

**SENATE  
STATE OF MINNESOTA  
NINETY-FOURTH SESSION**

**S.F. No. 5093**

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DATE	D-PG	OFFICIAL STATUS
04/13/2026	7999	Introduction and first reading Referred to State and Local Government

1.1 A bill for an act

1.2 relating to retirement; revising various retirement statutes to include references to

1.3 the local government probation and telecommunicator retirement plan; amending

1.4 Minnesota Statutes 2024, sections 353.01, subdivisions 16, 37; 353.0141,

1.5 subdivision 1; 353.031, subdivisions 1, 2, 3; 353.15, subdivision 1; 353.27,

1.6 subdivisions 4, 7b, 11, 12, 12a, 12b, 13, 14; 353.30, subdivision 3; 353.33,

1.7 subdivisions 3, 7a, 11; 353.34, subdivisions 1, 3; 353.37, subdivision 5; 353.46,

1.8 subdivision 2; 356.20, subdivision 2; 356.214, subdivision 1; 356.302, subdivisions

1.9 1, 7; 356.303, subdivision 4; 356.315, subdivision 9; 356.32, subdivision 2;

1.10 356.401, subdivision 3; 356.415, subdivision 2; 356.461, subdivision 2; 356.465,

1.11 subdivision 3; 356.47, subdivision 3; 356.48, subdivision 1; 356.611, subdivision

1.12 6; Minnesota Statutes 2025 Supplement, sections 353.01, subdivisions 2a, 2b;

1.13 356.215, subdivision 8.

1.14 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.15 Section 1. Minnesota Statutes 2025 Supplement, section 353.01, subdivision 2a, is amended  
1.16 to read:

1.17 Subd. 2a. **Included employees; mandatory membership.** (a) Any public employee

1.18 whose salary from one governmental subdivision is expected to exceed \$425 in any month

1.19 and who is not specifically excluded under subdivision 2b or has not been provided an

1.20 option to participate under subdivision 2d, whether individually or by action of the

1.21 governmental subdivision, must participate beginning on the employee's first day of

1.22 employment as a member of the association with retirement coverage by the general

1.23 employees retirement plan under this chapter, the public employees police and fire plan

1.24 under this chapter, ~~or~~ the local government correctional employees retirement plan under

1.25 chapter 353E, or the local government probation and telecommunicator retirement plan

1.26 under chapter 353H, whichever applies. For any employee whose salary is not expected to

1.27 exceed \$425 in any month, membership commences on the first day that the employee's

2.1 salary exceeds \$425 and the other eligibility criteria are met. Public employees include but  
2.2 are not limited to:

2.3 (1) persons whose salary meets the threshold in this paragraph from employment in one  
2.4 or more positions within one governmental subdivision;

2.5 (2) elected county sheriffs;

2.6 (3) persons who are appointed, employed, or contracted to perform governmental  
2.7 functions that by law or local ordinance are required of a public officer, including, but not  
2.8 limited to:

2.9 (i) town and city clerk or treasurer;

2.10 (ii) county auditor, treasurer, or recorder;

2.11 (iii) city manager as defined in section 353.028 who does not exercise the option provided  
2.12 under subdivision 2d; or

2.13 (iv) emergency management director, as provided under section 12.25;

2.14 (4) physicians under section 353D.01, subdivision 2, who do not elect public employees  
2.15 defined contribution plan coverage under section 353D.02, subdivision 2;

2.16 (5) full-time employees of the Dakota County Agricultural Society;

2.17 (6) employees of the Red Wing Port Authority who were first employed by the Red  
2.18 Wing Port Authority before May 1, 2011, and who are not excluded employees under  
2.19 subdivision 2b;

2.20 (7) employees of the Seaway Port Authority of Duluth who are not excluded employees  
2.21 under subdivision 2b;

2.22 (8) employees of the Stevens County Housing and Redevelopment Authority who were  
2.23 first employed by the Stevens County Housing and Redevelopment Authority before May  
2.24 1, 2014, and who are not excluded employees under subdivision 2b;

2.25 (9) employees of the Minnesota River Area Agency on Aging who were first employed  
2.26 by a Regional Development Commission before January 1, 2016, and who are not excluded  
2.27 employees under subdivision 2b; and

2.28 (10) employees of the Public Employees Retirement Association.

2.29 (b) A public employee or elected official who was a member of the association on June  
2.30 30, 2002, based on employment that qualified for membership coverage by the public  
2.31 employees retirement plan or the public employees police and fire plan under this chapter,

3.1 or the local government correctional employees retirement plan under chapter 353E as of  
3.2 June 30, 2002, retains that membership for the duration of the person's employment in that  
3.3 position or incumbency in elected office. Except as provided in subdivision 28, the person  
3.4 shall participate as a member until the employee or elected official terminates public  
3.5 employment under subdivision 11a or terminates membership under subdivision 11b.

3.6 (c) If the salary of an included public employee is less than \$425 in any subsequent  
3.7 month, the member retains membership eligibility.

3.8 (d) For the purpose of participation in the general employees retirement plan, public  
3.9 employees include employees who were members of the former Minneapolis Employees  
3.10 Retirement Fund on June 29, 2010.

3.11 Sec. 2. Minnesota Statutes 2025 Supplement, section 353.01, subdivision 2b, is amended  
3.12 to read:

3.13 Subd. 2b. **Excluded employees.** (a) The following public employees are not eligible to  
3.14 participate as members of the association with retirement coverage by the general employees  
3.15 retirement plan, the local government correctional employees retirement plan under chapter  
3.16 353E, ~~or the public employees police and fire plan,~~ or the local government probation and  
3.17 telecommunicator retirement plan under chapter 353H:

3.18 (1) persons whose salary from one governmental subdivision never exceeds or is never  
3.19 expected to exceed \$425 in a month;

3.20 (2) public officers who are elected to a governing body, city mayors, or persons who  
3.21 are appointed to fill a vacancy in an elected office of a governing body, whose term of office  
3.22 commences on or after July 1, 2002, for the service to be rendered in that elected position;

3.23 (3) election judges and persons employed solely to administer elections;

3.24 (4) patient and inmate personnel who perform services for a governmental subdivision;

3.25 (5) except as otherwise specified in subdivision 12a, employees who are employed solely  
3.26 in a temporary position as defined under subdivision 12a, and employees who resign from  
3.27 a nontemporary position and accept a temporary position within 30 days of that resignation  
3.28 in the same governmental subdivision;

3.29 (6) employees who are employed by reason of work emergency caused by fire, flood,  
3.30 storm, or similar disaster, but if the person becomes a probationary or provisional employee  
3.31 within the same pay period, other than on a temporary basis, the person is a "public  
3.32 employee" retroactively to the beginning of the pay period;

4.1 (7) employees who by virtue of their employment in one governmental subdivision are  
4.2 required by law to be a member of and to contribute to any of the plans or funds administered  
4.3 by the Minnesota State Retirement System, the Teachers Retirement Association, or the St.  
4.4 Paul Teachers Retirement Fund Association, but this exclusion must not be construed to  
4.5 prevent a person from being a member of and contributing to the Public Employees  
4.6 Retirement Association and also belonging to and contributing to another public pension  
4.7 plan or fund for other service occurring during the same period of time, and a person who  
4.8 meets the definition of "public employee" in subdivision 2 by virtue of other service occurring  
4.9 during the same period of time becomes a member of the association unless contributions  
4.10 are made to another public retirement plan on the salary based on the other service or to the  
4.11 Teachers Retirement Association by a teacher as defined in section 354.05, subdivision 2;

4.12 (8) persons who are members of a religious order and are excluded from coverage under  
4.13 the federal Old Age, Survivors, Disability, and Health Insurance Program for the performance  
4.14 of service as specified in United States Code, title 42, section 410(a)(8)(A), as amended, if  
4.15 no irrevocable election of coverage has been made under section 3121(r) of the Internal  
4.16 Revenue Code of 1954, as amended;

4.17 (9) persons who are:

4.18 (i) employed by a governmental subdivision who have not reached the age of 23 and  
4.19 who are enrolled on a full-time basis to attend or are attending classes on a full-time basis  
4.20 at an accredited school, college, or university in an undergraduate, graduate, or  
4.21 professional-technical program, or at a public or charter high school;

4.22 (ii) employed as resident physicians, medical interns, pharmacist residents, or pharmacist  
4.23 interns and are serving in a degree or residency program in a public hospital or in a public  
4.24 clinic; or

4.25 (iii) students who are serving for a period not to exceed five years in an internship or a  
4.26 residency program that is sponsored by a governmental subdivision, including an accredited  
4.27 educational institution;

4.28 (10) persons who hold a part-time adult supplementary technical college license who  
4.29 render part-time teaching service in a technical college;

4.30 (11) for the first three years of employment, foreign citizens who are employed by a  
4.31 governmental subdivision, except that the following foreign citizens must be considered  
4.32 included employees under subdivision 2a:

4.33 (i) H-1B, H-1B1, and E-3 status holders;

