



## 2024 Pension and Retirement Policy and Supplemental Budget Bill HF 5040 (Her), the Third Engrossment, as passed by the House

### Section- by- Section Summary

#### Article 1: Teacher Pensions

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
1	2.43	Chair's proposal, with State & Local Gov. A24-0304 and Ways & Means A24-0309	§354.05, Subd. 38	TRA	Accelerates by one year the effective date of lowering the normal retirement age from age 66 to 65, from July 1, 2025, to July 1, 2024, effective retroactively from May 24, 2023, for all members and any former teacher who returns to service for at least one year.
2	3.8	Ways & Means Am. A24-0309	§354.44, Subd. 9	TRA	Adds a sentence to clarify that the law in effect at the date of termination of service applies in computing a member's annuity.
3	3.16	Chair's proposal	§354A.12, Subd. 1	St. Paul Teachers	Lowers the employee contribution rate by 0.25% for fiscal years ending June 30, 2025, and June 30, 2026.
4	4.6	HF5040-Her; SF4643-Frentz	§354B.20, New Subd. 10a	MnState IRAP	Adds a new definition for the "IRAP to TRA transfer account."
5	4.11	HF5040-Her; SF4643-Frentz	§354B.20, New Subd. 11a	MnState IRAP	Adds a new definition for "offset amount," which is defined as the lesser of 25% of the cost to purchase the maximum past service credit or \$10,000.
6	4.19	HF5040-Her; SF4643-Frentz	§354B.20, Subd. 18	MnState IRAP	Changes the defined term "Teachers Retirement plan" to "Teachers Retirement Association."
7	4.23	HF5040-Her; SF4643-Frentz, with LCPR 24-06717-1A	New §354B.215	MnState IRAP TRA	Adds a new section that establishes the process for participants in the IRAP to apply for a transfer and, if eligible, elect to transfer coverage from the IRAP to TRA. The participant's IRAP account is transferred to purchase past service credit toward the TRA pension and up to \$10,000 will be transferred from the new IRAP to TRA transfer account to TRA to help pay for the service credit purchase.
8	9.26	HF4933-Nadeau; SF4968-Pappas	Laws 2022, Ch. 65, Art. 3, Sec. 1, Subd. 2	TRA St. Paul Teachers	Extends by three additional years the earnings limitation suspension for retirees returning to teaching service.

**Article 1: Teacher Pensions**

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
9	10.8	HF4933-Nadeau; SF4968-Pappas	Laws 2022, Ch. 65, Art. 3, Sec. 1, Subd. 3	TRA St. Paul Teachers	Extends the expiration date, from January 1, 2026, to January 1, 2029, for the 2022 session law amended in section 8, above.

**Article 2: Volunteer Firefighter Relief Associations (VFRAs)**

Sec.	Pg.Ln	Source	Statute	Plan	Summary
1-4	10.13	HF3636-Cha; SF3574-Pappas	§424A.001, Subd. 4, 5 8, 9	VFRAs	Makes changes to conform with the firefighter definitions created or amended by sections 5- 9.
5	12.1	HF3636-Cha; SF3574-Pappas	§424A.001, New Subd. 9b	VFRAs	Adds a new definition for “firefighter,” which means a person who is one or more of the following: volunteer firefighter, paid on-call firefighter, part-time firefighter, full-time firefighter, or career firefighter.
6	12.7	HF3636-Cha; SF3574-Pappas	§424A.001, Subd. 10	VFRAs	Amends the definition for “volunteer firefighter.”
7	12.22	HF3636-Cha; SF3574-Pappas	§424A.001, New Subd. 10a	VFRAs	Adds a new definition for “paid on-call firefighter.”
8	13.1	HF3636-Cha; SF3574-Pappas	§424A.001, New Subd. 10b	VFRAs	Adds a new definition for “part-time firefighter.”
9	13.10	HF3636-Cha; SF3574-Pappas	§424A.001, New Subd. 10c	VFRAs	Adds a new definition for “full-time firefighter” or “career firefighter.”
10	13.18	HF3636-Cha; SF3574-Pappas	§424A.003	VFRAs	Makes changes to conform with the new firefighter definitions in sections 5-9.
11	14.22	HF3636-Cha; SF3574-Pappas	§424A.01, Subd. 1	VFRAs	Adds to this subdivision the eligibility requirements for membership in a relief association that are removed from the “volunteer firefighter” definition in §424A.001, Subd. 10.
12-13	15.25	HF3636-Cha; SF3574-Pappas	§424A.01, Subd. 2, 5	VFRAs	Makes changes to conform with the new firefighter definitions in sections 5-9.
14-16	16.16	HF3636-Cha; SF3574-Pappas	§424A.015, Subd. 1, 5, 7	VFRAs	Makes changes to conform with the new firefighter definitions in sections 5-9.
17	18.21	HF3636-Cha; SF3574-Pappas	§424A.016, Subd. 2	VFRAs	Makes changes to conform with the new firefighter definitions in sections 5-9.
18	19.17	HF3636-Cha; SF3574-Pappas	§424A.016, Subd. 6	VFRAs	Changes the default for the timing of allocating investment performance to the accounts of deferred members in a relief association defined contribution plan.

