del>	<del>60 percent</del>

3.1	<del>11</del>	<del>64 percent</del>
3.2	<del>12</del>	<del>68 percent</del>
3.3	<del>13</del>	<del>72 percent</del>
3.4	<del>14</del>	<del>76 percent</del>
3.5	<del>15</del>	<del>80 percent</del>
3.6	<del>16</del>	<del>84 percent</del>
3.7	<del>17</del>	<del>88 percent</del>
3.8	<del>18</del>	<del>92 percent</del>
3.9	<del>19</del>	<del>96 percent</del>

3.10 (1) through December 31, 2027, 40 percent upon completion of five years of service  
 3.11 and increasing four percent upon completion of each additional year of service, until 100  
 3.12 percent vested upon completion of 20 years of service

3.13 (2) beginning on January 1, 2028, through December 31, 2028, 40 percent upon  
 3.14 completion of five years of service and increasing six percent upon completion of each  
 3.15 additional year of service, until 100 percent vested upon completion of 15 years of service;  
 3.16 and

3.17 (3) beginning on January 1, 2029, 40 percent upon completion of five years of service  
 3.18 and increasing 12 percent upon completion of each additional year of service, until 100  
 3.19 percent vested upon completion of 10 years of service.

3.20 (b) If the member is a member of the lump-sum division or the defined contribution plan  
 3.21 and employed in a fire department that joins the plan on or after January 1, 2023, the  
 3.22 member's vested percentage is equal to the following:

3.23 (1) through December 31, 2027, the percentage determined by applying the vesting  
 3.24 schedule selected in the request for coverage under section 353G.05, subdivision 1c, taking  
 3.25 into account years of vesting service credit;

3.26 (2) beginning on January 1, 2028, through December 31, 2028, the percentage determined  
 3.27 by applying the vesting schedule selected in the request for coverage under section 353G.05,  
 3.28 subdivision 1c, taking into account years of vesting service credit, or 40 percent upon  
 3.29 completion of five years of service and increasing six percent upon completion of each  
 3.30 additional year of service, until 100 percent vested upon completion of 15 years of service,  
 3.31 whichever provides a higher vesting percentage for the completed years of service; and

3.32 (3) beginning on January 1, 2029, 40 percent upon completion of five years of service  
 3.33 and increasing 12 percent upon completion of each additional year of service, until 100  
 3.34 percent vested upon completion of 10 years of service.

4.1 (c) If the member is a member of the monthly division and has completed 20 years of  
4.2 service as a member of the plan, the member is 100 percent vested. If the member has  
4.3 completed less than 20 years of service as a member of the plan, the member's vested  
4.4 percentage is equal to the percentage determined under the retirement benefit plan document  
4.5 applicable to the member."

4.6 Page 3, after line 21, insert:

4.7 "Sec. 6. **REPEALER.**

4.8 Minnesota Statutes 2024, section 353G.05, subdivision 1c, is repealed."

4.9 Page 3, line 23, delete "and 2" and insert "to 5" and after the period insert "Section 6 is  
4.10 effective January 1, 2028."

4.11 Renumber the sections in sequence

4.12 Amend the title accordingly