- 5.1 (ii) employees of Hennepin County or Hennepin Healthcare System, Inc.;
- 5.2 (iii) employees legally authorized to work in the United States for three years or more;
- 5.3 and
- 5.4 (iv) employees otherwise required to participate under federal law;
- 5.5 (12) public hospital employees who elected not to participate as members of the
- 5.6 association before 1972 and who did not elect to participate from July 1, 1988, to October
- 5.7 1, 1988;
- 5.8 (13) volunteer ambulance service personnel, as defined in subdivision 35, but persons
- 5.9 who serve as volunteer ambulance service personnel may still qualify as public employees
- 5.10 under subdivision 2 and may be members of the Public Employees Retirement Association
- 5.11 and participants in the general employees retirement plan or the public employees police
- 5.12 and fire plan, whichever applies, on the basis of compensation received from public
- 5.13 employment service other than service as volunteer ambulance service personnel;
- 5.14 (14) except as provided in section 353.87, volunteer firefighters, as defined in subdivision
- 5.15 36, engaging in activities undertaken as part of volunteer firefighter duties, but a person
- 5.16 who is a volunteer firefighter may still qualify as a public employee under subdivision 2
- 5.17 and may be a member of the Public Employees Retirement Association and a participant
- 5.18 in the general employees retirement plan or the public employees police and fire plan,
- 5.19 whichever applies, on the basis of compensation received from public employment activities
- 5.20 other than those as a volunteer firefighter;
- 5.21 (15) employees in the building and construction trades, as follows:
- 5.22 (i) pipefitters and associated trades personnel employed by Independent School District
- 5.23 No. 625, St. Paul, with coverage under a collective bargaining agreement by the pipefitters
- 5.24 local 455 pension plan who were either first employed after May 1, 1997, or, if first employed
- 5.25 before May 2, 1997, elected to be excluded under Laws 1997, chapter 241, article 2, section
- 5.26 12;
- 5.27 (ii) electrical workers, plumbers, carpenters, and associated trades personnel employed
- 5.28 by Independent School District No. 625, St. Paul, or the city of St. Paul, with coverage
- 5.29 under a collective bargaining agreement by the electrical workers local 110 pension plan,
- 5.30 the plumbers local 34 pension plan, or the carpenters local 322 pension plan who were either
- 5.31 first employed after May 1, 2000, or, if first employed before May 2, 2000, elected to be
- 5.32 excluded under Laws 2000, chapter 461, article 7, section 5;

6.1 (iii) bricklayers, allied craftworkers, cement masons, glaziers, glassworkers, painters,  
6.2 allied tradesworkers, and plasterers employed by the city of St. Paul or Independent School  
6.3 District No. 625, St. Paul, with coverage under a collective bargaining agreement by the  
6.4 bricklayers and allied craftworkers local 1 pension plan, the cement masons local 633  
6.5 pension plan, the glaziers and glassworkers local 1324 pension plan, the painters and allied  
6.6 trades local 61 pension plan, or the plasterers local 265 pension plan who were either first  
6.7 employed after May 1, 2001, or if first employed before May 2, 2001, elected to be excluded  
6.8 under Laws 2001, First Special Session chapter 10, article 10, section 6;

6.9 (iv) plumbers employed by the Metropolitan Airports Commission, with coverage under  
6.10 a collective bargaining agreement by the plumbers local 34 pension plan, who were either  
6.11 first employed after May 1, 2001, or if first employed before May 2, 2001, elected to be  
6.12 excluded under Laws 2001, First Special Session chapter 10, article 10, section 6;

6.13 (v) electrical workers or pipefitters employed by the Minneapolis Park and Recreation  
6.14 Board, with coverage under a collective bargaining agreement by the electrical workers  
6.15 local 292 pension plan or the pipefitters local 539 pension plan, who were first employed  
6.16 before May 2, 2015, and elected to be excluded under Laws 2015, chapter 68, article 11,  
6.17 section 5;

6.18 (vi) laborers and associated trades personnel employed by the city of St. Paul or  
6.19 Independent School District No. 625, St. Paul, who are designated as temporary employees  
6.20 with coverage under a collective bargaining agreement by a multiemployer plan as defined  
6.21 in section 356.27, subdivision 1, who were either first employed on or after June 1, 2018,  
6.22 or if first employed before June 1, 2018, elected to be excluded under Laws 2018, chapter  
6.23 211, article 16, section 13; and

6.24 (vii) employees who are trades employees as defined in section 356.27, subdivision 1,  
6.25 first hired on or after July 1, 2020, by the city of St. Paul or Independent School District  
6.26 No. 625, St. Paul, except for any trades employee for whom contributions are made under  
6.27 section 356.24, subdivision 1, clause (8), (9), or (10), by either employer to a multiemployer  
6.28 plan as defined in section 356.27, subdivision 1;

6.29 (16) employees who are hired after June 30, 2002, solely to fill seasonal positions under  
6.30 subdivision 12b which are limited in duration by the employer to a period of six months or  
6.31 less in each year of employment with the governmental subdivision;

6.32 (17) persons who are provided supported employment or work-study positions by a  
6.33 governmental subdivision and who participate in an employment or industries program  
6.34 maintained for the benefit of these persons where the governmental subdivision limits the

7.1 position's duration to up to five years, including persons participating in a federal or state  
 7.2 subsidized on-the-job training, work experience, senior citizen, youth, or unemployment  
 7.3 relief program where the training or work experience is not provided as a part of, or for,  
 7.4 future permanent public employment;

7.5 (18) independent contractors and the employees of independent contractors;

7.6 (19) reemployed annuitants of the association during the course of that reemployment;

7.7 (20) persons appointed to serve on a board or commission of a governmental subdivision  
 7.8 or an instrumentality thereof;

7.9 (21) persons employed as full-time fixed-route bus drivers by the St. Cloud Metropolitan  
 7.10 Transit Commission who are members of the International Brotherhood of Teamsters Local  
 7.11 638 and who are, by virtue of that employment, members of the International Brotherhood  
 7.12 of Teamsters Central States pension plan; and

7.13 (22) persons employed by the Duluth Transit Authority or any subdivision thereof who  
 7.14 are members of the Teamsters General Local Union 346 and who are, by virtue of that  
 7.15 employment, members of the Central States Southeast and Southwest Areas Pension Fund.

7.16 (b) Any person performing the duties of a public officer in a position defined in  
 7.17 subdivision 2a, paragraph (a), clause (3), is not an independent contractor and is not an  
 7.18 employee of an independent contractor.

7.19 Sec. 3. Minnesota Statutes 2024, section 353.01, subdivision 16, is amended to read:

7.20 Subd. 16. **Allowable service; limits and computation.** (a) "Allowable service" means:

7.21 (1) service during years of actual membership in the course of which employee deductions  
 7.22 were withheld from salary and contributions were made at the applicable rates under section  
 7.23 353.27, 353.65, ~~or 353E.03~~, or 353H.04;

7.24 (2) periods of service covered by payments in lieu of salary deductions under sections  
 7.25 353.27, subdivisions 12 and 12a, and 353.35;

7.26 (3) service in years during which the public employee was not a member but for which  
 7.27 the member later elected, while a member, to obtain credit by making payments to the fund  
 7.28 as permitted by any law then in effect;

7.29 (4) a period of authorized leave of absence during which the employee receives pay as  
 7.30 specified in subdivision 10, paragraph (a), clause (4) or (5), from which deductions for  
 7.31 employee contributions are made, deposited, and credited to the fund;

8.1 (5) a period of authorized leave of absence without pay, or with pay that is not included  
8.2 in the definition of salary under subdivision 10, paragraph (a), clause (4) or (5), for which  
8.3 salary deductions are not authorized, and for which a member obtained service credit for  
8.4 up to 12 months of the authorized leave period by payment under section 353.0162, to the  
8.5 fund made in place of salary deductions;

8.6 (6) an authorized temporary or seasonal layoff under subdivision 12, limited to three  
8.7 months allowable service per authorized temporary or seasonal layoff in one calendar year.  
8.8 An employee who has received the maximum service credit allowed for an authorized  
8.9 temporary or seasonal layoff must return to public service and must obtain a minimum of  
8.10 three months of allowable service subsequent to the layoff in order to receive allowable  
8.11 service for a subsequent authorized temporary or seasonal layoff;

8.12 (7) a period of uniformed services leave purchased under section 353.014;

8.13 (8) a period of military service purchased under section 353.0141; or

8.14 (9) a period of reduced salary purchased under section 353.0162.

8.15 (b) No member may receive more than 12 months of allowable service credit in a year  
8.16 either for vesting purposes or for benefit calculation purposes.

8.17 (c) For an active member who was an active member of the former Minneapolis  
8.18 Firefighters Relief Association on December 29, 2011, "allowable service" is the period of  
8.19 service credited by the Minneapolis Firefighters Relief Association as reflected in the  
8.20 transferred records of the association up to December 30, 2011, and the period of service  
8.21 credited under paragraph (a), clause (1), after December 30, 2011. For an active member  
8.22 who was an active member of the former Minneapolis Police Relief Association on December  
8.23 29, 2011, "allowable service" is the period of service credited by the Minneapolis Police  
8.24 Relief Association as reflected in the transferred records of the association up to December  
8.25 30, 2011, and the period of service credited under paragraph (a), clause (1), after December  
8.26 30, 2011.

8.27 Sec. 4. Minnesota Statutes 2024, section 353.01, subdivision 37, is amended to read:

8.28 Subd. 37. **Normal retirement age.** (a) "Normal retirement age" means age 65 for a  
8.29 person who first became a public employee or a member of a pension fund listed in section  
8.30 356.30, subdivision 3, clause (6), before July 1, 1989. For a person who first becomes a  
8.31 public employee after June 30, 1989, "normal retirement age" means the higher of age 65  
8.32 or "retirement age," as defined in United States Code, title 42, section 416(l), as amended,  
8.33 but not to exceed age 66.

9.1 (b) "Normal retirement age" means age 55 for a person who is a member of a pension  
9.2 fund listed in section 356.30, subdivision 3, clauses (7) and (8).

9.3 (c) "Normal retirement age" means the age stated in section 353H.01, subdivision 6, for  
9.4 a member of the local government probation and telecommunicator retirement plan.

9.5 Sec. 5. Minnesota Statutes 2024, section 353.0141, subdivision 1, is amended to read:

9.6 Subdivision 1. **Service credit purchase authorized.** (a) Unless prohibited under  
9.7 paragraph (b), a member is eligible to purchase allowable service credit, not to exceed five  
9.8 cumulative years of allowable service credit, for one or more periods of service in the  
9.9 uniformed services, as defined in United States Code, title 38, section 4303(13), if:

9.10 (1) the member has at least three years of allowable service credit with the general  
9.11 employees retirement plan, the local government correctional employees retirement plan  
9.12 under chapter 353E, ~~or~~ the public employees police and fire retirement plan, or the local  
9.13 government probation and telecommunicator retirement plan under chapter 353H;

9.14 (2) the member's current period of employment is at least six months; and

9.15 (3) one of the following applies:

9.16 (i) the member's service in the uniformed services occurred before becoming a public  
9.17 employee as defined in section 353.01, subdivision 2; or

9.18 (ii) the member failed to obtain service credit for a uniformed services leave of absence  
9.19 under section 353.01, subdivision 16, paragraph (a), clause (8).