**Article 2: Volunteer Firefighter Relief Associations (VFRAs)**

Sec.	Pg.Ln	Source	Statute	Plan	Summary
19-22	20.30	HF3636-Cha; SF3574-Pappas	§424A.02, Subd. 1, 3, 7, 9	VFRAs	Makes changes to conform with the new firefighter definitions in sections 5-9.
23	27.1	HF3636-Cha; SF3574-Pappas	§424A.021	VFRAs	Makes changes to conform with the new firefighter definitions in sections 5-9.
24-25	27.24	HF3636-Cha; SF3574-Pappas	§424A.092, Subd. 6  §424A.093, Subd. 6	VFRAs	Clarifies the requirements a relief association must meet to amend its bylaws to allow for a benefit level increase without municipal ratification.
26	30.22	HF3636-Cha; SF3574-Pappas	§424A.094, Subd. 1	VFRAs	Makes changes to conform with the new firefighter definitions in sections 5-9.
27	31.4	HF3636-Cha; SF3574-Pappas	§424A.095, Subd. 2	VFRAs	Changes the certification requirements for the "Investment Report Card" so that instead of requiring the entire board of trustees to certify the Investment Report Card, only one board member needs to certify the report.
28	32.1	HF3636-Cha; SF3574-Pappas	§424A.10	VFRAs	Makes changes to conform with the new firefighter definitions in sections 5-9 and deletes unnecessary language.
29	35.1	HF3636-Cha; SF3574-Pappas	§424B.22, Subd. 2	VFRAs	Requires the board of trustees of a relief association being involuntarily dissolved to comply with the same requirements that normally apply to dissolutions and gives the State Auditor the authority to waive the requirements if the board of trustees requests a waiver.
30	35.22	HF3636-Cha; SF3574-Pappas	§424B.22, Subd. 10	VFRAs	Clarifies that a person receiving disability or survivor benefits does not have to be at least age 50 to receive a supplemental payment.
31	36.3	HF3636-Cha; SF3574-Pappas	Revisor instruction	VFRAs	Instructs the Revisor of Statutes to change terms and make necessary grammatical changes due to the new and amended firefighter definitions.
32	36.11	HF3636-Cha; SF3574-Pappas	Repealer	VFRAs	Repeals a subdivision that outlines the eligibility requirements for membership in a relief association, which are added to §424A.01, Subd. 1.

**Article 3: Statewide Volunteer Firefighter Retirement Plan (SVF Plan)**

Sec.	Pg.Ln	Source	Statute	Plan	Summary
1	36.17	HF5039-Cha; SF5062-Rasmusson	§352.1155, Subd. 3	MSRS General Plan	Amends the exception to the prohibition against earning service credit in another pension or defined contribution plan (except for firefighter relief association plans) that applies to faculty members of MN State who are receiving an annuity from the MSRS General Plan, to add the PERA SVF Plan.
2	36.26	HF5039-Cha; SF5062-Rasmusson	§353G.01, New Subd. 2a	SVF Plan	Adds a definition for “association,” replacing “Public Employees Retirement Association.”
3	37.1	HF5039-Cha; SF5062-Rasmusson	§353G.01, New Subd. 4a	SVF Plan	Adds a definition for “defined contribution fund.”
4	37.6	HF5039-Cha; SF5062-Rasmusson	§353G.01, New Subd. 4b	SVF Plan	Adds a definition for “defined contribution plan.”
5	37.14	HF5039-Cha; SF5062-Rasmusson	§353G.01, New Subd. 4c	SVF Plan	Adds a definition for “defined benefit fund.”
6	37.19	HF5039-Cha; SF5062-Rasmusson	§353G.01, New Subd. 4d	SVF Plan	Adds a definition for “defined benefit plan.”
7	38.1	HF5039-Cha; SF5062-Rasmusson	§353G.01, New Subd. 5a	SVF Plan	Adds a definition for “fire department account.”
8	38.8	HF5039-Cha; SF5062-Rasmusson	§353G.01, New Subd. 5b	SVF Plan	Adds a definition for “firefighting corporation,” replacing “independent nonprofit firefighting corporation.”
9	38.14	HF5039-Cha; SF5062-Rasmusson	§353G.01, New Subd. 5c	SVF Plan	Adds a definition for “forfeiture,” which is needed because forfeitures are allocated to individual accounts in the defined contribution plan.
10	38.20	HF5039-Cha; SF5062-Rasmusson	§353G.01, New Subd. 6b	SVF Plan	Adds a definition for “individual account.”
11	38.27	HF5039-Cha; SF5062-Rasmusson	§353G.01, Subd. 7b	SVF Plan	Amends the definition of “lump-sum division.”
12	39.2	HF5039-Cha; SF5062-Rasmusson	§353G.01, Subd. 8b	SVF Plan	Amends the definition of “monthly benefit division” to “monthly division.”
13	39.7	HF5039-Cha; SF5062-Rasmusson	§353G.01, Subd. 9	SVF Plan	Amends the definition of “municipality.”
14	39.14	HF5039-Cha; SF5062-Rasmusson	§353G.01, Subd. 9a	SVF Plan	Amends the definition of “relief association” to delete language and instead refer to the definition in Chapter 424A.

