

356.465 SUPPLEMENTAL NEEDS TRUST AS OPTIONAL ANNUITY FORM RECIPIENT.

Subdivision 1. **Inclusion as recipient.** A retiring member may designate a qualified supplemental needs trust under subdivision 2 as the remainder recipient on an optional retirement annuity form for a period not to exceed the lifetime of the beneficiary of the supplemental needs trust.

Subd. 2. **Definition of qualified supplemental needs trust.** A qualified supplemental needs trust is a trust that:

(1) was established on or after July 1, 1992;

(2) was established solely for the benefit of one person who has a disability under federal Social Security Administration Supplemental Security Income or retirement, survivors, and disability insurance disability determination standards and who was determined as such before the creation of the trust;

(3) is funded, in whole or in part, by the primary recipient of the optional annuity form and, unless the trust is a Zebley trust, is not funded by the beneficiary, the beneficiary's spouse, or a person who is required to pay a sum to or for the trust beneficiary under the terms of litigation or a litigation settlement;

(4) is established to cover reasonable living expenses and other basic needs of the disablitant, in whole or in part, in instances when public assistance does not provide sufficiently for these needs;

(5) is not permitted to make disbursement to replace or reduce public assistance otherwise available;

(6) is irrevocable;

(7) terminates upon the death of the disabled person for whose benefit it was established; and

(8) is determined by the executive director to be a trust that contains excluded assets for purposes of the qualification for public entitlement benefits under the applicable federal and state laws and regulations.

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

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

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

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

(4) the legislators retirement plan established under chapter 3A;

(5) the judges retirement plan established under chapter 490;

(6) the general employees retirement plan of the Public Employees Retirement Association established under chapter 353, including the MERF division of the Public Employees Retirement Association;

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

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

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

(10) the local government correctional service retirement plan of the Public Employees Retirement Association established under chapter 353E.

[See Note.]

Subd. 4. **Expanded eligibility.** (a) Notwithstanding subdivision 1, for a retirement plan specified in paragraph (b), a designation under subdivision 1 may be made by an active, disabled, deferred, or retiring member.

(b) The applicable plan is the Teachers Retirement Association established under chapter 354.

History: 2002 c 392 art 11 s 36; 2006 c 277 art 3 s 41; 2009 c 169 art 4 s 41,42; 2010 c 359 art 12 s 34; 1Sp2011 c 8 art 6 s 19; art 7 s 19; art 8 s 9,14; 2014 c 296 art 6 s 42,49

NOTE: The amendment to subdivision 3 by Laws 2014, chapter 296, article 6, section 42, is effective June 30, 2015. Laws 2014, chapter 296, article 6, section 49.