9.20 (b) A service credit purchase is prohibited if:

9.21 (1) the member separated from service in the uniformed services with a dishonorable  
9.22 or bad conduct discharge or under other than honorable conditions; or

9.23 (2) the member has purchased or otherwise received service credit from any Minnesota  
9.24 public employee pension plan for the same period of service in the uniformed services.

9.25 (c) When purchasing a period of service, if the period of service in the uniformed services  
9.26 is one year or less, then the member must purchase the full period of service. If the period  
9.27 of service in the uniformed services is longer than one year, the member may purchase the  
9.28 full period, not to exceed five cumulative years, or may purchase a portion of the period of  
9.29 service. If a member wishes to purchase a portion of the period of service, the portion must:

9.30 (1) not be less than one year; and

9.31 (2) be in increments of six months of service.

10.1 Sec. 6. Minnesota Statutes 2024, section 353.031, subdivision 1, is amended to read:

10.2 Subdivision 1. **Application.** (a) This section applies to all disability determinations for  
10.3 the public employees general fund, the public employees police and fire fund, ~~and~~ the local  
10.4 government correctional service retirement plan, and the local government probation and  
10.5 telecommunicator retirement plan, and any other disability determination subject to approval  
10.6 by the board, except as otherwise specified in section 353.032, 353.33, 353.656, or 353E.05.  
10.7 These requirements and the requirements of section 353.03, subdivision 3, are in addition  
10.8 to the specific requirements of each plan and govern in the event there is any conflict between  
10.9 these sections and the procedures specific to any of those plans under section 353.33,  
10.10 353.656, ~~or~~ 353E.06, or 353H.06.

10.11 (b) Notwithstanding any law to the contrary, an employee, as defined in section 353.032,  
10.12 subdivision 1, clause (2), who applies for a duty disability benefit based on a psychological  
10.13 condition, as defined in section 353.032, subdivision 1, clause (7), is not eligible for duty  
10.14 disability benefits under this chapter until the employee has satisfied the additional procedure,  
10.15 including all completion of treatment requirements under section 353.032.

10.16 Sec. 7. Minnesota Statutes 2024, section 353.031, subdivision 2, is amended to read:

10.17 Subd. 2. **Plan document policy statement.** Disability determinations for the public  
10.18 employees general fund and the local government probation and telecommunicator retirement  
10.19 plan must be made subject to section 353.01, subdivision 19; and for the police and fire  
10.20 plan and the local government correctional service retirement plan must be made consistent  
10.21 with the legislative policy and intent set forth in section 353.63.

10.22 Sec. 8. Minnesota Statutes 2024, section 353.031, subdivision 3, is amended to read:

10.23 Subd. 3. **Procedure to determine eligibility; generally.** (a) Every claim for a disability  
10.24 benefit must be initiated in writing on an application form and in the manner prescribed by  
10.25 the executive director and filed with the executive director. To be valid, an application for  
10.26 disability benefits must be made within 18 months following termination of public service  
10.27 as defined under section 353.01, subdivision 11a, and include the required application form  
10.28 and the medical reports required by paragraph (c).

10.29 (b) All medical reports must support a finding that the disability arose before the employee  
10.30 was placed on any paid or unpaid leave of absence or terminated public service, as defined  
10.31 under section 353.01, subdivision 11a.

11.1 (c) An applicant for disability shall provide a detailed report signed by a licensed medical  
11.2 doctor and at least one additional report signed by a medical doctor, psychiatrist, psychologist,  
11.3 APRN, or chiropractor. The applicant must authorize the release of all medical and health  
11.4 care evidence, including all medical records and relevant information from any source, to  
11.5 support the application for initial, or the continuing payment of, disability benefits.

11.6 (d) All reports must contain an opinion regarding the applicant's prognosis, the duration  
11.7 of the disability, and the expectations for improvement. Any report that does not contain  
11.8 and support a finding that the disability will last for at least one year may not be relied upon  
11.9 to support eligibility for benefits.

11.10 (e) Where the medical evidence supports the expectation that at some point in time the  
11.11 applicant will no longer be disabled, any decision granting disability may provide for a  
11.12 termination date upon which disability can be expected to no longer exist. In the event a  
11.13 termination date is made part of the decision granting benefits, prior to the actual termination  
11.14 of benefits, the applicant shall have the opportunity to show that the disabling condition for  
11.15 which benefits were initially granted continues. In the event the benefits terminate in  
11.16 accordance with the original decision, the applicant may petition for review under section  
11.17 356.96 or may reapply for disability in accordance with these procedures and section 353.33,  
11.18 353.656, or 353E.06, as applicable.

11.19 (f) Upon receipt of a valid application, the executive director must notify the employer.  
11.20 No later than 30 days after receiving the notification, the employer must provide a report  
11.21 to the executive director indicating that there is no available work that the applicant can  
11.22 perform in the applicant's disabled condition and that all reasonable accommodations have  
11.23 been considered. Upon request of the executive director, an employer shall provide evidence  
11.24 of the steps the employer has taken to attempt to provide reasonable accommodations and  
11.25 continued employment to the applicant. The employer shall also provide a certification of  
11.26 the applicant's past public service; the dates of any paid sick leave, vacation, or any other  
11.27 employer-paid salary continuation plan beyond the last working day; and whether or not  
11.28 any sick or annual leave has been allowed.

11.29 (g) An applicant who is placed on leave of absence without compensation because of a  
11.30 disability is not barred from receiving a disability benefit.

11.31 (h) An applicant for disability benefits may file a retirement annuity application under  
11.32 section 353.29, subdivision 4, simultaneously with an application for disability benefits. If  
11.33 the application for disability benefits is approved, the retirement annuity application is  
11.34 canceled. If disability benefits are denied, the retirement annuity application must be

12.1 processed upon the request of the applicant. No member of the general employees retirement  
 12.2 plan, the police and fire plan, ~~or~~ the local government correctional service retirement plan,  
 12.3 or the local government probation and telecommunicator retirement plan may receive a  
 12.4 disability benefit and a retirement annuity simultaneously from the same plan.

12.5 Sec. 9. Minnesota Statutes 2024, section 353.15, subdivision 1, is amended to read:

12.6 Subdivision 1. **Exemption.** The provisions of section 356.401 apply to the general  
 12.7 employees retirement plan, ~~to~~ the public employees police and fire retirement plan, ~~and to~~  
 12.8 the local government correctional service retirement plan, and the local government probation  
 12.9 and telecommunicator retirement plan.

12.10 Sec. 10. Minnesota Statutes 2024, section 353.27, subdivision 4, is amended to read:

12.11 Subd. 4. **Employer reporting requirements; contributions; member status.** (a) A  
 12.12 representative authorized by the head of each department must deduct employee contributions  
 12.13 from the salary of each public employee who qualifies for membership in the general  
 12.14 employees retirement plan or the public employees police and fire retirement plan under  
 12.15 this chapter, the public employees defined contribution plan under chapter 353D, ~~or~~ the  
 12.16 local government correctional service retirement plan under chapter 353E, or the local  
 12.17 government probation and telecommunicator retirement plan under chapter 353H at the rate  
 12.18 under section 353.27, 353.65, 353D.03, ~~or~~ 353E.03, or 353H.04, whichever is applicable,  
 12.19 that is in effect on the date the salary is paid. The employer representative must also remit  
 12.20 payment in a manner prescribed by the executive director for the aggregate amount of the  
 12.21 employee contributions and the required employer contributions to be received by the  
 12.22 association within 14 calendar days after each pay date. If the payment is less than the  
 12.23 amount required, the employer must pay the shortage amount to the association and collect  
 12.24 reimbursement of any employee contribution shortage paid on behalf of a member through  
 12.25 subsequent payroll withholdings from the wages of the employee. Payment of shortages in  
 12.26 employee contributions and associated employer contributions, if applicable, must include  
 12.27 interest at the rate specified in section 353.28, subdivision 5, if not received within 30 days  
 12.28 following the date the amount was initially due under this section.

12.29 (b) The head of each department or the person's designee shall submit for each pay period  
 12.30 to the association a salary deduction report in the format prescribed by the executive director.  
 12.31 The report must be received by the association within 14 calendar days after each pay date  
 12.32 or the employer may be assessed a fine of \$5 per calendar day until the association receives

13.1 the required data. Data required as part of salary deduction reporting must include, but are  
13.2 not limited to:

13.3 (1) the legal names and Social Security numbers of employees who are members;

13.4 (2) the amount of each employee's salary deduction;

13.5 (3) the amount of salary defined in section 353.01, subdivision 10, earned in the pay  
13.6 period from which each deduction was made, including a breakdown of the portion of the  
13.7 salary that represents overtime pay that the employee was paid for additional hours worked  
13.8 beyond the regularly scheduled hours, pay for unused compensatory time, and the salary  
13.9 amount earned by a reemployed annuitant under section 353.37, subdivision 1, or 353.371,  
13.10 subdivision 1, or by a disabled member under section 353.33, subdivision 7 or 7a;

13.11 (4) the beginning and ending dates of the payroll period covered and the date of actual  
13.12 payment; and

13.13 (5) adjustments or corrections covering past pay periods as authorized by the executive  
13.14 director.