**Article 3: Statewide Volunteer Firefighter Retirement Plan (SVF Plan)**

Sec.	Pg.Ln	Source	Statute	Plan	Summary
15	39.21	HF5039-Cha; SF5062-Rasmusson	§353G.01, New Subd. 9b	SVF Plan	Adds a definition for “normal retirement age,” which is unchanged at age 50.
16	39.25	HF5039-Cha; SF5062-Rasmusson	§353G.01, New Subd. 9c	SVF Plan	Adds a definition for “participating employer.”
17	40.2	HF5039-Cha; SF5062-Rasmusson	§353G.01, Subd. 11	SVF Plan	Amends the definition of “retirement fund.”
18	40.7	HF5039-Cha; SF5062-Rasmusson	§353G.01, Subd. 12	SVF Plan	Amends the definition of “retirement plan.”
19	40.14	HF5039-Cha; SF5062-Rasmusson	§353G.01, Subd. 12a	SVF Plan	Amends the definition of “service credit” to remove an erroneous sentence.
20	40.21	HF5039-Cha; SF5062-Rasmusson	§353G.01, Subd. 14a	SVF Plan	Amends the definition of “vesting service credit” to delete language that is revised and moved into new Section 353G.075, added by section 28.
21	41.2	HF5039-Cha; SF5062-Rasmusson	§353G.01, Subd. 15	SVF Plan	Amends the definition of “volunteer firefighter” to match the definition used in the provision in Chapter 424A, amended in article 2, section 11, that defines eligibility for a firefighter relief association plan.
22-23	41.13	HF5039-Cha; SF5062-Rasmusson	§353G.02, Subd. 1, 3	SVF Plan	Adds a reference to the defined contribution plan and makes other conforming changes.
24	42.9	HF5039-Cha; SF5062-Rasmusson	§353G.02, Subd. 4	SVF Plan	Amends the requirement for an actuarial valuation (for monthly division fire departments) or funding report (for lump-sum division fire departments) to change the frequency from annually to biennially.
25	42.29	HF5039-Cha; SF5062-Rasmusson	§353G.03, Subd. 3	SVF Plan	Amends the requirement that three members of the SVF advisory board must be representatives of volunteer firefighters to require that at least one of the three is covered by the defined contribution plan, effective January 1, 2027.
26	43.15	HF5039-Cha; SF5062-Rasmusson	§353G.05	SVF Plan	Amends and reorganizes the section to provide a new subdivision for each selection a fire department must make when joining the SVF Plan (type of plan, vesting schedule, benefit level) and makes conforming changes and clarifications to provisions on the cost analyses and invested assets review required in order to join.

**Article 3: Statewide Volunteer Firefighter Retirement Plan (SVF Plan)**

Sec.	Pg.Ln	Source	Statute	Plan	Summary
27	48.23	HF5039-Cha; SF5062-Rasmusson	§353G.07	SVF Plan	Amends the section to use new defined terms and makes other clarifying changes.
28	49.27	HF5039-Cha; SF5062-Rasmusson	New §353G.075	SVF Plan	Adds a new section titled "Service Credit for Vesting," which includes a requirement that if a volunteer firefighter wants past service with another fire department not in the SVF Plan to count toward vesting in the firefighter's benefit in the SVF Plan the firefighter must make the request to PERA rather than require the fire chief to provide the past service information to PERA.
29	50.10	HF5039-Cha; SF5062-Rasmusson	§353G.08, Subd. 1	SVF Plan	Amends the requirement that PERA determine the funding requirements of each fire department in the lump sum division to require the determination by August 1 of every other year, not every year, as currently required; makes other clarifying changes.
30	52.20	HF5039-Cha; SF5062-Rasmusson	§353G.08, Subd. 2	SVF Plan	Amends the subdivision to add new defined terms.
31	53.1	HF5039-Cha; SF5062-Rasmusson	New §353G.082	SVF Plan	Adds a new section titled "Funding of Fire Department Accounts and Annual Allocation to Individual Accounts in the Defined Contribution Plan," which establishes and provides requirements for the new defined contribution plan.
32	54.21	HF5039-Cha; SF5062-Rasmusson	New §353G.085	SVF Plan	Adds a new section titled "Authorized Disbursements," to which the contents of Section 353G.08, subd. 3, is transferred except that the reference to "disability benefit coverage insurance premiums" is deleted from the list of permitted disbursements.
33	55.1	HF5039-Cha; SF5062-Rasmusson	§353G.09, Subd. 1	SVF Plan	Amends the subdivision to add new defined terms and make other clarifying changes.
34	55.20	HF5039-Cha; SF5062-Rasmusson	§353G.09, Subd. 1a	SVF Plan	Amends the subdivision to add a new paragraph (d) that states how a member's retirement benefit from the defined contribution plan is determined when PERA receives a request for a distribution; makes other conforming changes.

