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State of Minnesota

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HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 2950

- 03/16/2023 Authored by Her; Wolgamott; Nelson, M.; Berg and Cha
The bill was read for the first time and referred to the Committee on State and Local Government Finance and Policy
- 03/27/2023 Adoption of Report: Placed on the General Register as Amended
Read for the Second Time
- 04/21/2023 Calendar for the Day
Read for the Third Time
- 05/15/2023 Passed by the House and transmitted to the Senate
Passed by the Senate as Amended and returned to the House
The House concurred in the Senate Amendments
Read Third Time as Amended by the Senate
Bill was repassed as Amended by the Senate

1.1 A bill for an act

1.2 relating to retirement; making administrative changes to the statutes governing the

1.3 retirement plans administered by the Minnesota State Retirement System, the

1.4 Public Employees Retirement Association, and the Teachers Retirement

1.5 Association; amending eligibility to permit appointed local government officials

1.6 to participate in the public employees defined contribution plan; permitting the

1.7 transfer of service credit from the general public employees retirement plan to the

1.8 public employees police and fire retirement plan for two employees of the

1.9 Metropolitan Airports Commission; permitting eligible retired teachers in the St.

1.10 Paul Teachers Retirement Fund Association to change the teacher's retirement

1.11 annuity to an annuity that will pay a survivor annuity to a same-sex spouse;

1.12 authorizing certain members of the higher education individual retirement account

1.13 plan to elect Teachers Retirement Association coverage and receive retroactive

1.14 service credit; extending the payment period for the purchase of service credit for

1.15 periods of military service; increasing the cap on the employer contribution to

1.16 certain trades' multiemployer pension plans; Public Employees Retirement

1.17 Association statewide volunteer firefighter plan; modifying service counted in

1.18 determining vesting in a retirement benefit, amending requirements applicable to

1.19 a relief association after the affiliated fire department joins the statewide plan, and

1.20 authorizing the Hamel and Loretto volunteer firefighter relief associations to join

1.21 the statewide plan mid-year and merge; increasing the dollar threshold for requiring

1.22 audited financial reports for volunteer firefighter relief associations; amending

1.23 Minnesota Statutes 2022, sections 352B.08, subdivision 1; 353.01, subdivisions

1.24 2a, 2b, 15; 353.0162; 353.031, subdivision 10; 353.32, subdivision 1c; 353D.01,

1.25 subdivision 2, by adding a subdivision; 353D.02, subdivision 1; 353D.03,

1.26 subdivision 1; 353E.001, by adding subdivisions; 353E.07, subdivisions 3, 4, 5;

1.27 353G.01, subdivisions 8, 15, by adding subdivisions; 353G.06, subdivisions 2, 3;

1.28 353G.09, subdivisions 1, 2, by adding a subdivision; 353G.14; 354.06, subdivision

1.29 2; 354.53, subdivision 3; 354A.093, subdivision 4; 356.24, subdivision 1; 356.551,

1.30 subdivision 2; 424A.014, subdivision 1; 490.1211; proposing coding for new law

1.31 in Minnesota Statutes, chapter 354A; repealing Minnesota Statutes 2022, sections

1.32 353.01, subdivision 15a; 353G.01, subdivision 7; 353G.13; 490.124, subdivision

1.33 10.

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

2.2 **ARTICLE 1**
2.3 **MINNESOTA STATE RETIREMENT SYSTEM**

2.4 Section 1. Minnesota Statutes 2022, section 352B.08, subdivision 1, is amended to read:

2.5 Subdivision 1. **Eligibility; when to apply; accrual.** (a) Every member who is credited
2.6 with three or more years of allowable service if first employed before July 1, 2013, or with
2.7 at least ten years of allowable service if first employed after June 30, 2013, is entitled to
2.8 separate from state service and upon becoming 50 years old, is entitled to receive a life
2.9 annuity, upon separation from state service.

2.10 (b) Members must apply for an annuity in a form and manner prescribed by the executive
2.11 director.

2.12 (c) No application may be made more than ~~90~~ 60 days before the date the member is
2.13 eligible to retire by reason of both age and service requirements.

2.14 (d) An annuity begins to accrue no earlier than 180 days before the date the application
2.15 is filed with the executive director.