13.15 (c) Employers must furnish the data required for enrollment for each new or reinstated  
13.16 employee who qualifies for membership in the general employees retirement plan, the public  
13.17 employees police and fire retirement plan, the public employees defined contribution plan,  
13.18 ~~or the local government correctional service retirement plan,~~ or the local government  
13.19 probation and telecommunicator retirement plan in the format prescribed by the executive  
13.20 director. The required enrollment data on new members must be submitted to the association  
13.21 prior to or concurrent with the submission of the initial employee salary deduction. Also,  
13.22 the employer shall report to the association all member employment status changes, such  
13.23 as leaves of absence, terminations, and death, and shall report the effective dates of those  
13.24 changes, on an ongoing basis for the payroll cycle in which they occur. If an employer fails  
13.25 to comply with the reporting requirements under this paragraph, the executive director may  
13.26 assess a fine of \$25 for each failure if the association staff has notified the employer of the  
13.27 noncompliance and attempted to obtain the missing data or form from the employer for a  
13.28 period of more than three months.

13.29 (d) The employer shall furnish data, forms, and reports as may be required by the  
13.30 executive director for proper administration of the retirement system. Before implementing  
13.31 new or different computerized reporting requirements, the executive director shall give  
13.32 appropriate advance notice to governmental subdivisions to allow time for system  
13.33 modifications.

14.1 (e) Notwithstanding paragraph (a), the executive director may provide for less frequent  
14.2 reporting and payments for small employers.

14.3 (f) The executive director may establish reporting procedures and methods as required  
14.4 to review compliance by employers with the salary and contribution reporting requirements  
14.5 in this chapter. A review of the payroll records of a participating employer may be conducted  
14.6 by the association on a periodic basis or as a result of concerns known to exist within a  
14.7 governmental subdivision. An employer under review must extract requested data and  
14.8 provide records to the association after receiving reasonable advanced notice. Failure to  
14.9 provide requested information or materials will result in the employer being liable to the  
14.10 association for any expenses associated with a field audit, which may include staff salaries,  
14.11 administrative expenses, and travel expenses.

14.12 Sec. 11. Minnesota Statutes 2024, section 353.27, subdivision 7b, is amended to read:

14.13 Subd. 7b. **Recovery of overpayments.** (a) In the event the executive director determines  
14.14 that an overpaid annuity or benefit from the general employees retirement plan of the Public  
14.15 Employees Retirement Association, the public employees police and fire retirement plan,  
14.16 ~~or the local government correctional employees retirement plan, or the local government~~  
14.17 probation and telecommunicator retirement plan is the result of invalid salary included in  
14.18 the average salary used to calculate the payment amount must be recovered, the association  
14.19 must determine the amount of the employee deductions taken in error on the invalid salary,  
14.20 with interest determined in the manner provided for a former member under subdivision 7,  
14.21 paragraph (e), clause (2), item (i), and must subtract that amount from the total annuity or  
14.22 benefit overpayment, and the remaining balance of the overpaid annuity or benefit, if any,  
14.23 must be recovered.

14.24 (b) If the invalid employee deductions plus interest exceed the amount of the overpaid  
14.25 benefits, the balance must be refunded to the person to whom the benefit or annuity is being  
14.26 paid.

14.27 (c) Any invalid employer contributions reported on the invalid salary must be credited  
14.28 to the employer as provided in subdivision 7, paragraph (e).

14.29 (d) If a member or former member, who is receiving a retirement annuity or disability  
14.30 benefit for which an overpayment is being recovered, dies before recovery of the overpayment  
14.31 is completed and a joint and survivor optional annuity is payable, the remaining balance of  
14.32 the overpaid annuity or benefit must continue to be recovered from the payment to the  
14.33 optional annuity beneficiary.

15.1 (e) If the association finds that a refund has been overpaid to a former member,  
 15.2 beneficiary or other person, the amount of the overpayment must be recovered for the benefit  
 15.3 of the respective retirement fund or account.

15.4 (f) The board of trustees shall adopt policies directing the period of time and manner  
 15.5 for the collection of any overpaid retirement or optional annuity, and survivor or disability  
 15.6 benefit, or a refund that the executive director determines must be recovered as provided  
 15.7 under this section.

15.8 Sec. 12. Minnesota Statutes 2024, section 353.27, subdivision 11, is amended to read:

15.9 Subd. 11. **Employers; required to furnish requested information.** (a) All governmental  
 15.10 subdivisions shall furnish promptly such other information relative to the employment status  
 15.11 of all employees or former employees, including, but not limited to, payroll abstracts  
 15.12 pertaining to all past and present employees, as may be requested by the executive director,  
 15.13 including schedules of salaries applicable to various categories of employment.

15.14 (b) In the event payroll abstract records have been lost or destroyed, for whatever reason  
 15.15 or in whatever manner, so that such schedules of salaries cannot be furnished therefrom,  
 15.16 the employing governmental subdivision, in lieu thereof, shall furnish to the association an  
 15.17 estimate of the earnings of any employee or former employee for any period as may be  
 15.18 requested by the executive director. If the association is provided a schedule of estimated  
 15.19 earnings, the executive director is authorized to use the same as a basis for making whatever  
 15.20 computations might be necessary for determining obligations of the employee and employer  
 15.21 to the general employees retirement plan, the public employees police and fire retirement  
 15.22 plan, ~~or the local government correctional employees retirement plan, or the local government~~  
 15.23 probation and telecommunicator retirement plan. If estimates are not furnished by the  
 15.24 employer at the request of the executive director, the executive director may estimate the  
 15.25 obligations of the employee and employer to the general employees retirement fund, the  
 15.26 public employees police and fire retirement plan, ~~or the local government correctional~~  
 15.27 employees retirement plan, or the local government probation and telecommunicator  
 15.28 retirement plan based upon those records that are in its possession.

15.29 Sec. 13. Minnesota Statutes 2024, section 353.27, subdivision 12, is amended to read:

15.30 Subd. 12. **Omitted salary deductions; obligations.** (a) In the case of omission of  
 15.31 required deductions for the general employees retirement plan, the public employees police  
 15.32 and fire retirement plan, ~~or the local government correctional employees retirement plan,~~  
 15.33 or the local government probation and telecommunicator retirement plan from the salary

16.1 of an employee, the department head or designee shall immediately, upon discovery, report  
16.2 the employee for membership and deduct the employee deductions under subdivision 4  
16.3 during the current pay period or during the pay period immediately following the discovery  
16.4 of the omission. Payment for the omitted obligations may only be made in accordance with  
16.5 reporting procedures and methods established by the executive director.

16.6 (b) When the entire omission period of an employee does not exceed 60 days, the  
16.7 governmental subdivision may report and submit payment of the omitted employee  
16.8 deductions and the omitted employer contributions through the reporting processes under  
16.9 subdivision 4.

16.10 (c) When the omission period of an employee exceeds 60 days, the governmental  
16.11 subdivision shall furnish to the association sufficient data and documentation upon which  
16.12 the obligation for omitted employee and employer contributions can be calculated. The  
16.13 omitted employee deductions must be deducted from the employee's subsequent salary  
16.14 payment or payments and remitted to the association for deposit in the applicable retirement  
16.15 fund. The employee shall pay omitted employee deductions due for the 60 days prior to the  
16.16 end of the last pay period in the omission period during which salary was earned. The  
16.17 employer shall pay any remaining omitted employee deductions and any omitted employer  
16.18 contributions, plus interest at the applicable rate or rates specified in section 356.59,  
16.19 subdivision 3, compounded annually, from the date or dates each omitted employee  
16.20 contribution was first payable.

16.21 (d) An employer shall not hold an employee liable for omitted employee deductions  
16.22 beyond the pay period dates under paragraph (c), nor attempt to recover from the employee  
16.23 those employee deductions paid by the employer on behalf of the employee. Omitted  
16.24 deductions due under paragraph (c) which are not paid by the employee constitute a liability  
16.25 of the employer that failed to deduct the omitted deductions from the employee's salary.  
16.26 The employer shall make payment with interest at the applicable rate or rates specified in  
16.27 section 356.59, subdivision 3, compounded annually. Omitted employee deductions are no  
16.28 longer due if an employee terminates public service before making payment of omitted  
16.29 employee deductions to the association, but the employer remains liable to pay omitted  
16.30 employer contributions plus interest at the applicable rate or rates specified in section 356.59,  
16.31 subdivision 3, compounded annually, from the date the contributions were first payable.

16.32 (e) The association may not commence action for the recovery of omitted employee  
16.33 deductions and employer contributions after the expiration of three calendar years after the  
16.34 calendar year in which the contributions and deductions were omitted. Except as provided  
16.35 under paragraph (b), no payment may be made or accepted unless the association has already

17.1 commenced action for recovery of omitted deductions. An action for recovery commences  
17.2 on the date of the mailing of any written correspondence from the association requesting  
17.3 information from the governmental subdivision upon which to determine whether or not  
17.4 omitted deductions occurred.

17.5 Sec. 14. Minnesota Statutes 2024, section 353.27, subdivision 12a, is amended to read:

17.6 Subd. 12a. **Terminated employees: omitted deductions.** A terminated employee who  
17.7 was a member of the general employees retirement plan of the Public Employees Retirement  
17.8 Association, the public employees police and fire retirement plan, ~~or~~ the local government  
17.9 correctional employees retirement plan, or the local government probation and  
17.10 telecommunicator retirement plan and who has a period of employment in which previously  
17.11 omitted employer contributions were made under subdivision 12 but for whom no, or only  
17.12 partial, omitted employee contributions have been made, or a member who had prior coverage  
17.13 in the association for which previously omitted employer contributions were made under  
17.14 subdivision 12 but who terminated service before required omitted employee deductions  
17.15 could be withheld from salary, may pay the omitted employee deductions for the period on  
17.16 which omitted employer contributions were previously paid plus interest at the applicable  
17.17 rate or rates specified in section 356.59, subdivision 3, compounded annually. A terminated  
17.18 employee may pay the omitted employee deductions plus interest within six months of an  
17.19 initial notification from the association of eligibility to pay those omitted deductions. If a  
17.20 terminated employee is reemployed in a position covered under a public pension fund under  
17.21 section 356.30, subdivision 3, and elects to pay omitted employee deductions, payment  
17.22 must be made no later than six months after a subsequent termination of public service.

