



2025 Omnibus Pension and Retirement Bill: SF 2884 (Frentz, Lillie/O’Driscoll), 2nd Engrossment, enacted as Laws 2025, Chapter 37 Section- by- Section Summary

Prepared: August 22, 2025

Article 1: Minnesota State Retirement System (MSRS)

Sec.	Pg.Ln	Source	Statute	Plan	Summary
1	2.25	HF2237-O’Driscoll/ Lillie	352.115, Subd. 3	MSRS General Plan	Increases the multiplier used to calculate the annuity amount from 1.7% to 1.9% percent for years of service earned after June 30, 2025; effective July 1, 2025.
2	3.16	SF2884-Frentz; HF1889-O’Driscoll/ Lillie	352.22, Subd. 2b	MSRS Plans: General Correctional	Incorporates a reference to the Correctional Plan into the statute authorizing repayment of a refund; effective the day following final enactment.
3	3.25	SF2884/HF1889	352.22, Subd. 3	MSRS Plans: General Correctional	Updates vesting language and incorporates a reference to the Correctional Plan into the statute authorizing deferred annuities; effective July 1, 2023.
4	4.21	HF2237	356.415, Subd. 1	MSRS Plans: General Legislators Unclassified	Increases the post-retirement adjustment (COLA) from 1.5% to 1.75%, beginning January 1, 2026; effective for COLAs beginning on or after January 1, 2026.

Article 2: Public Employees Retirement Association (PERA)

Sec.	Pg.Ln	Source	Statute	Plan	Summary
1	5.26	SF2980-Seeberger; HF2386-O’Driscoll/ Lillie	353.01, Subd. 2a	PERA Plans: General Police & Fire Correctional	Clarifies that an employee is a public employee and must participate in a PERA plan if the employee’s salary is expected to exceed \$425 per month; effective July 1, 2025.
2	7.16	SF2980/HF2386	353.01, Subd. 2b	PERA Plans: General Police & Fire Correctional	Clarifies that an employee is not eligible to participate in a PERA plan if the employee’s salary is never expected to exceed \$425 per month; effective July 1, 2025.

Article 2: Public Employees Retirement Association (PERA)

Sec.	Pg.Ln	Source	Statute	Plan	Summary
3	11.26	SF2980/HF2386	353.01, Subd. 2d	PERA General Plan	Adds timing requirements to the right of elected or appointed officeholders to elect coverage by the General Plan: 30 days to sign the election; 60 days to file it with the association; effective July 1, 2025.
4	13.8	SF2980/HF2386	353.028, Subd. 2	PERA General Plan	Adds the requirement that a city manager who elects to be excluded from the General Plan must file the election with PERA within 60 days of commencing employment; effective July 1, 2025.
5	13.28	SF2980/HF2386	353.028, Subd. 3	PERA General Plan	Clarifies that the agreement between a city and a city manager to contribute employer contributions to the PERA Defined Contribution Plan must be entered into within 30 days of commencing employment (same as the exclusion election); effective July 1, 2025.
6	14.13	SF3192-Frentz; HF2821-O'Driscoll/ Lillie	353.27, Subd. 3a	PERA General Plan	The threshold for terminating the PERA General Plan additional employer contribution is increased from plan assets equaling or exceeding liabilities (100%) to plan assets equaling or exceeding liabilities by 110%.
7	15.4	SF2980/HF2386 Am. H2386-1A	353.34, Subd. 5	PERA Plans: General Police & Fire Correctional	Clarifies that a member's right to take a refund of accumulated employee deductions does not expire; effective the day following final enactment.
8	15.9	SF2980/HF2386	353E.06, Subd. 1	PERA Correctional Plan	Updates the multiplier for calculating the duty disability benefit from 1.9% to 2.2% to incorporate the multiplier change made in 2024, applicable to years of covered service after June 30, 2025; effective the day following final enactment.
9	15.19	SF3192/HF2821	356.415, Subd. 1b	PERA General Plan	For COLAs beginning on or after January 1, 2026, the maximum COLA is increased to 1.75% but decreases to 1.5% when the Plan's funded status is 85% for two years or 80% for one year; effective for COLAs beginning on or after January 1, 2026.

Article 3: Public Employees Defined Contribution Plan (PERA DC Plan)

Sec.	Pg.Ln	Source	Statute	Plan	Summary
1	16.31	LCPR S2884-9A	353D.01, Subd. 2	PERA DC Plan	Adds the Eden Valley municipal rescue squad to the eligibility provision, bringing the statute into conformity with the current participation of the members of the rescue squad in the DC Plan.
2	18.10	SF2980-Seeberger; HF2386-O'Driscoll/Lillie	353D.02, Subd. 1	PERA DC Plan	Clarifies the election period and timing to file an election to participate in the DC Plan for eligible elected or appointed local government officials.
3	18.23	SF2980/HF2386	353D.02, Subd. 2	PERA DC Plan	Clarifies the election period and timing to file an election to participate in the DC Plan for eligible physicians and adds a 60-day requirement for filing the election with PERA.
4	19.1	SF2980/HF2386 Am. H2386-1A	353D.02, Subd. 3	PERA DC Plan	Clarifies the election period and timing to file an election to participate in the DC Plan for eligible ambulance service personnel and adds a 60-day requirement for filing an election.
5	19.12	SF2980/HF2386	353D.02, Subd. 4	PERA DC Plan	Clarifies the election period and timing to file an election to participate in the DC Plan for eligible rescue squad personnel, and adds a 60-day requirement for filing an election with PERA.
6	20.1	SF2980/HF2386	353D.02, Subd. 5	PERA DC Plan	Clarifies the election period and timing to file an election to participate in the DC Plan for St. Paul Port Authority employees.
7	20.14	SF2980/HF2386	353D.02, Subd. 6	PERA DC Plan	Clarifies the election period and timing to file an election to participate in the DC Plan for city managers who elected to be excluded from the General Plan and signed an agreement with the city to make contributions to the DC Plan.
8	20.27	SF2980/HF2386	353D.02, Subd. 7	PERA DC Plan	Clarifies the election period and timing to file an election to participate in the DC Plan for volunteer firefighters with no other retirement coverage, and adds a 60-day requirement for filing an election with PERA.
--	--	SF2980/HF2386	Effective date	PERA DC Plan	Each section is effective July 1, 2025.