**Article 3: Statewide Volunteer Firefighter Retirement Plan (SVF Plan)**

Sec.	Pg.Ln	Source	Statute	Plan	Summary
35	56.6	HF5039-Cha; SF5062-Rasmusson	§353G.09, Subd. 2	SVF Plan	Amends the subdivision to add a reference to the defined contribution plan and correct a cross-reference.
36	57.9	HF5039-Cha; SF5062-Rasmusson	§353G.10	SVF Plan	Amends the section with a revised title of "Leaving Firefighting Service Before Reaching Normal Retirement Age" by dividing it into four subdivisions which address the following: <ul style="list-style-type: none"> <li>• Timing of distribution: immediately for the defined contribution plan; at age 50 for the defined benefit plan;</li> <li>• Required application;</li> <li>• Retirement account or benefit during the deferral period;</li> <li>• Timing of forfeiture of unvested portion of benefit.</li> </ul>
37	58.28	HF5039-Cha; SF5062-Rasmusson	§353G.11, Subd. 2	SVF Plan	Clarifies current law and adds new defined terms.
38	59.19	HF5039-Cha; SF5062-Rasmusson	§353G.11, New Subd. 2a	SVF Plan	Adds a new subdivision that is the content of Section 353G.121, revised to add new defined terms.
39	60.23	HF5039-Cha; SF5062-Rasmusson	New §353G.114	SVF Plan	Adds a new section that is the content of Section 353G.10, subdivisions 3 and 4, revised to add references to the defined contribution plan and new defined terms.
40	61.1	HF5039-Cha; SF5062-Rasmusson	§353G.115	SVF Plan	Deletes paragraph (b), which permits the board of trustees of PERA to authorize disability coverage through the purchase group disability insurance; makes other conforming changes.
41	61.21	HF5039-Cha; SF5062-Rasmusson	§353G.12, Subd. 2	SVF Plan	Adds new defined terms.
42	61.28	HF5039-Cha; SF5062-Rasmusson	§353G.12, New Subd. 4	SVF Plan	Adds a new subdivision that provides survivor benefits in the defined contribution plan.
43	62.2	HF5039-Cha; SF5062-Rasmusson	§353G.14	SVF Plan	Amends the title and the section to authorize the available forms of distribution: lump sum for the lump sum division and defined contribution plan; monthly payments for the monthly division.

**Article 3: Statewide Volunteer Firefighter Retirement Plan (SVF Plan)**

Sec.	Pg.Ln	Source	Statute	Plan	Summary
44	62.25	HF5039-Cha; SF5062-Rasmusson	New §353G.19	SVF Plan	Adds a new section to provide the process and requirements that apply if a fire department in the defined benefit plan wishes to convert to coverage by the defined contribution plan, including full vesting, notice to participants, and disposition of any surplus assets, effective January 1, 2026.
45	65.6	HF5039-Cha; SF5062-Rasmusson	Revisor Instruction	SVF Plan	Instructs the Revisor of Statutes to revise three different terms in Chapter 353G.
46	65.14	HF5039-Cha; SF5062-Rasmusson	Repealer	SVF Plan	Repeals sections and subdivisions in Chapter 353G that have been moved to other sections as part of the reorganization of Chapter 353G or are obsolete.

**Article 4: Public Employees Retirement Association (PERA)**

Sec.	Pg.Ln	Source	Statute	Plan	Summary
1	65.22	HF4899-O'Driscoll; SF5073-Westlin	§353.028, Subd. 1	PERA Defined Contribution Plan (PERA DC Plan)	Adds a definition for "first employed," which means a city manager who has not been an employee in any position covered by a PERA plan or a supplemental retirement plan sponsored by the city that employs the manager.
2	66.11	HF4899-O'Driscoll; SF5073-Westlin	§353.028, Subd. 2	PERA DC Plan	Allows only a city manager "first employed" by a city (using the definition added in section 1) to elect to be excluded from PERA General within 30 days, rather than six months.
3	67.7	HF4899-O'Driscoll; SF5073-Westlin	§353.028, Subd. 3	PERA DC Plan	Adds the requirement that an agreement between a city and the manager regarding contributing to a deferred compensation plan or the PERA DC Plan must be entered into within 30 days of commencing employment.
4	67.24	HF4899-O'Driscoll; SF5073-Westlin, with LCPR H4899-1A	§353.028, Subd. 5	PERA DC Plan	Clarifies language.
5	68.1	HF4429-Nelson, M.; SF4751-Seeberger	§353.33, Subd. 7	PERA General	Revises the language describing the limitation on disability payments when a member has earnings from employment and eliminates the offset for income received from workers' compensation.