17.23 Sec. 15. Minnesota Statutes 2024, section 353.27, subdivision 12b, is amended to read:

17.24 Subd. 12b. **Terminated employees: immediate eligibility.** If deductions were omitted  
17.25 from salary adjustments or final salary of a terminated employee who was a member of the  
17.26 general employees retirement plan, the public employees police and fire retirement plan,  
17.27 ~~or~~ the local government correctional employees retirement plan, or the local government  
17.28 probation and telecommunicator retirement plan and who is immediately eligible to draw  
17.29 a monthly benefit, the employer shall pay the omitted employer and employer additional  
17.30 contributions plus interest on both the employer and employee amounts due at the applicable  
17.31 rate or rates specified in section 356.59, subdivision 3, compounded annually. The employee  
17.32 shall pay the employee deductions within six months of an initial notification from the  
17.33 association of eligibility to pay omitted deductions or the employee forfeits the right to  
17.34 make the payment.

18.1 Sec. 16. Minnesota Statutes 2024, section 353.27, subdivision 13, is amended to read:

18.2 Subd. 13. **Certain warrants canceled.** A warrant payable from the general employees  
18.3 retirement fund, the public employees police and fire retirement fund, ~~or~~ the local government  
18.4 correctional retirement fund, or the local government probation and telecommunicator  
18.5 retirement fund remaining unpaid for a period of six months must be canceled into the  
18.6 applicable retirement fund and not canceled into the state's general fund.

18.7 Sec. 17. Minnesota Statutes 2024, section 353.27, subdivision 14, is amended to read:

18.8 Subd. 14. **Periods before initial coverage date.** (a) If an entity is determined to be a  
18.9 governmental subdivision due to receipt of a written notice of eligibility from the association  
18.10 with respect to the general employees retirement plan, the public employees police and fire  
18.11 retirement plan, ~~or~~ the local government correctional retirement plan, or the local government  
18.12 probation and telecommunicator retirement plan, that employer and its employees are subject  
18.13 to the requirements of subdivision 12, effective retroactively to the date that the executive  
18.14 director of the association determines that the entity first met the definition of a governmental  
18.15 subdivision, if that date predates the notice of eligibility.

18.16 (b) If the retroactive time period under paragraph (a) exceeds three years, an employee  
18.17 is authorized to purchase service credit in the applicable Public Employees Retirement  
18.18 Association plan for the portion of the period in excess of three years, by making payment  
18.19 under section 356.551. Notwithstanding any provision of section 356.551, subdivision 2,  
18.20 to the contrary, regarding time limits on purchases, payment of a service credit purchase  
18.21 amount may be made anytime before the termination of public service.

18.22 (c) This subdivision does not apply if the applicable employment under paragraph (a)  
18.23 included coverage by any public or private defined benefit or defined contribution retirement  
18.24 plan, other than a firefighters relief association. If this paragraph applies, an individual is  
18.25 prohibited from purchasing service credit from a Public Employees Retirement Association  
18.26 plan for any period or periods specified in paragraph (a).

18.27 Sec. 18. Minnesota Statutes 2024, section 353.30, subdivision 3, is amended to read:

18.28 Subd. 3. **Optional retirement annuity forms.** (a) The board of trustees shall establish  
18.29 optional annuities which shall take the form of a joint and survivor annuity. Except as  
18.30 provided in subdivision 3a, the optional annuity forms shall be actuarially equivalent to the  
18.31 forms provided in section 353.29 and subdivisions 1, 1a, 1b, 1c, and 5 or section 353H.05,  
18.32 subdivisions 1 and 3. In establishing those optional forms, the board shall obtain the written  
18.33 recommendation of the actuary retained under section 356.214. The recommendations shall

19.1 be a part of the permanent records of the board. A member or former member may select  
19.2 an optional form of annuity, subject to the provisions of section 356.46, in lieu of accepting  
19.3 any other form of annuity which might otherwise be available.

19.4 (b) For purposes of computing a joint and survivor annuity, the investment return  
19.5 assumption specified in section 356.461 must be used rather than the investment return  
19.6 specified in section 356.215, subdivision 8.

19.7 Sec. 19. Minnesota Statutes 2024, section 353.33, subdivision 3, is amended to read:

19.8 Subd. 3. **Computation of benefits.** (a) This disability benefit is an amount equal to the  
19.9 normal annuity payable to a member who has reached normal retirement age with the same  
19.10 number of years of allowable service and the same average salary, as provided in ~~section~~  
19.11 sections 353.01, subdivision 17a, and section 353.29, subdivision 3, or 353H.05, subdivision  
19.12 1, for members of the local government probation and telecommunicator retirement plan.

19.13 (b) A basic member shall receive a supplementary monthly benefit of \$25 to age 65 or  
19.14 the five-year anniversary of the effective date of the disability benefit, whichever is later.

19.15 (c) If the disability benefits under this subdivision exceed the average salary as defined  
19.16 in section 353.01, subdivision 17a, the disability benefits must be reduced to an amount  
19.17 equal to the average salary.

19.18 Sec. 20. Minnesota Statutes 2024, section 353.33, subdivision 7a, is amended to read:

19.19 Subd. 7a. **Trial work period.** (a) This subdivision applies only to the Public Employees  
19.20 Retirement Association general employees retirement plan and local government probation  
19.21 and telecommunicator retirement plan.

19.22 (b) If, following a work or non-work-related injury or illness, a member receiving  
19.23 disability benefits attempts to return to work for the member's previous public employer or  
19.24 attempts to return to a similar position with another public employer, on a full-time or less  
19.25 than full-time basis, the association must continue paying the disability benefit for a period  
19.26 not to exceed six months. The disability benefit must continue in an amount that, when  
19.27 added to the subsequent employment earnings, does not exceed the base monthly salary the  
19.28 member had been receiving at the date of disability or the base monthly salary rate currently  
19.29 paid for similar positions, whichever is higher.

19.30 (c) No deductions for the general employees retirement plan may be taken from the  
19.31 salary of a disabled person who is attempting to return to work under this provision unless  
19.32 the member waives further disability benefits.

20.1 (d) A member only may return to employment and continue disability benefit payments  
20.2 once while receiving disability benefits from the general employees retirement plan.

20.3 Sec. 21. Minnesota Statutes 2024, section 353.33, subdivision 11, is amended to read:

20.4 Subd. 11. **Coordinated member disabilitant transfer to retirement status.** The  
20.5 disability benefits paid to a coordinated member must terminate when the person reaches  
20.6 normal retirement age. If the coordinated member is still totally and permanently disabled  
20.7 upon attaining normal retirement age, the coordinated member is deemed to be on retirement  
20.8 status. If an optional annuity is elected under subdivision 3a, the coordinated member shall  
20.9 receive an annuity under the terms of the optional annuity previously elected, or, if an  
20.10 optional annuity is not elected under subdivision 3a, the coordinated member may elect to  
20.11 receive a normal retirement annuity under section 353.29 or 353H.05 or an annuity equal  
20.12 to the disability benefit paid before the coordinated member reaches normal retirement age,  
20.13 whichever amount is greater, or elect to receive an optional annuity under section 353.30,  
20.14 subdivision 3. The annuity of a disabled coordinated member who attains normal retirement  
20.15 age must be computed under the law in effect upon attainment of normal retirement age.  
20.16 Election of an optional annuity must be made before the coordinated member attains normal  
20.17 retirement age. If an optional annuity is elected, the election is effective on the date on  
20.18 which the person attains normal retirement age and the optional annuity begins to accrue  
20.19 on the first day of the month next following the month in which the person attains that age.

20.20 Sec. 22. Minnesota Statutes 2024, section 353.34, subdivision 1, is amended to read:

20.21 Subdivision 1. **Refund or deferred annuity.** (a) A former member is entitled to either  
20.22 a refund of accumulated employee deductions under subdivision 2, or to a deferred annuity  
20.23 under subdivision 3. Application for a refund may not be made before the date of termination  
20.24 of public service. A refund must be paid within 120 days following receipt of the application  
20.25 unless the applicant has again become a public employee required to be covered by the  
20.26 association.

20.27 (b) If an individual was placed on layoff under section 353.01, subdivision 12 or 12c, a  
20.28 refund is not payable before termination of service under section 353.01, subdivision 11a.

20.29 (c) An individual who terminates public service covered by the Public Employees  
20.30 Retirement Association general employees retirement plan, except members of the former  
20.31 Minneapolis Employees Retirement Fund under section 353.01, subdivision 2b, paragraph  
20.32 (d), the Public Employees Retirement Association police and fire retirement plan, ~~or~~ the  
20.33 public employees local government correctional service retirement plan, or the local

21.1 government probation and telecommunicator retirement plan, and who is employed by a  
 21.2 different employer and who becomes an active member covered by one of the other two  
 21.3 plans, may receive a refund of employee contributions plus annual compound interest from  
 21.4 the plan from which the member terminated service at the applicable rate specified in  
 21.5 subdivision 2.

21.6 (d) Refunds payable to members of the former Minneapolis Employees Retirement Fund  
 21.7 under section 353.01, subdivision 2a, paragraph (d), are governed by Minnesota Statutes  
 21.8 2008, chapter 422A.

21.9 Sec. 23. Minnesota Statutes 2024, section 353.34, subdivision 3, is amended to read:

21.10 Subd. 3. **Deferred annuity; eligibility; computation.** (a) A member who is partially  
 21.11 or 100 percent vested under section 353.01, subdivision 47, or 353H.01, subdivision 12, when  
 21.12 termination of public service or termination of membership occurs has the option of leaving  
 21.13 the member's accumulated deductions in the fund and being entitled to a deferred retirement  
 21.14 annuity commencing at normal retirement age or to a deferred early retirement annuity  
 21.15 under section 353.30, subdivision 1a, 1b, 1c, or 5, or 353H.05, subdivision 3.

21.16 (b) The deferred annuity must be computed under section 353.29, subdivision 3, or  
 21.17 353H.05, subdivision 1, on the basis of the law in effect on the date of termination of public  
 21.18 service or termination of membership, whichever is later, and, if the later of termination of  
 21.19 public service or termination of membership is on or before December 31, 2011, the deferred  
 21.20 annuity must be augmented as provided in paragraphs (c) to (e).