2.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.17 Sec. 2. Minnesota Statutes 2022, section 356.551, subdivision 2, is amended to read:

2.18 Subd. 2. **Determination.** (a) Unless the minimum purchase amount set forth in paragraph
2.19 (c) applies, the prior service credit purchase amount is an amount equal to the actuarial
2.20 present value, on the date of payment, as calculated by the chief administrative officer of
2.21 the pension plan and reviewed by the actuary retained under section 356.214, of the amount
2.22 of the additional retirement annuity obtained by the acquisition of the additional service
2.23 credit in this section.

2.24 (b) Calculation of this amount must be made using the investment return assumption
2.25 applicable to the public pension plan specified in section 356.215, subdivision 8, and the
2.26 mortality table adopted for the public pension plan.

2.27 (1) Unless clause (2) applies, the calculation must assume continuous future service in
2.28 the public pension plan until, and retirement at, the age at which the minimum requirements
2.29 of the fund for normal retirement or retirement with an annuity unreduced for retirement at
2.30 an early age, including section 356.30, are met with the additional service credit purchased.
2.31 The calculation must also assume a full-time equivalent salary, or actual salary, whichever

3.1 is greater, and a future salary history that includes annual salary increases at the applicable
3.2 salary increase rate for the plan specified in section 356.215, subdivision 8.

3.3 (2) This clause applies when the calculation is being done for purposes of section 352.272;
3.4 352B.087; 353.0141, subdivision 3; 354.544; ~~or 354A.0961~~; or 490.1211, subdivision 2.

3.5 The calculation must include continuous future service in the public pension plan until, and
3.6 retirement at, any age at or after which the minimum requirements of the fund for early
3.7 retirement or retirement with an annuity unreduced for retirement at an early age, including
3.8 section 356.30, are met with the additional service credit purchased. The calculation must
3.9 be determined using the retirement age that provides the most valuable benefit to the member.
3.10 The calculation must also assume a full-time equivalent salary, or actual salary, whichever
3.11 is greater, and a future salary history that includes annual salary increases at the applicable
3.12 salary increase rate for the plan specified in section 356.215, subdivision 8.

3.13 (c) The prior service credit purchase amount may not be less than the amount determined
3.14 by applying, for each year or fraction of a year being purchased, the sum of the employee
3.15 contribution rate, the employer contribution rate, and the additional employer contribution
3.16 rate, if any, applicable during that period, to the person's annual salary during that period,
3.17 or fractional portion of a year's salary, if applicable, plus interest at the applicable annual
3.18 rate or rates specified in section 356.59, subdivision 2, 3, 4, or 5, whichever applies,
3.19 compounded annually, from the end of the year in which contributions would otherwise
3.20 have been made to the date on which the payment is received.

3.21 (d) Unless otherwise provided by statutes governing a specific plan, payment must be
3.22 made in one lump sum within one year of the prior service credit authorization or prior to
3.23 the member's effective date of retirement, whichever is earlier. Payment of the amount
3.24 calculated under this section must be made by the applicable eligible person.

3.25 (e) However, the current employer or the prior employer may, at its discretion, pay all
3.26 or any portion of the payment amount that exceeds an amount equal to the employee
3.27 contribution rates in effect during the period or periods of prior service applied to the actual
3.28 salary rates in effect during the period or periods of prior service, plus interest at the
3.29 applicable annual rate or rates specified in section 356.59, subdivision 2, 3, 4, or 5, whichever
3.30 applies, compounded annually, from the date on which the contributions would otherwise
3.31 have been made to the date on which the payment is made. If the employer agrees to
3.32 payments under this subdivision, the purchaser must make the employee payments required
3.33 under this subdivision within 90 days of the prior service credit authorization. If that
3.34 employee payment is made, the employer payment under this subdivision must be remitted

4.1 to the chief administrative officer of the public pension plan within 60 days of receipt by
4.2 the chief administrative officer of the employee payments specified under this subdivision.

4.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.

4.4 Sec. 3. Minnesota Statutes 2022, section 490.1211, is amended to read:

4.5 **490.1211 UNIFORMED SERVICE.**

4.6 **Subdivision 1. Federal uniformed service protections.** (a) A judge who is absent from
4.7 employment by reason of service in the uniformed services, as defined in United States
4.8 Code, title 38, section 4303(13), and who returns to state employment as a judge upon
4.9 discharge from service in the uniformed service within the time frame required in United
4.10 States Code, title 38, section 4312(e), may obtain service credit for the period of the
4.11 uniformed service, provided that the judge did not separate from uniformed service with a
4.12 dishonorable or bad conduct discharge or under other than honorable conditions.