**Article 4: Public Employees Retirement Association (PERA)**

Sec.	Pg.Ln	Source	Statute	Plan	Summary
6	68.28	HF4429-Nelson, M.; SF4751-Seeberger	§353.33, Subd. 7a	PERA General	Eliminates the offset for workers' compensation for disability benefits paid to a member during a trial period in which the member can continue to receive disability benefits for up to six months.
7	69.14	HF4429-Nelson, M.; SF4751-Seeberger	§353.335, Subd. 1,	PERA General Correctional P&F	Eliminates a requirement for members to report income received from workers' compensation to PERA.
8	69.26	HF4297-Berg; SF4604-Nelson	§353.64, Subd. 1	PERA P&F	Modifies the eligibility requirements for PERA P&F to include certain employees that work in fire service who are not currently included in the plan.
9	70.19	HF4297-Berg; SF4604-Nelson	§353.64, Subd. 2	PERA P&F	Clarifies the eligibility requirements for part-time employees who have job responsibilities in addition to those directly related to fire service.
10	71.10	HF4297-Berg; SF4604-Nelson	§353.64, Subd. 4	PERA P&F	Requires that PERA consider a resolution from a governing body declaring that a position is eligible for the P&F Plan as sufficient evidence that the employee meets the eligibility requirements for the plan.
11	71.24	HF4297-Berg; SF4604-Nelson	§353.64, Subd. 5a	PERA P&F	Expands the circumstances in which a member can change positions and remain in the P&F Plan. In addition to changing to a different position in the same department, a member is able to transfer to a new job in another department in Minnesota and remain in the plan.
12	72.11	HF4899-O'Driscoll; SF5073-Westlin, with LCPR H4899-1A	§353D.01, Subd. 2	PERA DC Plan	Limits participation in the PERA DC Plan for elected county sheriffs. Only sheriffs who did not have previous employment with the county are permitted to participate.
13	73.21	HF4899-O'Driscoll; SF5073-Westlin	§353D.02	PERA DC Plan	Requires employees working in jobs such as "physician," "ambulance service personnel," and others, in order to be covered by the PERA DC Plan, to elect coverage within the employee's first 30 days of employment and makes these elections irrevocable.

**Article 4: Public Employees Retirement Association (PERA)**

Sec.	Pg.Ln	Source	Statute	Plan	Summary
14	75.29	HF4081-Stephenson; SF4092-Gustafson	§353E.03	PERA Correctional	Increases the employee contribution rate by 1% of pay, from 5.83% to 6.83%, and the employer contribution rate by 1.5% of pay, from 8.75% to 10.25% and adds a new subdivision 3 directing employers as to the manner of deducting employee contributions.
15	76.9	HF4081-Stephenson; SF4092-Gustafson	§353E.04, Subd. 3	PERA Correctional	Increases the multiplier used to calculate a retirement annuity from 1.9% of pay to 2.2%, which applies to years of service earned after June 30, 2025.
16	76.20	HF4429-Nelson, M.; SF4751-Seeberger	§353E.06, Subd. 6	PERA Correctional	Revises the language describing the limitation on disability payments when a member has earnings from employment and eliminates the offset for income received from workers' compensation.
17	77.10	HF4899-O'Driscoll; SF5073-Westlin	Uncoded session law	PERA DC Plan	Permits city managers hired within six months before August 1, 2024, to elect to be excluded from PERA General and local officials and ambulance personnel hired within six months before August 1, 2024, to elect to be included in the DC Plan, by filing an election with PERA during the month of October 2024.
18	78.6	HF4899-O'Driscoll; SF5073-Westlin, with LCPR H4899-1A  HF4429-Nelson, M.; SF4751-Seeberger	Repealer	PERA DC Plan General Correctional P&F	Repeals one section that is no longer needed due to changes made elsewhere in article 4 and two subdivisions related to the offset for workers' compensation.

**Article 5: Minnesota State Retirement System (MSRS)**

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
1	78.13	HF3956-Berg	§352.01, Subd. 13	MSRS	Modifies the definition of "salary" to clarify the timing and content of information needed by MSRS to consider pay received as part of a grievance proceeding or legal settlement as salary.
2	79.11	HF3956-Berg	§352.03, Subd. 5	MSRS	Replaces an obsolete cross-reference that sets a limit on the executive director's compensation with the requirement that the board determine the executive director's salary by designating a salary range in the managerial plan and a salary within that range.

**Article 5: Minnesota State Retirement System (MSRS)**

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
3	79.29	HF3956-Berg	§352.113, Subd. 1	MSRS	Conforms the employee vesting requirements for total and permanent disability benefits to match changes made to vesting for retirement annuities in the 2023 Pension Omnibus Budget bill.
4	80.10	HF3956-Berg	§352.12, Subd. 1	MSRS	Replaces the outdated term “reversionary annuity” with “bounce-back annuity;” adds language clarifying the refund amount.
5	80.29	HF3956-Berg	§352.12, Subd. 2	MSRS	Conforms the employee vesting requirements for survivor benefits to match changes made to vesting for retirement annuities in the 2023 Pension Omnibus Budget bill.
6	82.7	HF3956-Berg	§352.12, Subd. 2b	MSRS	Clarifies that a dependent child is eligible for a survivor benefit only if the dependent child did not elect to receive a refund.
7-8	82.21	HF3956-Berg	§352.12, Subd. 7, 8	MSRS	Replaces the outdated term “reversionary annuity” with “bounce-back annuity.”
9	83.13	HF3930-Frederick SF3761-Frentz  HF4539-Frederick SF4424-Pappas with LCPR S4424-2A	§352.91, Subd. 3f	MSRS Correctional	Adds “baker,” “cook,” “culinary supervisor,” “food service worker,” “food services supervisor,” and “music therapist” to the list of Department of Human Services positions covered by MSRS Correctional.
10	85.12	HF3956-Berg	§352.95, Subd. 4	MSRS Correctional	Amends the disability application process to give the executive director discretion to not require an independent medical exam for all MSRS Correctional disability applicants.
11	86.14	HF4553-Tabke; SF4645-Hauschild	New §352B.115	State Patrol Plan	Codifies and modifies a reemployment program that permits members to separate from service, begin receiving a retirement annuity, return to covered employment and continue making employee contributions, and receive a refund of the contributions upon leaving reemployment.
12	87.21	HF5311-Feist; SF5197-Pappas	Laws 2021, Ch. 22, Art. 2, Sec. 3	MSRS General	Reinstates the authority, which ended on August 31, 2021, granted to employees by a 2021 session law to purchase service credit for a prior period of employment when the employee was excluded from membership in the MSRS General Plan due to employment on an H-1b or similar visa; authority expires June 30, 2027.