21.21 (c) The deferred annuity of any former member must be augmented from the first day  
 21.22 of the month following the termination of active service, or July 1, 1971, whichever is later,  
 21.23 to the effective date of retirement or, if earlier, December 31, 2018.

21.24 (d) For a person who became a public employee before July 1, 2006, and who has a  
 21.25 termination of public service before January 1, 2012, the deferred annuity must be augmented  
 21.26 at the following rate or rates, compounded annually:

21.27 (1) five percent until January 1, 1981;

21.28 (2) three percent from January 1, 1981, until January 1 of the year following the year in  
 21.29 which the former member attains age 55 or December 31, 2011, whichever is earlier;

21.30 (3) five percent from January 1 of the year following the year in which the former member  
 21.31 attains age 55, or December 31, 2011, whichever is earlier;

21.32 (4) one percent from January 1, 2012, until December 31, 2018; and

22.1 (5) after December 31, 2018, the deferred annuity must not be augmented.

22.2 (e) For a person who became a public employee after June 30, 2006, and who has a  
22.3 termination of public service before January 1, 2012, the deferred annuity must be augmented  
22.4 at the following rate or rates, compounded annually:

22.5 (1) 2.5 percent until December 31, 2011;

22.6 (2) one percent from January 1, 2012, until December 31, 2018; and

22.7 (3) after December 31, 2018, the deferred annuity must not be augmented.

22.8 (f) For a person who has a termination of public service after December 31, 2011, the  
22.9 deferred annuity must not be augmented.

22.10 (g) The retirement annuity or disability benefit of, or the survivor benefit payable on  
22.11 behalf of, a former member who terminated service before July 1, 1997, or the survivor  
22.12 benefit payable on behalf of a basic or police and fire member who was receiving disability  
22.13 benefits before July 1, 1997, which is first payable after June 30, 1997, must be increased  
22.14 on an actuarial equivalent basis to reflect the change in the investment return actuarial  
22.15 assumption under section 356.215, subdivision 8, from five percent to six percent under a  
22.16 calculation procedure and tables adopted by the board and approved by the actuary retained  
22.17 under section 356.214.

22.18 (h) A former member qualified to apply for a deferred retirement annuity may revoke  
22.19 this option at any time before the commencement of deferred annuity payments by making  
22.20 application for a refund. The person is entitled to a refund of accumulated member  
22.21 contributions within 30 days following date of receipt of the application by the executive  
22.22 director.

22.23 Sec. 24. Minnesota Statutes 2024, section 353.37, subdivision 5, is amended to read:

22.24 Subd. 5. **Effect on annuity.** Except as provided under this section, public service  
22.25 performed by an annuitant described in subdivision 1, paragraph (a), subsequent to retirement  
22.26 from the general employees retirement plan, the public employees police and fire retirement  
22.27 plan, ~~or the local government correctional employees retirement plan,~~ or the local government  
22.28 probation and telecommunicator retirement plan does not increase or decrease the amount  
22.29 of an annuity. The annuitant shall not make any further contributions to a defined benefit  
22.30 plan administered by the association by reason of this subsequent public service.

23.1 Sec. 25. Minnesota Statutes 2024, section 353.46, subdivision 2, is amended to read:

23.2 Subd. 2. **Rights of deferred annuitant.** (a) The entitlement of a deferred annuitant or  
23.3 other former member of the general employees retirement plan of the Public Employees  
23.4 Retirement Association, the public employees police and fire retirement plan, ~~or~~ the local  
23.5 government correctional employees retirement plan, or the local government probation and  
23.6 telecommunicator retirement plan to receive an annuity under the law in effect at the time  
23.7 the person terminated public service is preserved.

23.8 (b) The entitlement of a deferred annuitant or former member of the Minneapolis  
23.9 Employees Retirement Fund, upon merger with the general employees retirement plan of  
23.10 the Public Employees Retirement Association, continues under the provisions of Minnesota  
23.11 Statutes 2008, section 422A.16.

23.12 Sec. 26. Minnesota Statutes 2024, section 356.20, subdivision 2, is amended to read:

23.13 Subd. 2. **Covered public pension plans and funds.** This section applies to the following  
23.14 public pension plans:

23.15 (1) the general state employees retirement plan of the Minnesota State Retirement System;

23.16 (2) the general employees retirement plan of the Public Employees Retirement  
23.17 Association;

23.18 (3) the Teachers Retirement Association;

23.19 (4) the State Patrol retirement plan;

23.20 (5) the St. Paul Teachers Retirement Fund Association;

23.21 (6) the University of Minnesota faculty retirement plan;

23.22 (7) the University of Minnesota faculty supplemental retirement plan;

23.23 (8) the judges retirement fund;

23.24 (9) the Bloomington Fire Department Relief Association;

23.25 (10) a firefighters relief association governed by section 424A.091;

23.26 (11) the public employees police and fire plan of the Public Employees Retirement  
23.27 Association;

23.28 (12) the correctional state employees retirement plan of the Minnesota State Retirement  
23.29 System;

24.1 (13) the local government correctional service retirement plan of the Public Employees  
24.2 Retirement Association; ~~and~~

24.3 (14) the statewide volunteer firefighter plan; and

24.4 (15) the local government probation and telecommunicator retirement plan of the Public  
24.5 Employees Retirement Association.

24.6 Sec. 27. Minnesota Statutes 2024, section 356.214, subdivision 1, is amended to read:

24.7 Subdivision 1. **Actuary retention.** (a) The governing board or managing or administrative  
24.8 official of each public pension plan and retirement fund or plan enumerated in paragraph  
24.9 (b) shall contract with an established actuarial consulting firm to conduct annual actuarial  
24.10 valuations and related services. The principal from the actuarial consulting firm on the  
24.11 contract must be an approved actuary under section 356.215, subdivision 1, paragraph (c).

24.12 (b) Actuarial services must include the preparation of actuarial valuations and related  
24.13 actuarial work for the following retirement plans:

24.14 (1) the teachers retirement plan, Teachers Retirement Association;

24.15 (2) the general state employees retirement plan, Minnesota State Retirement System;

24.16 (3) the correctional employees retirement plan, Minnesota State Retirement System;

24.17 (4) the State Patrol retirement plan, Minnesota State Retirement System;

24.18 (5) the judges retirement plan, Minnesota State Retirement System;

24.19 (6) the general employees retirement plan, Public Employees Retirement Association;

24.20 (7) the public employees police and fire plan, Public Employees Retirement Association;

24.21 (8) the St. Paul teachers retirement plan, St. Paul Teachers Retirement Fund Association;

24.22 (9) the legislators retirement plan, Minnesota State Retirement System; ~~and~~

24.23 (10) the local government correctional service retirement plan, Public Employees  
24.24 Retirement Association; and

24.25 (11) the local government probation and telecommunicator retirement plan, Public  
24.26 Employees Retirement Association.

24.27 (c) The actuarial valuation for the legislators retirement plan must include a separate  
24.28 calculation of total plan actuarial accrued liabilities due to constitutional officer coverage  
24.29 under section 3A.17.

25.1 (d) The contracts must require completion of the annual actuarial valuation calculations  
25.2 on a fiscal year basis, with the contents of the actuarial valuation calculations as specified  
25.3 in section 356.215, and in conformity with the standards for actuarial work adopted by the  
25.4 Legislative Commission on Pensions and Retirement.

25.5 The contracts must require completion of annual experience data collection and processing  
25.6 and a quadrennial published experience study for the plans listed in paragraph (b), clauses  
25.7 (1), (2), and (6), as provided for in the standards for actuarial work adopted by the  
25.8 commission. The experience data collection, processing, and analysis must evaluate the  
25.9 following:

25.10 (1) individual salary progression;

25.11 (2) the rate of return on investments based on the current asset value;

25.12 (3) payroll growth;

25.13 (4) mortality;

25.14 (5) retirement age;

25.15 (6) withdrawal; and

25.16 (7) disablement.

25.17 (e) The actuary shall annually prepare a report to the governing or managing board or  
25.18 administrative official and the legislature, summarizing the results of the actuarial valuation  
25.19 calculations. The actuary shall include with the report any recommendations concerning  
25.20 the appropriateness of the support rates to achieve proper funding of the retirement plans  
25.21 by the required funding dates. The actuary shall, as part of the quadrennial experience study,  
25.22 include recommendations on the appropriateness of the actuarial valuation assumptions  
25.23 required for evaluation in the study.

25.24 (f) If the actuarial gain and loss analysis in the actuarial valuation calculations indicates  
25.25 a persistent pattern of sizable gains or losses, the governing or managing board or  
25.26 administrative official shall direct the actuary to prepare a special experience study for a  
25.27 plan listed in paragraph (b), clause (3), (4), (5), (7), (8), (9), or (10), in the manner provided  
25.28 for in the standards for actuarial work adopted by the commission.

25.29 Sec. 28. Minnesota Statutes 2025 Supplement, section 356.215, subdivision 8, is amended  
25.30 to read:

25.31 Subd. 8. **Actuarial assumptions.** (a) The actuarial valuation must use the applicable  
25.32 following investment return assumption:

	plan	investment return assumption
26.1		
26.2		
26.3	general state employees retirement plan	7%
26.4	correctional state employees retirement plan	7
26.5	State Patrol retirement plan	7
26.6	legislators retirement plan, and for the	0
26.7	constitutional officers calculation of total plan	
26.8	liabilities	
26.9	judges retirement plan	7
26.10	general public employees retirement plan	7
26.11	public employees police and fire retirement plan	7
26.12	local government correctional service retirement	7
26.13	plan	
26.14	<u>local government probation and telecommunicator</u>	<u>7</u>
26.15	<u>retirement plan</u>	
26.16	teachers retirement plan	7
26.17	St. Paul teachers retirement plan	7
26.18	Bloomington Fire Department Relief Association	6
26.19	local monthly benefit volunteer firefighter relief	5
26.20	associations	
26.21	monthly benefit retirement plans in the statewide	6
26.22	volunteer firefighter retirement plan	

26.23 (b) The actuarial valuation for each of the covered retirement plans listed in section  
 26.24 356.415, subdivision 2, and the St. Paul Teachers Retirement Fund Association must take  
 26.25 into account the postretirement adjustment rate or rates applicable to the plan as specified  
 26.26 in section 354A.29, subdivision 7, or 356.415, whichever applies.