4.13 (b) The judge may obtain credit by paying into the fund equivalent member contribution
4.14 based on the contribution rate or rates in effect at the time that the uniformed service was
4.15 performed multiplied by the full and fractional years being purchased and applied to the
4.16 annual salary rate. The annual salary rate is the average annual salary during the purchase
4.17 period that the judge would have received if the judge had continued to provide employment
4.18 services to the state rather than to provide uniformed service, or if the determination of that
4.19 rate is not reasonably certain, the annual salary rate is the judge's average salary rate during
4.20 the 12-month period of judicial employment rendered immediately preceding the ~~purchase~~
4.21 period of the uniformed service.

4.22 (c) The equivalent employer contribution and, if applicable, the equivalent employer
4.23 additional contribution, must be paid by the employing unit, using the employer and employer
4.24 additional contribution rate or rates in effect at the time that the uniformed service was
4.25 performed, applied to the same annual salary rate or rates used to compute the equivalent
4.26 member contribution.

4.27 (d) If the member equivalent contributions provided for in this section are not paid in
4.28 full, the judge's allowable service credit must be prorated by multiplying the full and
4.29 fractional number of years of uniformed service eligible for purchase by the ratio obtained
4.30 by dividing the total member contributions received by the total member contributions
4.31 otherwise required under this section.

4.32 (e) To receive allowable service credit under this section, the contributions specified in
4.33 this section ~~and section 490.121~~ must be transmitted to the fund during the period which

5.1 begins with the date on which the individual returns to judicial employment and which has
5.2 a duration of three times the length of the uniformed service period, but not to exceed five
5.3 years. If the determined payment period is calculated to be less than ~~one year~~ three years,
5.4 the contributions required under this section to receive service credit ~~may~~ must be transmitted
5.5 to the fund within ~~one year~~ three years from the discharge date.

5.6 (f) The amount of allowable service credit obtainable under this section and section
5.7 490.121 may not exceed five years, unless a longer purchase period is required under United
5.8 States Code, title 38, section 4312.

5.9 (g) The state court administrator shall pay interest on all equivalent member and employer
5.10 contribution amounts payable under this section. Interest must be at the applicable annual
5.11 rate or rates specified in section 356.59, subdivision 2, compounded annually, from the end
5.12 of each fiscal year of the leave or break in service to the end of the month in which payment
5.13 is received.

5.14 **Subd. 2. State-authorized purchase of service credit for periods of military service. (a)**
5.15 Unless prohibited under paragraph (b), a judge is eligible to purchase service credit, not to
5.16 exceed five cumulative years of service credit, for one or more periods of service in the
5.17 uniformed services, as defined in United States Code, title 38, section 4303(13), if:

5.18 (1) the judge has at least three years of service credit with the judges retirement plan
5.19 under this chapter;

5.20 (2) the duration of the judge's current period of employment is at least six months; and

5.21 (3) the judge did not obtain service credit for a period of military service under
5.22 subdivision 1.

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

5.24 (1) the judge separated from uniformed service with a dishonorable or bad conduct
5.25 discharge or under other than honorable conditions;

5.26 (2) the judge has purchased or otherwise received service credit from any Minnesota
5.27 public employee pension plan for the same period of service in the uniformed services; or

5.28 (3) the judge's service in the uniformed services occurred before the judge was first
5.29 appointed or elected as a judge.

5.30 (c) When purchasing a period of service, if the period of service in the uniformed services
5.31 is one year or less, the judge must purchase the full period of service. If the period of service
5.32 in the uniformed services is longer than one year, the judge may purchase the full period,

6.1 not to exceed five cumulative years, or may purchase a portion of the period of service. If
 6.2 the judge purchases a portion of the period of service in the uniformed services, the portion
 6.3 must: (1) not be less than one year; and (2) be in increments of six months of service.

6.4 Subd. 3. **Application and documentation.** To purchase service credit under subdivision
 6.5 2, a judge must apply to the executive director of the Minnesota State Retirement System
 6.6 to make the purchase. The application must include all necessary documentation of the
 6.7 judge's qualifications to make the purchase, signed written permission to allow the executive
 6.8 director to request and receive necessary verification of applicable facts and eligibility
 6.9 requirements, and any other relevant information that the executive director may require.

6.10 Subd. 4. **Purchase payment amount; service credit grant.** (a) The purchase payment
 6.11 amount for a purchase under subdivision 2 is the amount determined under section 356.551
 6.12 for the period or periods of service requested, except that, for purposes of calculating the
 6.13 purchase payment amount to purchase service credit for service in the uniformed services
 6.14 between periods of employment as a judge, section 356.551, subdivision 2, paragraph (c),
 6.15 does not apply.