Article 4: PERA Privatization

Sec.	Pg.Ln	Source	Statute	Plan	Summary
1	21.10	SF3355-Pappas	353F.01	PERA General Plan	Expands the scope of Chapter 353F from applying only to medical facilities to applying to all governmental entities that privatize.
2	21.19	SF3355	353F.02, New Subd. 2a	PERA General Plan	Adds a new definition for "Association."
3	21.23	SF3355	353F.02, Subd. 3	PERA General Plan	Clarifies the definition of "effective date of privatization" and replaces references to "medical facility" with "governmental subdivision."
4	22.1	SF3355	353F.02, New Subd. 3b, 3c, 3d, and 3e	PERA General Plan	Adds new definitions for "funding ratio," "general employees retirement fund," "general employees retirement plan," and "governmental subdivision."
5	22.6				
6	22.11				
7	22.16				
8	22.20	SF3355	353F.02, Subd. 4b	PERA General Plan	Revises the definition of "privatization" to replace references to "medical facility" with "governmental subdivision."
9	22.25	SF3355	353F.02, New Subd. 4c	PERA General Plan	Adds a new definition for "privatize" or "privatizing."
10	23.3	SF3355	353F.02, New Subd. 5a	PERA General Plan	Shortens the defined term, "privatized former public employer," to "privatized employer" and replaces references to "medical facility" with "governmental subdivision."
11	23.9	SF3355	353F.02, Subd. 6	PERA General Plan	Shortens the defined term, "privatized former public employee," to "privatized employee" and simplifies the definition.
12	23.27	SF3355	353F.02, New Subd. 6a	PERA General Plan	Adds a new definition for "privatizing active employee."

Article 4: PERA Privatization

Sec.	Pg.Ln	Source	Statute	Plan	Summary
13	24.1	SF3355	353F.025	PERA General Plan	<ul style="list-style-type: none"> • Replaces the current title of the section with “Withdrawal liability;” • Changes a voluntary process for informing PERA that an entity will be privatizing to a required process, including a requirement that the entity must pay the cost of calculating withdrawal liability; • Defines how withdrawal liability will be calculated; • Requires the entity to pay PERA the withdrawal liability within six months of the privatization or in installments for no longer than 10 years; • Requires PERA to report on the withdrawal liability to the PERA board, the Commission, and legislative leadership; and • Requires PERA to include in its public annual financial report a list of privatized employers and the amount of withdrawal liability.
14	26.25	SF3355	353F.03	PERA General Plan	Replaces current defined terms with the new defined terms.
15	27.1		353F.04		
16	28.11		353F.05		
17	28.30		353F.051, Subd. 1		
18	29.3	SF3355	353F.051, Subd. 2	PERA General Plan	Removes obsolete language.
19	29.8	SF3355	353F.052	PERA General Plan	Replaces current defined terms with the new defined terms.
20	29.16		353F.057		
21	29.22		353F.06		
22	30.1		353F.07		
23	30.10		353F.08		
24	30.17		353F.09		
25	30.27	SF3355	Repealer: 353F.02, Subd. 4a	PERA General Plan	Repeals the definition of “medical facility.”
26	30.29	SF3355	Effective Date	PERA General Plan	Sections 1 to 25 are effective July 1, 2027.

Article 5: MSRS Correctional Plan Eligibility Work Group

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
1	31.3	SF3464-Rasmusson; HF 3269-Nadeau	352.01, New Subd. 28	MSRS Plans: General Correctional	Adds a new definition for “Executive director” to the definitions that apply to both MSRS General and Correctional Plans.
2	31.7	SF3464/HF3269	352.029, Subd. 3	MSRS Plans: General Correctional	Replaces references to repealed Section 352.91 with references to new Section 352.905.
3	31.16	SF3464/HF3269	352.03, Subd. 5	MSRS	Replaces references to “director” with the new defined term “executive director.”
4	32.1	SF3464/HF3269	352.90	MSRS Correctional Plan	Updates terminology and facility or program names in the statute that provides the policy reason for establishing the MSRS Correctional Plan.
5	32.11	SF3464/HF3269	New Section 352.901	MSRS Correctional Plan	Adds a new definitions section for terms used in the statutes governing the MSRS Correctional Plan, including “direct contact requirement,” “eligible facility,” “eligible program,” and “working time.”
6	34.11	SF3464/HF3269	New Section 352.905	MSRS Correctional Plan	Updates the lists of employment positions that are covered correctional service, all but eight of which also require satisfying the 75% direct contact requirement; the employment positions listed match the employment position of every member of the MSRS Correctional Plan.
7	40.18	SF3464/HF3269	New Section 352.907	MSRS Correctional Plan	<p>New section titled “Plan coverage changes”:</p> <ul style="list-style-type: none"> Establishes the “Correctional Plan membership committee,” which will decide whether to add covered employment positions and whether an employee satisfies the direct contact requirement; Adds new procedures for determining continued or new coverage by the Plan when the title of an employment position changes, an employee transfers to a new eligible facility or program, or an employment position is to be added or removed, and deciding requests for coverage of an employee or the cessation of coverage; and Adds the right to an appeal a committee determination.

