

Legislative Commission on Pensions and Retirement
Centennial Office Building, 1st Floor
658 Cedar St. St. Paul, MN 55155

May 5th, 2026

Chair Frentz and Members of the Legislative Commission on Pensions and Retirement,

On behalf of the Association of Minnesota Counties (AMC) and the Minnesota Inter-County Association (MICA), we appreciate the opportunity to provide comments on the 2026 omnibus pensions and retirement bill. related to pension plan changes for probation officers and 911 telecommunicators.

Probation officers and 911 telecommunicators plan

As public employers, our organizations represent counties responsible for delivering critical public safety and community supervision services across Minnesota. We want to begin by expressing our appreciation for the inclusive and collaborative process led by the workgroup. The opportunity for AMC and MICA to participate meaningfully alongside labor representatives, state agencies, and pension experts was essential in helping develop a thoughtful and balanced proposal.

We also want to be transparent that our memberships hold differing perspectives on early retirement proposals. Counties must carefully balance workforce sustainability, fiscal responsibility, and service delivery, and there is not uniform agreement on expanding early retirement benefits as a policy approach.

That said, should the legislature choose to move forward with early retirement proposals for these selected groups, AMC and MICA support the workgroup's recommended proposal as a product of good-faith negotiation and compromise. The recommendation reflects significant engagement from all parties and represents a framework that employers can support moving forward. Importantly, it establishes a structured and clearly defined pension approach for probation officers and 911 telecommunicators, consistent with the legislative directive to develop new plan options for these specific roles.

From an employer perspective, the value of the workgroup's recommendation lies in its balance. It recognizes the unique nature of these professions while also incorporating considerations around plan design, costs, and long-term sustainability by holding the employer contribution constant at 7.5% at a time when pressures on property taxes are at an all time high for counties across the state. The process allowed employer voices to help shape key elements of the proposal, resulting in a recommendation that, while not resolving every concern, reflects a workable path forward.

The AMC and MICA boards did not consider the appropriation included in article 5 when deliberating the proposed plan and thus do not have a position on that component.

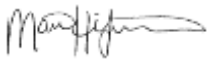
Correctional Plan

Also included in the DE amendment is a proposal related to the PERA correctional plan that would reduce employee contributions to 6%, employer contributions to 9%, and increase the cap on postretirement adjustments from 2.5% to 3%. The proposal can do this while still maintaining a stable and healthy fund status since it is currently funded at 105%.

We support prudent financial management of these and other pension plans to ensure their health not only for those currently receiving pensions or near retirement, but also for employees who are decades from retirement. We believe that when plans are healthy that reducing contribution rates should be considered if potential benefit increases are proposed. Most importantly, as with all significant policy changes affecting the plans funding status, stakeholder input and *agreement* is critical to make sure significant changes are thoughtful, take into account benefits and fiscal impacts to the plan, and represent all interested parties. So we appreciate that PERA reached out to employer groups to consider our input.

This legislation reflects strong public pension values. Given the current health of the correctional plan and that if all assumptions are met that the plan will continue to improve from its current funding status, we appreciate and support SF 4721/HF 4514.

AMC and MICA remain committed to continued collaboration with legislators, employee representatives, and pension stakeholders as this bill moves forward. We appreciate the Commission's leadership and the opportunity to be engaged in this process.



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