



Work Group on Vesting and Emergency Medical Providers in Relief Associations and the SVF Plan Mandated Topics for Consideration and Determination

The 2026 session law establishing the Work Group requires the Work Group to recommend legislation that would:

- (1) shorten the vesting schedule for firefighter relief associations to a maximum of ten years;
- (2) require that firefighter relief associations include volunteer or paid on-call emergency medical providers as members on the same basis as volunteer or paid on-call firefighters; and
- (3) make the same changes to the PERA Statewide Volunteer Firefighter Plan (SVF Plan) as are recommended for firefighter relief associations.

The session law also directs the Work Group to address a series of considerations and make determinations. The table on the following pages includes the topics to be considered (in a question format), information provided to the Work Group on each topic, and space for the Work Group's determinations or recommendations to be noted.

A topic is mandated if the column labeled "Topic to Consider" has a citation noted for the topic. Related but not mandated topics are included in the grid because presentations and other information on related topics were provided to the Work Group to educate and assist members with responding to the mandates.

This table is a work in progress and will need to be revised and supplemented as the Work Group develops its understanding of the topics and concerns to be addressed. Contact LCPR staff to make changes, corrections, or additions.

Work Group Determinations		
Topic to Consider	Information Provided to the Work Group	Determination/Recommendation
Vesting Questions		
Does shortening vesting schedules have any impact on a relief association or SVF fire department's liabilities or funded status? (subd. 3, clause 1)	Spreadsheet of the impact on liabilities, required contributions, and funded ratio of shortening the vesting schedule to 10 years for a subset of relief associations (using 2024 data) Spreadsheet of the impact on liabilities, surplus or deficit, and required municipal contributions of shortening the vesting schedule to 10 years for relief associations that submitted 2025 data as of 9.2026	
What options are available to lessen the impact, if any, on a relief association or SVF fire department's liabilities or funded status due to shortening the vesting schedule? (subd. 3, clause 1)		
Can the overfunding in relief associations and fire department accounts in the SVF cover any liabilities arising from shortening the vesting schedule? (subd. 3, clause 6)		
If shortening the vesting schedule results in an increase in liabilities, what options are available for relief associations or fire department accounts in the SVF that are not overfunded? (subd. 3, clause 6)		
Are there studies or data supporting or critical of the premise that longer vesting	LCPR staff provided the following research on vesting schedules and retention:	

schedules aid retention or recruitment? (subd. 3, clause 2)	• Aaron Goodman, Guillermo Carranza, Fiona Greig, Kelly Hahn, <i>Does 401(k) vesting help retain workers?</i>, VANGUARD (Feb. 2025) • Paul Mulholland, <i>Do Vesting Schedules Enhance Retention</i>, AMERICAN SOCIETY OF PENSION PROFESSIONALS & ACTUARIES (Mar. 3, 2025) • Samantha J. Prince, Timothy G. Azizkhan, Cassidy R. Prince & Luke Gorman, <i>The Effects of 401(k) Vesting Schedules—in Numbers</i>, THE YALE LAW JOURNAL FORUM (Sept. 27, 2024) • Samantha J. Prince, Timothy G. Azizkhan, & Rebecca Hatton, <i>Response to IRS Seeking Comments for Priority Guidance 2025-2026</i> (May 27, 2025)	
What options are available for phasing in a shorter vesting schedule? (subd. 3, clause 7)		
What is the current funding status and vesting schedule for relief associations?	Fire Relief Association Funding and Vesting Data Presentation by Rose Hennessy Allen, Pension Division Director, Office of the State Auditor Email from Rose Hennessy Allen to LCPR staff on 8/20 with the vesting schedules for relief associations organized by the type of plan	

	Graph of Relief Association Members' Length of Service at Termination	
What is the current funding status and vesting schedule for accounts in the SVF Plan?	Statewide Volunteer Fire Fighter Plan Funding and Vesting Data Presentation by Doug Anderson, Executive Director, PERA	

Emergency Medical Provider Questions		
How many fire departments, whether affiliated with a relief association or participating in the SVF, have emergency medical providers who solely perform that function? (subd. 3, clause 3)	Survey results [a link to the survey results will be added when available]	
How many emergency medical providers who solely perform that function are in each fire department? (subd. 3, clause 3)	Survey results [a link to the survey results will be added when available]	
For each fire department that has emergency medical providers solely performing that function, what is the funded status of the affiliated relief association or the fire department's SVF account? (subd. 3, clause 3)	Financial and Investment Report of Fire Relief Associations (2024) 2026 Data Compilation of SVF Plan Annual Funding Reports	
What basis is there, if any, for excluding emergency medical providers from firefighter relief associations and the SVF? (subd. 3, clause 4)		
What options are available for requiring coverage of emergency medical providers? (subd. 3, clause 7)		
Can the overfunding in relief associations and fire department accounts in the SVF cover the cost of providing coverage for		

emergency medical providers? (subd. 3, clause 6)		
If covering emergency medical providers results in an increase in liabilities, what options are available for relief associations or fire department accounts in the SVF that are not overfunded? (subd. 3, clause 6)		
What is the cost of requiring past service credit be provided to emergency medical providers when the providers become members of relief associations that are defined benefit plans or the SVF defined benefit plan? (subd. 3, clause 5)		
What options are available for providing past service credit (that is, as far back as a provider has active service in the fire department or back to 2019) for emergency medical providers who become members of relief associations that are defined benefit plans or the SVF defined benefit plan? (subd. 3, clause 5)		
How are emergency medical services provided in Minnesota?	EMS Overview for Vesting Work Group Presentation by Dylon Ferguon, Director, Office of EMS	

Other Vesting and Eligibility Issues

Are there any other issues related to vesting and eligibility that merit discussion by the work group and inclusion in the recommendations? (subd. 3, clause 8)		
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