Article 5: MSRS Correctional Plan Eligibility Work Group

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
8	45.11	SF3464/HF3269	New Section 352.908	MSRS Correctional Plan	Moves subdivision 6 of repealed Section 352.91 to its own new section; addresses the correction of plan coverage errors.
9	45.18	SF3464/HF3269	352.93, Subd. 1	MSRS Correctional Plan	Replaces a reference to repealed Section 352.91 with a reference to new Section 352.905.
10	45.25	SF3464/HF3269	352.955, Subd. 1	MSRS Correctional Plan	Bases eligibility to transfer past service with the MSRS General Plan to the Correctional Plan on a determination of coverage by the new membership committee, rather than on legislation; replaces a reference to repealed Section 352.91 with a reference to new Section 352.905.
11	46.15	SF3464/HF3269	Repealer: 352.91	MSRS Correctional Plan	Repeals Section 352.91, which has been entirely replaced by new Sections 352.901, 352.905, 352.907, and 352.908.
12	46.18	SF3464/HF3269	Effective Date	MSRS Correctional Plan	Sections 1 to 11 are effective January 1, 2026.

Article 6: Higher Education Supplemental Retirement Plan

Sec.	Pg. Ln	Source	Statute	Plan	Summary
1	46.22	SF2379-Rasmusson; HF2022-Berg	356.24, Subd. 1	Higher Ed Supplemental Retirement Plan	Increases the limit on employer matching contributions to the Minnesota State higher education supplemental retirement plan from \$2,700 to \$4,300 per year; effective the day following final enactment.

Article 7: State Auditor's Fire Relief Association Working Group

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
1	48.17	SF1341-Pappas; HF1828-Cha	424A.014, Subd. 2	Firefighters relief associations	Moves the current March 31 deadline for filing annual financial statements with the State Auditor to June 30; effective January 1, 2026.
2	49.22	SF1341/HF1828	424A.015, Subd. 4	Firefighters relief associations	Expands the retirement accounts or plans to which a direct rollover may be made at the election of the member of surviving spouse, to comply with the federal Internal Revenue Code and Section 356.633; effective the day following final enactment.

Article 7: State Auditor's Fire Relief Association Working Group

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
3	50.4	SF1341/HF1828	424A.016, Subd. 2	Firefighters relief associations	Permits a relief association with a defined contribution plan to amend the relief association's bylaws to permit immediate distribution of retirement benefits following a member's separation from active service, rather than waiting to age 50; effective January 1, 2026.
4	51.1	SF1341/HF1828	424A.016, Subd. 6	Firefighters relief associations	Permits a relief association with a defined contribution plan to amend its bylaws to permit immediate distribution to deferred members (i.e., members who left active service before age 50); authorizes a bylaws amendment allowing for immediate distribution to deferred members to apply to deferred members who left active service before the date of the bylaws amendment; effective January 1, 2026.
5	52.11	SF1341/HF1828	424A.05, Subd. 3	Firefighters relief associations	Removes restriction on making direct rollovers only to an IRA or the Minnesota Deferred Compensation Plan to permit direct rollovers under Section 356.633 of lump sum pensions and disability, survivor, or former spouse benefits; effective the day following final enactment.
6	53.18	SF1341/HF1828	424A.06, Subd. 2	Firefighters relief associations	Removes language that could be interpreted to permit relief associations to deposit firefighter contributions and dues into a relief association's special fund; effective January 1, 2026.
7	54.2	SF1341/HF1828	424A.092, Subd. 2	Firefighters relief associations	Removes an obsolete table used in calculating the accrued liability of active members of a lump sum defined benefit relief association for calendar years before 2022; effective the day following final enactment.
8	55.17	SF1341/HF1828	424A.092, Subd. 3	Firefighters relief associations	Removes language that reduces a municipality's financial obligation to the special fund of a lump sum relief association by member contributions and dues; effective January 1, 2026.
9	57.18	SF1341/HF1828	424A.092, Subd. 4	Firefighters relief associations	Moves the current March 31 deadline for filing annual financial statements with the State Auditor to June 30; effective January 1, 2026.

Article 7: State Auditor's Fire Relief Association Working Group

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
10	58.21	SF1341/HF1828	424A.093, Subd. 5	Firefighters relief associations	Removes language that reduces a municipality's financial obligation to the special fund of a monthly relief association by member contributions and dues; effective January 1, 2026.
11	60.1	SF1341/HF1828	Repealer: 424A.015, Subd. 5	Firefighters relief associations	Repeals the statute authorizing direct rollovers to the Minnesota Deferred Compensation Plan because it is redundant and applies conditions that are not permitted under the Internal Revenue Code and Section 356.633; effective the day following final enactment.