**Article 5: Minnesota State Retirement System (MSRS)**

<u>Sec.</u>	<u>Pg.Ln</u>	<u>Source</u>	<u>Statute/Law</u>	<u>Plan</u>	<u>Summary</u>
13	90.1	HF3930-Frederick SF3761-Frentz  HF4539-Frederick SF4424-Pappas	Uncoded session law	MSRS Correctional	Authorizes eligible employees working in the positions added to coverage in section 9 to transfer past service credit from MSRS General to MSRS Correctional, upon payment of the difference in employee contributions between the two plans.
14	90.15	Chair's proposal	Uncoded session law	MSRS Correctional	Establishes the "Work Group on MSRS Correctional Plan Eligibility" to meet during the interim to recommend legislation to address the ongoing issues regarding eligibility for MSRS Correctional, including the inmate or patient direct contact requirement and the process for adding new positions and members.

**Article 6: Minnesota Secure Choice Retirement Program**

<u>Sec.</u>	<u>Pg.Ln</u>	<u>Source</u>	<u>Statute/Law</u>	<u>Plan</u>	<u>Summary</u>
1	92.27	HF4248-Moller; SF4765-Pappas with LCPR H4248-1A	§187.03, New Subd. 7a	Secure Choice	Adds a definition for "home and community-based services employee" to Chapter 187, which means an individual employed by the individual's child or spouse to provide services funded through federal and state programs for the disabled or elderly.
2	93.9	HF4248-Moller; SF4765-Pappas	§187.05, Subd. 7	Secure Choice	Requires the board of the Secure Choice Program to allow home and community-based service employees to participate in the Program within six months of the opening of the Program.
3	93.21	HF4270-Becker-Finn; SF4319-Pappas	§187.08, Subd. 1	Secure Choice	Expands the eligibility for the board seat currently designated for a "small business owner" to also permit an individual who is a "nonprofit executive" to fill the seat.
4	94.13	HF4270-Becker-Finn; SF4319-Pappas	§187.08, Subd. 7	Secure Choice	Authorizes the board to appoint an interim executive director and authorizes the executive director or interim executive director to hire staff.
5	94.23	HF4270-Becker-Finn; SF4319-Pappas	§187.08, Subd. 8	Secure Choice	Makes a technical correction.

**Article 6: Minnesota Secure Choice Retirement Program**

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
6	97.25	HF4270-Becker-Finn; SF4319-Pappas	Laws 2023, Ch. 46, Sec. 11	Secure Choice	Removes a session law requirement that the executive director of the Legislative Commission on Pensions and Retirement (Commission) serve as the interim executive director of the Program and states that the Commission executive director assists the board until the board appoints an interim or full-time executive director.

**Article 7: Supplemental Plans**

Sec.	Pg.Ln	Source	Statute	Plan	Summary
1	98.7	HF4656-Pursell; SF4759-Westlin	§356.24, Subd. 1	Supplemental Plans	Adds a paragraph back to this subdivision that was inadvertently deleted in 2020 for supplemental retirement plans to which employees can contribute the value of employee sick leave, vacation leave, and severance pay.
2	100.1	HF4656-Pursell; SF4759-Westlin	§356.24, Subd. 3	Supplemental Plans	Amends the definition of “deferred compensation plan” to permit the plan to provide for an employer matching contribution based on qualified student loan payments, as authorized by the federal Secure 2.0 Act of 2022; authorizes school districts and superintendents to enter into employment agreements providing deferred compensation; and modifies the disclosure and filing requirements applicable to deferred compensation plans.

**Article 8: Applicable to All Plans: Amortization; Internal Revenue Code Compliance**

Sec.	Pg.Ln	Source	Statute	Plan	Summary
1	102.4	SF5227-Rasmusson with LCPR S5227-1A  SF3673-Rasmusson, in the form of LCPR H5040-4A	§356.215, Subd. 11	All Plans  Specific change for TRA	Resolves a conflict in statute related to amortization periods; shortens the amortization period for TRA by five years by moving the established date for full funding from 2053 to 2048, reversing a change made in 2023; deletes obsolete language.
2	104.30	SF5227-Rasmusson	§356.611, Subd. 2	All Plans	Corrects references to refer to a new definition for “covered retirement plan” added by section 3; clarifies language.