26.27 (c) The actuarial valuation must use the applicable salary increase and payroll growth  
 26.28 assumptions found in the appendix to the standards for actuarial work. The appendix must  
 26.29 be updated whenever new assumptions have been approved or deemed approved under  
 26.30 subdivision 18.

26.31 (d) The assumptions set forth in the appendix to the standards for actuarial work continue  
 26.32 to apply, unless a different salary assumption or a different payroll increase assumption:

26.33 (1) has been proposed by the governing board of the applicable retirement plan;

26.34 (2) is accompanied by the concurring recommendation of the actuary retained under  
 26.35 section 356.214, subdivision 1, if applicable, or by the approved actuary preparing the most  
 26.36 recent actuarial valuation report if section 356.214 does not apply; and

26.37 (3) has been approved or deemed approved under subdivision 18.

27.1 Sec. 29. Minnesota Statutes 2024, section 356.302, subdivision 1, is amended to read:

27.2 Subdivision 1. **Definitions.** (a) The terms used in this section are defined in this  
27.3 subdivision.

27.4 (b) "Average salary" means the highest average of covered salary for the appropriate  
27.5 period of credited service that is required for the calculation of a disability benefit by the  
27.6 covered retirement plan and that is drawn from any period of credited service and successive  
27.7 years of covered salary in a covered retirement plan.

27.8 (c) "Covered retirement plan" or "plan" means a retirement plan listed in subdivision 7.

27.9 (d) "Duty-related" means a disabling illness or injury that occurred while the person was  
27.10 actively engaged in employment duties or that arose out of the person's active employment  
27.11 duties.

27.12 (e) "General employee retirement plan" means a covered retirement plan listed in  
27.13 subdivision 7, clauses (1) to ~~(6) and (11)~~ (5), (10), and (11).

27.14 (f) "Occupationally disabled" means the condition of having a medically determinable  
27.15 physical or mental impairment that makes a person unable to satisfactorily perform the  
27.16 minimum requirements of the person's employment position or a substantially similar  
27.17 employment position.

27.18 (g) "Public safety employee retirement plan" means a covered retirement plan listed in  
27.19 subdivision 7, clauses ~~(7) (6)~~ to ~~(10) (9)~~.

27.20 (h) "Totally and permanently disabled" means the condition of having a medically  
27.21 determinable physical or mental impairment that makes a person unable to engage in any  
27.22 substantial gainful activity and that is expected to continue or has continued for a period of  
27.23 at least one year or that is expected to result directly in the person's death.

27.24 Sec. 30. Minnesota Statutes 2024, section 356.302, subdivision 7, is amended to read:

27.25 Subd. 7. **Covered retirement plans.** This section applies to the following retirement  
27.26 plans:

27.27 (1) the general state employees retirement plan of the Minnesota State Retirement System,  
27.28 established by chapter 352;

27.29 (2) the unclassified state employees retirement program of the Minnesota State Retirement  
27.30 System, established by chapter 352D;

- 28.1 (3) the general employees retirement plan of the Public Employees Retirement  
 28.2 Association, established by chapter 353;
- 28.3 (4) the Teachers Retirement Association, established by chapter 354;
- 28.4 (5) the St. Paul Teachers Retirement Fund Association, established by chapter 354A;
- 28.5 (6) the state correctional employees retirement plan of the Minnesota State Retirement  
 28.6 System, established by chapter 352;
- 28.7 (7) the State Patrol retirement plan, established by chapter 352B;
- 28.8 (8) the public employees police and fire plan of the Public Employees Retirement  
 28.9 Association, established by chapter 353;
- 28.10 (9) the local government correctional service retirement plan of the Public Employees  
 28.11 Retirement Association, established by chapter 353E; ~~and~~
- 28.12 (10) the judges retirement plan, established by chapter 490.; and
- 28.13 (11) the local government probation and telecommunicator retirement plan of the Public  
 28.14 Employees Retirement Association, established by chapter 353H.

28.15 Sec. 31. Minnesota Statutes 2024, section 356.303, subdivision 4, is amended to read:

28.16 Subd. 4. **Covered retirement plans.** This section applies to the following retirement  
 28.17 plans:

- 28.18 (1) the legislators retirement plan, established by chapter 3A;
- 28.19 (2) the general state employees retirement plan of the Minnesota State Retirement System,  
 28.20 established by chapter 352;
- 28.21 (3) the correctional state employees retirement plan of the Minnesota State Retirement  
 28.22 System, established by chapter 352;
- 28.23 (4) the State Patrol retirement plan, established by chapter 352B;
- 28.24 (5) the elective state officers retirement plan, established by chapter 352C;
- 28.25 (6) the unclassified state employees retirement program, established by chapter 352D;
- 28.26 (7) the general employees retirement plan of the Public Employees Retirement  
 28.27 Association, established by chapter 353;
- 28.28 (8) the public employees police and fire plan of the Public Employees Retirement  
 28.29 Association, established by chapter 353;

29.1 (9) the local government correctional service retirement plan of the Public Employees  
29.2 Retirement Association, established by chapter 353E;

29.3 (10) the Teachers Retirement Association, established by chapter 354;

29.4 (11) the St. Paul Teachers Retirement Fund Association, established by chapter 354A;

29.5 ~~and~~

29.6 (12) the judges retirement fund, established by chapter 490.; and

29.7 (13) the local government probation and telecommunicator retirement plan of the Public  
29.8 Employees Retirement Association, established by chapter 353H.

29.9 Sec. 32. Minnesota Statutes 2024, section 356.315, subdivision 9, is amended to read:

29.10 Subd. 9. **Future benefit accrual rate increases.** After January 2, 1998, benefit accrual  
29.11 rate increases under section 352.115, subdivision 3; 352.87, subdivision 3; 352.93,  
29.12 subdivision 3; 352.95, subdivision 1; 352B.08, subdivision 2; 352B.10, subdivision 1;  
29.13 353.29, subdivision 3; 353.651, subdivision 3; 353.656, subdivision 1, 1a, or 3a; 353E.04,  
29.14 subdivision 3; 353E.06, subdivision 1; 353H.05, subdivision 1; 354.44, subdivision 6;  
29.15 354A.31, subdivision 4 or 4a; 356.30, subdivision 1; 490.121, subdivision 22; or 490.124,  
29.16 subdivision 1, must apply only to allowable service or formula service rendered after the  
29.17 effective date of the benefit accrual rate increase.

29.18 Sec. 33. Minnesota Statutes 2024, section 356.32, subdivision 2, is amended to read:

29.19 Subd. 2. **Covered retirement plans.** The provisions of this section apply to the following  
29.20 retirement plans:

29.21 (1) the general state employees retirement plan of the Minnesota State Retirement System,  
29.22 established under chapter 352;

29.23 (2) the correctional state employees retirement plan of the Minnesota State Retirement  
29.24 System, established under chapter 352;

29.25 (3) the State Patrol retirement plan, established under chapter 352B;

29.26 (4) the general employees retirement plan of the Public Employees Retirement  
29.27 Association, established under chapter 353;

29.28 (5) the public employees police and fire plan of the Public Employees Retirement  
29.29 Association, established under chapter 353;

30.1 (6) the local government correctional service retirement plan of the Public Employees  
30.2 Retirement Association, established under chapter 353E;

30.3 (7) the Teachers Retirement Association, established under chapter 354; ~~and~~

30.4 (8) the St. Paul Teachers Retirement Fund Association, established under chapter 354A;  
30.5 and

30.6 (9) the local government probation and telecommunicator retirement plan of the Public  
30.7 Employees Retirement Association, established under chapter 353H.

30.8 Sec. 34. Minnesota Statutes 2024, section 356.401, subdivision 3, is amended to read:

30.9 Subd. 3. **Covered retirement plans.** The provisions of this section apply to the following  
30.10 retirement plans:

30.11 (1) the legislators retirement plan, established by chapter 3A, including constitutional  
30.12 officers as specified in that chapter;

30.13 (2) the general state employees retirement plan of the Minnesota State Retirement System,  
30.14 established by chapter 352;

30.15 (3) the correctional state employees retirement plan of the Minnesota State Retirement  
30.16 System, established by chapter 352;

30.17 (4) the State Patrol retirement plan, established by chapter 352B;

30.18 (5) the unclassified state employees retirement program, established by chapter 352D;

30.19 (6) the general employees retirement plan of the Public Employees Retirement  
30.20 Association, established by chapter 353;

30.21 (7) the public employees police and fire plan of the Public Employees Retirement  
30.22 Association, established by chapter 353;

30.23 (8) the public employees defined contribution plan, established by chapter 353D;

30.24 (9) the local government correctional service retirement plan of the Public Employees  
30.25 Retirement Association, established by chapter 353E;

30.26 (10) the statewide lump-sum volunteer firefighter plan, established by chapter 353G;

30.27 (11) the Teachers Retirement Association, established by chapter 354;

30.28 (12) the St. Paul Teachers Retirement Fund Association, established by chapter 354A;

30.29 (13) the individual retirement account plan, established by chapter 354B;

31.1 (14) the higher education supplemental retirement plan, established by chapter 354C;

31.2 ~~and~~

31.3 (15) the judges retirement fund, established by chapter 490-; and

31.4 (16) the local government probation and telecommunicator retirement plan of the Public

31.5 Employees Retirement Association, established by chapter 353H.

31.6 Sec. 35. Minnesota Statutes 2024, section 356.415, subdivision 2, is amended to read:

31.7 Subd. 2. **Covered retirement plans.** The provisions of this section apply to the following  
31.8 retirement plans:

31.9 (1) the legislators retirement plan, established under chapter 3A, including constitutional  
31.10 officers as specified in that chapter;

31.11 (2) the correctional state employees retirement plan of the Minnesota State Retirement  
31.12 System, established under chapter 352;

31.13 (3) the general state employees retirement plan of the Minnesota State Retirement System,  
31.14 established under chapter 352;

31.15 (4) the State Patrol retirement plan, established under chapter 352B;

31.16 (5) the general employees retirement plan of the Public Employees Retirement  
31.17 Association, established under chapter 353;

31.18 (6) the public employees police and fire retirement plan of the Public Employees  
31.19 Retirement Association, established under chapter 353;

31.20 (7) the local government correctional employees retirement plan of the Public Employees  
31.21 Retirement Association, established under chapter 353E;

31.22 (8) the teachers retirement plan, established under chapter 354; ~~and~~

31.23 (9) the judges retirement plan, established under chapter 490-; and

31.24 (10) the local government probation and telecommunicator retirement plan of the Public  
31.25 Employees Retirement Association, established under chapter 353H.