Article 8: Firefighters Relief Associations

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
1	60.6	SF2752-Maye Quade; HF2395-Huot	424A.02, Subd. 3	Firefighters relief associations	Increases the maximum lump sum pension amount for each year of service from \$15,000 to \$20,000 per year; effective the day following final enactment.
2	61.9	SF3454-Frentz; HF3278-Lillie/ O'Driscoll	Repealer: 356A.06, Subd. 5	Firefighters relief associations	Repeals the requirement that firefighters relief associations annually file an Investment Business Recipient Disclosure form with the Commission; effective August 1, 2025.

Article 9: Minnesota Secure Choice Retirement Program

Sec.	Pg.Ln	Source	Statute	Plan	Summary
1	61.13	SF2985-Pappas; HF2942-Nadeau/ Lillie LCPR 25-04680-1A	187.03, Subd. 5	Secure Choice Retirement Program	Adds temporary or seasonal employees to the list of persons who are not "covered employees," but allows them to participate in the Program if the person's employer is a "covered employer."
2	62.1	SF2985/HF2942	187.03, New Subd. 6a	Secure Choice	Adds a new definition for "enrollment window."
3	62.8	SF2985/HF2942	187.03, Subd. 7	Secure Choice	Revises the definition of "executive director" to include the interim executive director.

Article 9: Minnesota Secure Choice Retirement Program

Sec.	Pg.Ln	Source	Statute	Plan	Summary
4	62.12	SF2985/HF2942 LCPR S2884-2A	187.03, Subd. 7a	Secure Choice	Expands the definition of “home and community-based employee” from “an individual employed by the individual’s child or spouse” to “an individual...who is selected by and working under the direction of a participant in a covered program.”
5	62.25	SF2985/HF2942	187.05 New Subd. 1a	Secure Choice	Provides a process for any entity or person to certify to the Program’s executive director that the entity or person is not a covered employer.
6	63.14	SF2985/HF2942	187.05, Subd. 4	Secure Choice	Allows the Secure Choice Board to change the contribution rates and the escalation schedule but must provide covered employers with at least six months of notice before the effective date of the change.
7	63.25	SF2985/HF2942	187.05, Subd. 6	Secure Choice	Requires the Secure Choice Board to include lifetime income options as a distribution alternative by July 1, 2028, rather than immediately.
8	64.1	SF2985/HF2942 LCPR S2884-2A	187.07, Subd. 1	Secure Choice	Establishes the employee contribution rates, starting at 5% for the first year and increasing by 1% each year to 8% in the fourth year; requires covered employers to deduct contributions from an employee’s paycheck by the 30 th day of employment or the 30 th day after the enrollment window opens for the covered employer.
9	64.26	SF2985/HF2942	187.07, Subd. 2	Secure Choice	Requires covered employers to transmit an employee’s payroll deduction contribution by the 30 th day after the date of the paycheck.
10	65.1	SF2985/HF2942	187.07, Subd. 3	Secure Choice	Requires covered employers to distribute information about the Program to covered employees by the 14 th day of employment or no later than 14 days before the first paycheck from which a contribution could be deducted after the opening of the enrollment window for the covered employer.

Article 9: Minnesota Secure Choice Retirement Program

Sec.	Pg.Ln	Source	Statute	Plan	Summary
11	65.13	SF2985/HF2942 LCPR 25-04680-1A LCPR Oral amendment	187.07, Subd. 6	Secure Choice	Gives the Secure Choice Board discretion to impose criminal or civil penalties against a covered employer that fails to comply with the enrollment, information distribution, or transmittal of contributions requirements, but must provide written warnings for the first two years of noncompliance with the enrollment and information distribution requirements.
12	65.29	SF2985/HF2942	187.08, Subd. 3	Secure Choice	Sets the initial term of two of the Secure Choice Board members as three years, rather than the current two years.
13	66.9	SF2985/HF2942	187.07, Subd. 7	Secure Choice	Prohibits the executive director from voting in meetings of the Secure Choice Board and from participating in matters involving a conflict of interest; requires the executive director to file with the campaign finance board.
14	67.13	SF2985/HF2942	187.11	Secure Choice	Adds the Department of Employment and Economic Development (DEED) to the agencies with which the Secure Choice Board may enter into an intergovernmental agreement.
15	69.18	SF2984-Pappas; HF2943-Nadeau/ Lillie LCPR 25-04681-1A LCPR Oral amendment	New Section 187.012	Secure Choice	<ul style="list-style-type: none"> • Adds penalties applicable to covered employers for noncompliance with the enrollment, information distribution, and transmittal of contributions requirements; • Authorizes a covered employee or the attorney general to sue a covered employer for noncompliance; • Authorizes the attorney general to file a criminal action against a covered employer for failure to transmit contributions; • Requires the court to order a covered employer who is found in violation to pay attorney fees.
16	69.18	LCPR S2884-2A	268.19, Subd. 1	Secure Choice	Adds a new clause (20) that allows for data retained by DEED to be shared with the Program for the purpose of “assisting with communication with employers and to verify employer compliance with chapter 187.”

Article 9: Minnesota Secure Choice Retirement Program

Sec.	Pg.Ln	Source	Statute	Plan	Summary
17	71.24	SF2985/HF2942	Effective Date	Secure Choice	Sections 1 to 16 are effective the day following final enactment.