**Article 8: Applicable to All Plans: Amortization; Internal Revenue Code Compliance**

Sec.	Pg.Ln	Source	Statute	Plan	Summary
3	105.16	LCPR H5040-1A	§356.611, New Subd. 6	All Plans	Defines “covered retirement plan” as the qualified retirement plans administered by MSRS (except the MN Deferred Compensation Plan) and PERA, TRA, St. Paul Teachers, volunteer fire-fighter relief associations, and two higher education plans administered by Minnesota State.
4	106.17	LCPR H5040-1A	New §356.612	All Plans	Adds a new section to which the contents of Section 356.635, subdivisions 9a-12, have been transferred. The new section provides the annual limits on defined benefit pensions and annual additions to defined contribution plans required under Internal Revenue Code Section 415.
5	109.6	LCPR H5040-1A	New §356.614	All Plans	Adds a new section to which the contents of Section 356.635, subdivision 8, are transferred and updated. The new section prohibits an increase in a pension due to forfeitures, as required by Code Section 401(a)(8).
6	109.13	LCPR H5040-1A	§356.62	All Plans	Modifies the statute to add definitions and update the requirement under Code Section 414(h) regarding the pick-up of employee contributions.
7	110.22	LCPR H5040-1A	New §356.633	All Plans	Adds a new section to which the contents of Section 356.635, subdivisions 3 to 7, are transferred. The new section requires a plan to offer a direct rollover of a lump sum distribution, as required by the Internal Revenue Code.
8	112.16	LCPR H5040-1A	§356.635, Subd. 1	All Plans	Revises subdivision 1 to add a definitions section to Section 356.635, which requires covered retirement plans to make required minimum distributions as required by Code Section 401(a)(9).
9	113.27	LCPR H5040-1A	§356.635, New Subd. 1a	All Plans	Adds a new subdivision to Section 356.635 that requires distribution by the “required beginning date,” a defined term under subdivision 1.
10	114.13	LCPR H5040-1A	§356.635, Subd. 2	All Plans	Revises subdivision 2, which requires the covered retirement plans to distribute “required minimum distributions” under Internal Revenue Code Section 401(a)(9).
11	114.26	LCPR H5040-1A	§356.635, New Subd. 2a	All Plans	Adds a new subdivision 2a to Section 356.635 that describes required distributions from defined contribution plans that are covered retirement plans.

**Article 8: Applicable to All Plans: Amortization; Internal Revenue Code Compliance**

Sec.	Pg.Ln	Source	Statute	Plan	Summary
12	116.18	LCPR H5040-1A	New §356.636	All Plans	Adds a new section to which the contents of Section 356.635, subdivision 13, are transferred and modified to provide the executive directors of the statewide pension funds and St. Paul Teachers more flexibility to correct operational errors and require the directors to provide an annual report to the Commission on operational errors corrected during the prior year and any related costs.
13	117.20	LCPR H5040-1A	Uncoded Session Law	All Plans	Establishes the "Work Group on Amortization" that will meet during the interim to recommend legislation to update Section 356.215, subdivision 11, to "conform to actuarial best practices for amortizing liabilities."
14-15	119.12	LCPR H5040-1A	Revisor Instruction	All Plans	Revisor of Statutes instructions related to cross-reference changes.
16	120.5	LCPR H5040-1A	Repealer	All Plans	Repeals subdivisions the contents of which have been moved to new sections.

**Article 9: State Aid Expiration Dates and Clarification**

Sec.	Pg.Ln	Source	Statute	Plan	Summary
1	120.11	Revisor 24-08106	§353.65, Subd. 3b	PERA P&F	Modifies the expiration of annual state aid to PERA P&F to the earlier of July 1, 2048, or the first day of the fiscal year following three consecutive fiscal years in which the plan is at least 100% funded, rather than just one fiscal year, as under current law.
2	120.25	Revisor 24-08106	§354.435, Subd. 4	TRA	Modifies the expiration of annual state aid to TRA (that matches contributions from the Minneapolis and its school district) to the earlier of July 1, 2048, or the first day of the fiscal year following three consecutive fiscal years in which the plan is at least 100% funded, rather than just one fiscal year, as under current law.
3	121.5	Revisor 24-08106	§354.436, Subd. 3	TRA	Modifies the expiration of annual state aid to TRA (related to the mergers of Minneapolis Teachers and Duluth Teachers into TRA) to the earlier of July 1, 2048, or the first day of the fiscal year following three consecutive fiscal years in which the plan is at least 100% funded, rather than just one fiscal year, as under current law.
4	121.14	Revisor 24-08106	§354A.12, Subd. 3a	St. Paul Teachers	Changes the title to refer to St. Paul Teachers and makes other technical changes.