31.26 Sec. 36. Minnesota Statutes 2024, section 356.461, subdivision 2, is amended to read:

31.27 Subd. 2. **Covered plans.** This section applies to the following retirement plans:

31.28 (1) the legislators retirement plan, established under chapter 3A, including constitutional  
31.29 officers as specified in that chapter;

- 32.1 (2) the correctional state employees retirement plan of the Minnesota State Retirement  
 32.2 System, established under chapter 352;
- 32.3 (3) the general state employees retirement plan of the Minnesota State Retirement System,  
 32.4 established under chapter 352;
- 32.5 (4) the State Patrol retirement plan, established under chapter 352B;
- 32.6 (5) the unclassified state employees retirement program of the Minnesota State Retirement  
 32.7 System, established under chapter 352D;
- 32.8 (6) the judges retirement plan, established under chapter 490;
- 32.9 (7) the general employees retirement plan of the Public Employees Retirement  
 32.10 Association, established under chapter 353;
- 32.11 (8) the public employees police and fire retirement plan of the Public Employees  
 32.12 Retirement Association, established under chapter 353;
- 32.13 (9) the local government correctional service retirement plan of the Public Employees  
 32.14 Retirement Association, established under chapter 353E; ~~and~~
- 32.15 (10) the Teachers Retirement Association, established under chapter 354; and
- 32.16 (11) the local government probation and telecommunicator retirement plan of the Public  
 32.17 Employees Retirement Association, established under chapter 353H.

32.18 Sec. 37. Minnesota Statutes 2024, section 356.465, subdivision 3, is amended to read:

32.19 Subd. 3. **Covered retirement plans.** The provisions of this section apply to the following  
 32.20 retirement plans:

- 32.21 (1) the general state employees retirement plan of the Minnesota State Retirement System,  
 32.22 established under chapter 352;
- 32.23 (2) the correctional state employees retirement plan of the Minnesota State Retirement  
 32.24 System, established under chapter 352;
- 32.25 (3) the State Patrol retirement plan, established under chapter 352B;
- 32.26 (4) the legislators retirement plan, established under chapter 3A;
- 32.27 (5) the judges retirement plan, established under chapter 490;
- 32.28 (6) the general employees retirement plan of the Public Employees Retirement  
 32.29 Association, established under chapter 353;

33.1 (7) the public employees police and fire plan of the Public Employees Retirement  
33.2 Association, established under chapter 353;

33.3 (8) the teachers retirement plan, established under chapter 354;

33.4 (9) the St. Paul Teachers Retirement Fund Association, established under chapter 354A;

33.5 ~~and~~

33.6 (10) the local government correctional service retirement plan of the Public Employees  
33.7 Retirement Association, established under chapter 353E; and

33.8 (11) the local government probation and telecommunicator retirement plan of the Public  
33.9 Employees Retirement Association, established under chapter 353H.

33.10 Sec. 38. Minnesota Statutes 2024, section 356.47, subdivision 3, is amended to read:

33.11 Subd. 3. **Payment.** (a) Beginning one year after the reemployment withholding period  
33.12 ends relating to the reemployment that gave rise to the limitation, and the filing of a written  
33.13 application, the retired member is entitled to the payment, in a lump sum, of the value of  
33.14 the person's amount under subdivision 2, plus annual compound interest. For the general  
33.15 state employees retirement plan, the correctional state employees retirement plan, the general  
33.16 employees retirement plan of the Public Employees Retirement Association, the public  
33.17 employees police and fire retirement plan, the local government correctional employees  
33.18 retirement plan, the local government probation and telecommunicator retirement plan, and  
33.19 the teachers retirement plan, the annual interest rate is six percent from the date on which  
33.20 the amount was deducted from the retirement annuity to the date of payment or until January  
33.21 1, 2011, whichever is earlier, and no interest after January 1, 2011. For the St. Paul Teachers  
33.22 Retirement Fund Association, the annual interest is the rate of six percent from the date that  
33.23 the amount was deducted from the retirement annuity to the date of payment or June 30,  
33.24 2011, whichever is earlier, and with no interest accrual after June 30, 2011.

33.25 (b) The written application must be on a form prescribed by the chief administrative  
33.26 officer of the applicable retirement plan.

33.27 (c) If the retired member dies before the payment provided for in paragraph (a) is made,  
33.28 the amount is payable, upon written application, to the deceased person's surviving spouse,  
33.29 or if none, to the deceased person's designated beneficiary, or if none, to the deceased  
33.30 person's estate.

33.31 (d) If the amount under subdivision 2 is an eligible rollover distribution as defined in  
33.32 section 356.633, subdivision 1, paragraph (d), the applicable retirement plan shall provide  
33.33 notice and an election:

34.1 (1) to the member regarding the member's right to elect a direct rollover under section  
34.2 356.633, subdivisions 1 and 2, in lieu of a direct payment; or

34.3 (2) if paragraph (c) applies and the amount is to be paid to a person who is a distributee  
34.4 as defined in section 356.633, subdivision 1, paragraph (b), to the distributee regarding the  
34.5 distributee's right to elect a direct rollover under section 356.633, subdivisions 1 and 2, in  
34.6 lieu of a direct payment.

34.7 Sec. 39. Minnesota Statutes 2024, section 356.48, subdivision 1, is amended to read:

34.8 Subdivision 1. **Covered plans.** This section applies to the following retirement plans:

34.9 (1) the general state employees retirement plan of the Minnesota State Retirement System,  
34.10 established under chapter 352;

34.11 (2) the correctional state employees retirement plan of the Minnesota State Retirement  
34.12 System, established under chapter 352;

34.13 (3) the State Patrol retirement plan, established under chapter 352B;

34.14 (4) the unclassified state employees retirement program of the Minnesota State Retirement  
34.15 System, established under chapter 352D;

34.16 (5) the general employee retirement plan of the Public Employees Retirement Association,  
34.17 established under chapter 353;

34.18 (6) the public employees police and fire retirement plan, established under chapter 353;

34.19 (7) the local government correctional employees retirement plan of the Public Employees  
34.20 Retirement Association, established under chapter 353E;

34.21 (8) the Teachers Retirement Association, established under chapter 354;

34.22 (9) the St. Paul Teachers Retirement Fund Association, established under chapter 354A;

34.23 ~~and~~

34.24 (10) the uniform judicial retirement plan, established under chapter 490; and

34.25 (11) the local government probation and telecommunicator retirement plan of the Public  
34.26 Employees Retirement Association, established under chapter 353H.

34.27 Sec. 40. Minnesota Statutes 2024, section 356.611, subdivision 6, is amended to read:

34.28 Subd. 6. **Covered retirement plan.** As used in this section, "covered retirement plan"  
34.29 means any of the following plans:

- 35.1 (1) the legislator's retirement plan, established by chapter 3A, including constitutional  
35.2 officers as specified in that chapter;
- 35.3 (2) the general state employees retirement plan of the Minnesota State Retirement System,  
35.4 established by chapter 352;
- 35.5 (3) the correctional state employees retirement plan of the Minnesota State Retirement  
35.6 System, established by chapter 352;
- 35.7 (4) the State Patrol retirement plan, established by chapter 352B;
- 35.8 (5) the unclassified state employees retirement plan, established by chapter 352D;
- 35.9 (6) the general employees retirement plan of the Public Employees Retirement  
35.10 Association, established by chapter 353;
- 35.11 (7) the public employees police and fire retirement plan of the Public Employees  
35.12 Retirement Association, established by chapter 353;
- 35.13 (8) the public employees defined contribution plan, established by chapter 353D;
- 35.14 (9) the local government correctional service retirement plan of the Public Employees  
35.15 Retirement Association, established by chapter 353E;
- 35.16 (10) the statewide volunteer firefighter retirement plan, established by chapter 353G;
- 35.17 (11) the Teachers Retirement Association, established by chapter 354;
- 35.18 (12) the St. Paul Teachers Retirement Fund Association, established by chapter 354A;
- 35.19 (13) the higher education individual retirement account plan, established by chapter  
35.20 354B;
- 35.21 (14) the higher education supplemental retirement plan, established by chapter 354C;
- 35.22 (15) a retirement plan of a volunteer firefighter retirement association subject to chapter  
35.23 424A;
- 35.24 (16) the judges retirement plan, established by chapter 490; ~~or~~
- 35.25 (17) the Bloomington Fire Department Relief Association governed by Laws 2013,  
35.26 chapter 111, article 5, sections 31 to 42; Minnesota Statutes 2000, chapter 424; and Laws  
35.27 1965, chapter 446, as amended; or
- 35.28 (18) the local government probation and telecommunicator retirement plan of the Public  
35.29 Employees Retirement Association, established under chapter 353H.

36.1 Sec. 41. **EFFECTIVE DATE.**

36.2 Sections 1 to 40 are effective upon enactment in the 2026 regular or special session of  
36.3 a bill styled as H.F. No. .../S.F. No. ..., also referred to as revisor number ..., section ..., or  
36.4 its equivalent.