Article 10: Public Pension Plans: Amortization of Liabilities; Correction of Errors

Sec.	Pg.Ln	Source	Statute	Plan	Summary
1	71.29	LCPR S2884-9A	353G.08, Subd. 1A	PERA SVF Plan Monthly Division	Revises language to use defined terms added in 2024; deletes the requirements for the periods to be used to amortize unfunded actuarial liabilities when determining funding requirements of a fire department in the monthly division; inserts a reference to the new amortization periods in Section 356.215, subdivision 11 (see Section 5, below); effective the day following final enactment, except the changes to amortization periods are effective beginning with actuarial valuations on or after July 1, 2025.
2	73.8	SF3453-Pappas; HF3249-Lillie	356.215, Subd. 1	All Plans	Deletes the definition of “pension benefit obligation” and adds a definition for “standards for actuarial work” to the statute that governs the contents of and assumptions used in actuarial valuations of public pension plans; effective the day following final enactment.
3	75.7	SF3453/HF3249	356.215, Subd. 4	All Plans	Deletes language made unnecessary by the new defined term for “standards for actuarial work;” effective the day following final enactment.
4	75.15	SF3453/HF3249	356.215, Subd. 8	All Plans	Deletes language made unnecessary by the new defined term for “standards for actuarial work;” effective the day following final enactment.

Article 10: Public Pension Plans: Amortization of Liabilities; Correction of Errors

Sec.	Pg.Ln	Source	Statute	Plan	Summary
5	76.4	SF3453/HF3249 LCPR S2884-13A	356.215, Subd. 11	All Plans	Replaces most of subdivision 11, regarding amortization of unfunded actuarial liability, including the established date for full funding for each public pension plan, and inserts layered amortization provisions by which unfunded liability resulting from a change in assumptions, benefits, or investment gains or losses is amortized over a specified period of time; effective for all pension plans except the Legislators Plan, monthly benefit relief association plans, and 2025 benefit increases to the State Patrol and P&F Plans and TRA, and beginning with the July 1, 2025, actuarial valuation.
6	80.1	SF3453/HF3249	356.215, Subd. 17	All Plans	Deletes language made unnecessary by the new defined term for “standards for actuarial work;” effective the day following final enactment.
7	80.13	SF2980-Seeberger; HF2386-O’Driscoll Am. H2386-1A	356.636, Subd. 2	All Plans	Revises language that defines the types of errors that may be corrected by the executive director of a public pension or retirement plan to clarify that any error may be corrected if made by the plan and if needed to preserve the plan’s tax-qualification; effective the day following final enactment.
8	81.2	SF2884-Frentz; HF1889-O’Driscoll/ Lillie SF2980-Seeberger; HF2386-O’Driscoll Am. H2386-1A	356.636, Subd. 3	All Plans	Exempts errors corrected in the ordinary course and correction authorized by law from the annual reporting requirement, which requires the executive director of each pension fund to report to the Commission errors corrected during the preceding year; effective the day following enactment.

Article 11: Public Safety Benefit Increases

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
1	81.20	LCPR S2884-13A	356.415, Subd. 1c	Police & Fire Plan	Reduces by 12 months the three-year period by which a retiree’s first COLA is delayed for the Police & Fire Plan; effective for COLAs beginning on or after January 1, 2026.

Article 11: Public Safety Benefit Increases

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
2	82.10	LCPR S2884-13A	356.415, Subd. 1e	State Patrol Plan	Increases the COLA for retirees of the State Patrol Plan from 1% to 1.25%; effective for COLAs beginning on January 1, 2026.
3	83.1	LCPR S2884-13A	Session Law	Police & Fire Plan	Provides a one-time COLA of 3% for retirees of the Police & Fire Plan, effective on January 1, 2026.

Article 12: Direct State Aid for Public Safety Plans

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
1	83.15	LCPR S2884-13A	New 352B.251, New Subd. 1	State Patrol Plan	To fund the COLA in Article 11, Section 2, adds an annual direct state aid to the State Patrol Plan in the amount of \$2,300,000. This aid expires July 1, 2048.
2	83.20	LCPR S2884-13A	New 352B.251, New Subd. 2	Police & Fire Plan	To fund the COLA changes in Article 11, Sections 1 and 3, adds an annual direct state aid to the Police & Fire Plan in the amount of \$17,700,000. This aid expires July 1, 2048.
3	84.7	LCPR S2884-13A	Effective Date	State Patrol Plan Police & Fire Plan	Sections 1 and 2 are effective the day following final enactment.

Article 13: Teachers Retirement Association Benefit Increases

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
1	84.11	LCPR S2884-13A	126C.10, Subd. 37	School districts	Increases the pension adjustment revenue for all school districts except St. Paul from 2.0% to 2.31% of salaries; effective for revenue in fiscal years 2026 and later.
2	85.12	LCPR S2884-13A	354.42, Subd. 3	Teachers Retirement Association (TRA)	Increases employer contributions to TRA from 9.5% to 9.81% of salary for each coordinated member and from 13.5% to 13.81% for each basic member; effective June 30, 2025.
3	86.2	LCPR S2884-13A	354.44, Subd. 6	TRA	Lowers the age for the enhanced early retirement reduction from 62 to 60 and lowers the reduction percentage from 6% to 5% (which is further reduced by 2.5% or 3% augmentation per current law); effective June 30, 2025.

Article 13: Teachers Retirement Association Benefit Increases

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
4	89.5	LCPR S2884-13A	356.415, Subd. 1d	TRA	Deletes obsolete clauses that provided the COLAs for TRA retirees for 2019 through 2023; deletes paragraph (e) that exempted members who retire using Rule of 90 or the subsidized early retirement benefit at age 62 with 30 years of service from the COLA delay, which delayed the first COLA until normal retirement age; effective June 30, 2025.