**Article 9: State Aid Expiration Dates and Clarification**

Sec.	Pg.Ln	Source	Statute	Plan	Summary
5	121.27	Revisor 24-08106	§354A.12, Subd. 3c	St. Paul Teachers	Modifies the expiration of annual state aid to St. Paul Teachers to the earlier of July 1, 2048, or the first day of the fiscal year following three consecutive fiscal years in which the plan is at least 100% funded, rather than just one fiscal year, as under current law.
6	122.15	Revisor 24-08106	§423A.02, Subd. 5	TRA  St. Paul Teachers	Modifies the expiration of annual amortization state aid and additional amortization state aid to TRA and St. Paul Teachers to the earlier of July 1, 2048, or the first day of the fiscal year following three consecutive fiscal years in which either plan is at least 100% funded, rather than just one fiscal year, as under current law.
7	122.25	Revisor 24-08106	§423A.022, Subd. 5	PERA P&F  State Patrol Plan	Modifies the expiration of annual supplemental state aid to the PERA P&F and MSRS State Patrol Plans to the earlier of July 1, 2048, or the first day of the fiscal year following three consecutive fiscal years in which both plans are at least 90% funded, rather than just one fiscal year, as under current law.
8	123.6	Chair's proposal with House Floor H5040A1	§477B.02, Subd. 3	Firefighters	Modifies the requirements that must be met by a fire department to qualify for fire state aid, which limited aid to fire departments that are associated with a relief association, participate in the PERA SVF Plan, or have only full-time firefighters in the PERA P&F Plan. The revision is to permit a fire department to qualify for fire state aid if the department has part-time firefighters.

**Article 10: Executive Director Qualifications and Compensation**

Sec.	Pg.Ln	Source	Statute	Plan	Summary
1	124.4	LCPR H5040-1A	§353.03, Subd. 3a	PERA	Modifies the qualifications for executive director to align with the qualifications for the executive directors of MSRS and TRA; replaces an obsolete cross-reference that sets a limit on the executive director's compensation with the requirement that the board determine the executive director's salary by designating a salary range in the managerial plan and a salary within that range.
2	126.12	LCPR H5040-1A	§354.06, Subd. 2	TRA	Replaces an obsolete cross-reference that sets a limit on the executive director's compensation with the requirement that the board determine the executive director's salary by designating a salary range in the managerial plan and a salary within that range.
3	126.30	LCPR H5040-1A	Effective Date	PERA TRA	Sections 1 to 2 are effective the day following final enactment.



**Article 11: St. Paul Teachers Retirement Fund Association Technical Changes**

Sec.	Pg.Ln	Source	Statute	Plan	Summary
1-13	127.4	LCPR H5040-1A	§354A.011, Subd. 7; §354A.021, Subd. 2, 3, 6, 7, 8, 9; §354A.05; §354A.091; §354A.094; §354A.12, Subd. 5; §354A.31, Subd. 3a; §354A.32, Subd. 1a	St. Paul Teachers	Updates terminology throughout Chapter 354A to replace references to “first class city retirement fund association” with “St. Paul Teachers Retirement Fund Association” and make other non-substantive language changes.
14	137.22	LCPR H5040-1A	Revisor Instruction	St. Paul Teachers	Instructs the Revisor of Statutes to replace the term “a retirement fund association” with “the retirement fund association,” which now applies only to St. Paul Teachers.
15	137.27	LCPR H5040-1A	Effective Date	St. Paul Teachers	Sections 1 to 14 are effective the day following final enactment.

**Article 12: Miscellaneous Changes**

Sec.	Pg.Ln	Source	Statute	Plan	Summary
1	138.3	LCPR H5040-1A	§353.27, Subd. 4	PERA	Adds references to the Defined Contribution Plan and the Local Government Correctional Plan to the PERA plans that are subject to the requirements of this subdivision, which provides the requirements for deducting and transmitting employee contributions to PERA and enrolling new employees.
2	140.4	LCPR H5040-1A	§353.87, Subd. 1	PERA	Removes a reference to a subdivision that is being repealed in section 6.
3	140.14	LCPR H5040-1A	§356.215, Subd. 2	All Plans	Inserts a timing requirement for preparation of annual actuarial valuations and updates references to pension plan boards and officers.
4	141.1	LCPR H5040-1A	§356.215, Subd. 3	All Plans	Modifies a filing requirement to permit public pension plans to deliver actuarial valuations and experience studies to the executive director of the Commission by email.
5	141.26	LCPR H5040-1A	§356A.06, Subd. 5	VFRA's	Modifies a filing requirement to permit volunteer firefighter relief associations to file investment business disclosure forms with the executive director of the Commission by email; replaces obsolete references to “first class city teacher retirement fund association” with “St. Paul Teachers Retirement Fund Association.”

**Article 12: Miscellaneous Changes**

Sec.	Pg.Ln	Source	Statute	Plan	Summary
6	142.14	LCPR H5040-1A	Repealer	PERA	Repeals Section 353.86 and subdivisions 2, 3, and 4, of Section 353.87, which permit elections that have expired or no longer permitted under federal law and are therefore obsolete.

**Article 13: Onetime Appropriations and Fund Transfers**

Sec.	Pg.Ln	Source	Provision	Plan	Summary
1	142.19	HF5040-Her; SF4643-Frentz	Appropriation	MnState IRAP TRA	Makes a one-time transfer of \$1,458,000 in fiscal year 2025 to the IRAP to TRA Transfer Account, which is to be used to reduce the cost of service credit purchases for individuals who transfer coverage from the IRAP to TRA.
2	143.1	Chair proposal with House Floor H5040A1	Appropriation	TRA St. Paul Teachers	Makes a one-time transfer or appropriation of \$28,462,000 to TRA and \$1,538,000 to St. Paul Teachers in fiscal year 2025.