Article 14: Appropriations for Teachers Retirement Association

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
1	91.12	LCPR S2884-13A	Uncoded Appropriation	TRA	Appropriates \$4,000 to the Department of Education, \$17,000 to Minnesota State Academies, \$5,000 to the Perpich Center for the Arts, and \$543,000 to Minnesota State Colleges and Universities from the general fund to fund increased employer contributions to TRA in fiscal years 2026 and 2027.
2	91.25	LCPR S2884-13A	Uncoded Appropriation	Education Aid	Appropriates \$17,098,000 in fiscal year 2026 and \$19,711,000 in fiscal year 2027 from the general fund to the Department of Education for general education aid.

Article 15: Duty Disability Benefits and Continuation of Health Coverage for Peace Officers and Firefighters

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
1	92.8	LCPR S2884-12A	299A.465, Subd. 1	State Patrol Plan Police & Fire Plan	<ul style="list-style-type: none"> Replaces paragraph (d) with paragraphs (d) through (f): (d) requires continuation of employer-paid health coverage until age 65 for officers and firefighters who are receiving or have applied for duty disability by the date of enactment or receive total and permanent duty disability benefits; (e) caps continuation at 60 months (five years) for officers and firefighters who apply for duty disability but not a total and permanent duty disability on or after the date of enactment; (f) requires continuation until age 65 for members of the State Patrol Plan on duty disability. Adds a new paragraph (h) that prohibits an officer or firefighter (in the P&F Plan) from waiving continued health coverage in exchange for payment from the employer. Adds a new paragraph (i) that prohibits an employer from challenging the continuation of health coverage to an officer or firefighter (in the P&F Plan).
2	94.30	LCPR S2884-12A	353.032, Subd. 3	Police & Fire Plan	Allows for an employee to receive treatment for a psychological condition while continuing to work full- or part-time.
3	96.7	LCPR S2884-12A	353.032, Subd. 4	Police & Fire Plan	Clarifies that the employee may work full-time or part-time prior to the completion of treatment if the employee's mental health professional determines that the employee is medically able to do so.
4	97.8	LCPR S2884-12A	353.032, Subd. 5	Police & Fire Plan	Prohibits the employer from requiring the employee to use accrued vacation, sick, holiday, personal time off, or any leave benefits while the employee is receiving treatment.

Article 15: Duty Disability Benefits and Continuation of Health Coverage for Peace Officers and Firefighters

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
5	98.13	LCPR S2884-12A	353.032, Subd. 6	Police & Fire Plan	Requires PERA to notify the employer and employee when treatment requirements are satisfied; adds a paragraph stating that treatment requirements that remain incomplete 60 days past the 24-week or 8-week periods of treatment terminate.
6	99.19	LCPR S2884-12A	353.032, Subd. 7	Police & Fire Plan	Requires PERA to notify the employer if additional treatment is approved; clarifies that the employee may work full- or part-time prior to the completion of the additional treatment if the employee's mental health professional determines that the employee is medically able to do so.
7	100.24	LCPR S2884-12A	353.032, Subd. 9	Police & Fire Plan	Requires an officer or firefighter receiving psychological condition treatment to provide to the employer, on a monthly basis, billing statements or invoices for treatment costs incurred.
8	101.7	LCPR S2884-12A	353.032, Subd. 10	Police & Fire Plan	Adds a phrase to the "fitness for duty presumption" that takes into account an employee continuing to work full- or part-time while receiving treatment.
9	102.11	LCPR S2884-12A	Effective Date	State Patrol Plan Police & Fire Plan	Sections 1 to 8 are effective the day following final enactment.

Article 16: Public Pension Plans: Modifying the Circumstances for Terminating State Aid and Supplemental Employer Contributions

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
1	102.17	LCPR S2884-14A	352.92, Subd. 2a	MSRS Correctional Plan	Increases the threshold for the expiration of supplemental employer contributions to the MSRS Correctional Plan from plan assets equaling or exceeding liabilities (100%) to plan assets equaling or exceeding liabilities by 110%.
2	103.1	LCPR S2884-14A	352B.02, Subd. 1c	State Patrol Plan	Increases the threshold for the expiration of supplemental employer contributions to the State Patrol Plan from plan assets equaling or exceeding liabilities (100%) to plan assets equaling or exceeding liabilities by 110%.

Article 16: Public Pension Plans: Modifying the Circumstances for Terminating State Aid and Supplemental Employer Contributions

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
3	103.28	LCPR S2884-14A	353.65, Subd. 3b	Police & Fire Plan	Increases the threshold for the expiration of direct state aid to the Police & Fire Plan from plan assets equaling or exceeding liabilities (100%) to plan assets equaling or exceeding liabilities by 110%; deletes "July 1, 2048," which applies if earlier than the date the threshold is reached.
4	104.13	LCPR S2884-14A	423A.022, Subd. 5	State Patrol Plan Police & Fire Plan	Increases the threshold for the expiration of police and firefighter supplemental state aid from the assets of both the State Patrol Plan and the Police & Fire Plan equaling or exceeding 90% of liabilities to equaling or exceeding 100% of liabilities; deletes "July 1, 2048," which applies if earlier than the date the threshold is reached.
5	104.27	LCPR S2884-14A	490.123, Subd. 5	MSRS Judges Plan	Increases the threshold for the expiration of direct state aid to the Judges Plan from plan assets equaling or exceeding liabilities (100%) to plan assets equaling or exceeding liabilities by 110%; deletes "July 1, 2048," which applies if earlier than the date the threshold is reached.
6	105.11	LCPR S2884-14A	Effective Date	Various plans	Sections 1 to 6 are effective the day following final enactment.

Article 17: Work Group on Pension Plans for Probation Officers and 911 Telecommunicators

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
1	105.16	LCPR S2884-4A	Session Law	MSRS PERA	Requires Commission staff to convene a work group to meet during the interim to recommend legislation that will create new pension plans for probation officers and 911 telecommunicators, to be administered by MSRS and PERA, and report its recommendations to the Commission by January 15, 2026.

Article 18: Legislative Commission on Pensions and Retirement (LCPR)

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
1	108.22	LCPR S2884-9A derived from SF3467 (Frentz/Rasmusson)	3.85, Subd. 2	LCPR	Eliminates a reporting requirement that has become obsolete due to the ability to continuously report on the work of the Commission on its website.
2	109.9	LCPR S2884-9A	3.85, Subd. 3	LCPR	Clarifies that a member of the Commission serves until the earlier of the appointment of the member's successor or the end of the member's legislative term.
3	109.24	LCPR S2884-9A	3.85, Subd. 10	LCPR	Updates terminology, limits the requirement that all public employee pension plans are subject to the Commission's Standards for Actuarial Work to only defined benefit plans, replaces the requirement that the Standards be updated "annually" with "periodically," and deletes unnecessary language.
4	110.3	LCPR S2884-9A	Effective Date	LCPR	Sections 1 to 3 are effective the day following final enactment.

Article 19: Statewide Volunteer Firefighter Plan (PERA SVF)

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
1	110.7	LCPR S2884-9A, derived from SF3467 (Frentz/Rasmusson)	353G.08, Subd. 1a	PERA SVF Monthly Division	Revises language to use defined terms added in 2024; deletes the requirements for the periods to be used to amortize unfunded actuarial liabilities when determining funding requirements of a fire department in the monthly division; inserts a reference to the new amortization periods in Section 356.215, subdivision 11 (added by Article 10, Section 5 of the bill); effective the day following final enactment, except the changes to amortization periods are effective beginning with actuarial valuations on or after July 1, 2025.
2	111.17	LCPR S2884-9A	353G.11, New Subd. 1b	PERA SVF	Adds a new subdivision 1b ("Applicable benefit level") that incorporates provisions in effect prior to 2024 and inadvertently omitted when Chapter 353G was amended in 2024, which stating that the benefit level in effect when the member terminated firefighting services applies when calculating the member's lump sum or monthly benefit.

Article 19: Statewide Volunteer Firefighter Plan (PERA SVF)

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
3 4 5 6	112.1 112.18 113.23 114.4	LCPR S2884-9A	353G.11, Subd. 2 and 2a 353G.17, Subd. 4 and 5	PERA SVF	Updates or clarifies language and incorporates defined terms added or revised in 2024.
7	114.27	LCPR S2884-9A	353G.19, Subd. 1	PERA SVF	Revises the requirement regarding full vesting when a tax-qualified retirement or pension plan terminates or converts from a defined benefit plan to a defined contribution plan so that full vesting is required for all accrued benefits and accounts but only “to the extent funded.”
8	115.15	LCPR S2884-9A	353G.19, Subd. 2	PERA SVF	Adding that the most recent valuation date must be used to determine a fire department’s funded ratio.
9 10	116.1 116.18	LCPR S2884-9A	353G.19, Subd. 3 and 4	PERA SVF	Revises the full vesting requirement to state that full vesting is required only to the extent funded.
11	116.29	LCPR S2884-9A	353G.19, Subd. 5	PERA SVF	Revises the “Surplus over full funding” provision so the surplus is allocated among active volunteer firefighters only, excluding former firefighters from receiving a share.
12	117.5	LCPR S2884-9A	Effective Date	PERA SVF	Sections 1 to 11 are effective the day following final enactment except Section 1, paragraph (b), clause (2), is effective beginning with actuarial valuations on or after July 1, 2025.

Article 20: IRAP to TRA Transfers

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
1	117.11	LCPR S2884-9A, derived from SF3467 (Frentz/Rasmusson)	354B.215, Subd. 3	MnState IRAP TRA	<ul style="list-style-type: none"> Clarifies that a person is eligible for a transfer from the IRAP to TRA is the person was previously eligible to elect a transfer; Gives MN State 75 days, rather than 60 days, to produce a record indicating the person received notice of or elected a transfer during the first year of employment or first year after achieving tenure; Adds a paragraph stating that a person will still be eligible even if there is a record that notice was given during the first year of employment if the person was eligible to elect a transfer due to achieving tenure and did not receive notice; Effective retroactively from January 1, 2025.
2	118.7	S2884-9A	354B.215, Subd. 4	MnState IRAP TRA	Extends the time period from 60 days to 75 days during which MN State may produce documentation showing a person is not eligible to make a transfer; effective retroactively from January 1, 2025.

Article 21: Fire and Police State Aid

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
1	119.8	LCPR S2884-9A, derived from SF3467 (Frentz/Rasmusson)	423A.022, Subd. 2	Fire & police state aid	Simplifies the language of the allocation of fire and police state aid and clarifies that a municipality which “does not solely employ firefighters with retirement coverage provided by one or more pension plans” under chapter 353 qualify for supplemental state aid, aligning the statute with how the allocation is being administered.
2	120.21	LCPR S2884-9A	423A.022, Subd. 3	Fire & police state aid	Requires the PERA executive director to report to the Department of Revenue the municipalities that employ firefighters with coverage by the PERA General Plan in addition to municipalities with firefighters in the Police and Fire Plan and the SVF Plan.

Article 21: Fire and Police State Aid

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
3	121.3	LCPR S2884-9A	423A.022, Subd. 5	Fire & police state aid	Adds a reference to the PERA General Plan and to the statutes referring to employer contributions to the PERA General Plan.
4	122.8	LCPR S2884-9A	424A.014, Subd. 5	Fire state aid	Clarifies language in the provision authorizing fire state aid to be used to pay employer contributions and adds references to the SVF Plan, part-time firefighters, and PERA General Plan, which were missing from current statutes.
5	123.15	LCPR S2884-9A	477B.02, Subd. 3	Fire state aid	Inserts a reference to the PERA General Plan and makes other conforming language changes.
6	124.1	LCPR S2884-9A	477B.02, Subd. 8	Fire state aid	Requires the PERA executive director to certify to the Department of Revenue, for the purpose of fire state aid, the fire departments that (1) participate in the SVF Plan but have no firefighters receiving credit for service toward a retirement benefit and (2) employ part-time firefighters covered by the PERA General Plan.
7	124.15	LCPR S2884-9A	477B.03, Subd. 5 and 7	Fire state aid	Deletes references to “volunteer” to align with the new definitions in Chapter 424A that were added by the 2024 Omnibus Pension bill and makes other clarifications to language.
8	125.13				
9	125.25		477B.04, Subd. 3 and 4		
10	126.23				
11	127.7	LCPR S2884-9A	Effective Date	Fire & police state aids	Sections 1 to 10 are effective for aids payable in 2026.

Article 22: State Board of Investment (SBI)

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
1	127.11	LCPR S2884-9A, derived from SF3467 (Frentz/ Rasmusson)	11A.07, Subd. 4	SBI	Deletes the December 31 reporting deadline in clause (8) to file with the Legislative Reference Library a report summarizing the activities of the SBI during the preceding fiscal year. A new deadline is added to subdivision 4b.
2	128.9	S2884-9A	11A.07, Subd. 4b	SBI	Requires the SBI annual report to be filed “after the completion of the applicable fiscal year audit, but no later than March 31 of each year.” The new due date will align with the completion of the SBI annual audit, which typically concludes mid-January.

Article 22: State Board of Investment (SBI)

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
3	128.20	S2884-9A	Repealer: 11A.27	SBI	Repeals Section 11A.27 ("Report on investment consultant activities and deliverables"), eliminating the requirement that the SBI to produce a specific report on its external investment consultants.
4	128.22	S2884-9A	Effective Date	SBI	Sections 1 to 3 are effective the day following final enactment.

Article 23: Miscellaneous Technical Corrections

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
1 2	128.26 129.4	LCPR S2884-9A, derived from SF3467 (Frentz/ Rasmusson)	124E.12, Subd. 4 and 6	Charter schools	Deletes obsolete language and updates references to the Teachers Retirement Association and St. Paul Teachers Retirement Fund Association.
3	129.20	S2884-9A	181.101	Firefighters	Conforms a reference to "volunteer fire-fighter, as defined in Section 424A.001" to refer to new definitions added to Section 424A.001 by the 2024 Omnibus Pension bill.
4 5	130.23 132.9	S2884-9A	356.633, Subd. 1 and 2	All Plans	Clarifies that the direct rollover requirements apply to all public pension and retirement plans, do not apply to a distribution of less than \$200, and makes other revisions to mirror the federal requirements.
6	132.14	S2884-9A	356.633, New Subd. 4	All Plans	Adds the requirement that all public pension and retirement plans must provide the distributee of an eligible rollover distribution with the tax notice required by federal law.
7	132.7	S2884-9A	New 356.638	All Plans	Adds new section 356.638, to which the federally required "military service" provisions currently in Section 356.635, subdivision 9, are moved.
8	133.1	S2884-9A	424B.22, Subd. 1	Firefighters relief associations	Deletes paragraphs (b) through (d) of the "Application" subdivision and moves them to new subdivision 1a.
9	133.24	S2884-9A	424B.22, New Subd. 1a	Firefighters relief associations	Adds new subdivision 1a, "Voluntary dissolution and termination," which is paragraphs (b) through (d), moved from subdivision 1.

Article 23: Miscellaneous Technical Corrections

Sec.	Pg.Ln	Source	Statute/Law	Plan	Summary
10	134.9	S2884-9A	424B.22, Subd. 2	Firefighters relief associations	Adds a new clause (3) to Subdivision 2, "Involuntary dissolution and termination," to add that an involuntary dissolution occurs when the fire department transfers its active firefighters who are members of the relief association to a PERA pension plan, and no other active firefighters remain in the relief association.
11	135.4	S2884-9A	424B.22, Subd. 3	Firefighters relief associations	Revises paragraph (b) to require full vesting upon plan termination but only to the extent funded, define "member" to not include retirees receiving a pension, and ends the crediting of interest on deferred pensions on the retirement plan termination date.
12	136.1	S2884-9A	Repealer: 356.635, Subd. 9	All Plans	The "military service" subdivision in Section 356.635 is repealed because it is moved to its own new Section 356.638 added by Article 23, Section 7.
13	136.3	S2884-9A	Effective Date	See sections 1-12, above	Sections 1 to 13 are effective the day following final enactment.