6.16 (b) Service credit must be granted by the judges retirement plan to the purchasing judge
 6.17 upon the executive director's receipt of the purchase payment amount. The service credit
 6.18 purchased under this section may not be used for the purpose of determining a disability
 6.19 benefit under section 490.124, subdivision 4.

6.20 (c) Payment must be made before the effective date of the judge's retirement.

6.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

6.22 **Sec. 4. REPEALER.**

6.23 Minnesota Statutes 2022, section 490.124, subdivision 10, is repealed.

6.24 **EFFECTIVE DATE.** This section is effective the day following final enactment.

6.25 **ARTICLE 2**

6.26 **PUBLIC EMPLOYEES RETIREMENT ASSOCIATION**
 6.27 **ADMINISTRATIVE PROVISIONS**

6.28 Section 1. Minnesota Statutes 2022, section 353.01, subdivision 2a, is amended to read:

6.29 Subd. 2a. **Included employees; mandatory membership.** (a) Public employees whose
 6.30 ~~annual salary from one governmental subdivision is stipulated in advance to exceed \$5,100~~
 6.31 ~~if the person is not a school year employee or \$3,800 if the person is a school year employee~~
 6.32 exceeds \$425 in any month and who are not specifically excluded under subdivision 2b or

7.1 ~~who~~ have not been provided an option to participate under subdivision 2d, whether
7.2 individually or by action of the governmental subdivision, must participate as members of
7.3 the association with retirement coverage by the general employees retirement plan under
7.4 this chapter, the public employees police and fire ~~retirement~~ plan under this chapter, or the
7.5 local government correctional employees retirement plan under chapter 353E, whichever
7.6 applies. Membership commences as a condition of ~~their~~ employment on the first day of
7.7 ~~their~~ employment or on the first day that the eligibility criteria are met, whichever is later.
7.8 Public employees include but are not limited to:

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

7.11 (2) elected county sheriffs;

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

7.15 (i) town and city clerk or treasurer;

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

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

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

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

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

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

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

7.28 (8) employees of the Stevens County Housing and Redevelopment Authority who were
7.29 first employed by the Stevens County Housing and Redevelopment Authority before May
7.30 1, 2014, and who are not excluded employees under subdivision 2b;

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

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

8.5 (b) A public employee or elected official who was a member of the association on June
8.6 30, 2002, based on employment that qualified for membership coverage by the public
8.7 employees retirement plan or the public employees police and fire plan under this chapter,
8.8 or the local government correctional employees retirement plan under chapter 353E as of
8.9 June 30, 2002, retains that membership for the duration of the person's employment in that
8.10 position or incumbency in elected office. Except as provided in subdivision 28, the person
8.11 shall participate as a member until the employee or elected official terminates public
8.12 employment under subdivision 11a or terminates membership under subdivision 11b.

8.13 (c) If ~~in any subsequent year~~ the annual salary of an included public employee is less
8.14 than ~~the minimum salary threshold specified in this subdivision~~ \$425 in any subsequent
8.15 month, the member retains membership eligibility.

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

8.19 **EFFECTIVE DATE.** This section is effective July 1, 2023.

8.20 Sec. 2. Minnesota Statutes 2022, section 353.01, subdivision 2b, is amended to read:

8.21 Subd. 2b. **Excluded employees.** (a) The following public employees are not eligible to
8.22 participate as members of the association with retirement coverage by the general employees
8.23 retirement plan, the local government correctional employees retirement plan under chapter
8.24 353E, or the public employees police and fire retirement plan:

8.25 (1) persons whose ~~annual~~ salary from one governmental subdivision never exceeds ~~an~~
8.26 ~~amount, stipulated in writing in advance, of \$5,100 if the person is not a school district~~
8.27 ~~employee or \$3,800 if the person is a school year employee. If annual compensation from~~
8.28 ~~one governmental subdivision to an employee exceeds the stipulated amount in a calendar~~
8.29 ~~year or a school year, whichever applies, after being stipulated in advance not to exceed the~~
8.30 ~~applicable amount, the stipulation is no longer valid and contributions must be made on~~
8.31 ~~behalf of the employee under section 353.27, subdivision 12, from the first month in which~~
8.32 ~~the employee received salary exceeding \$425 in a month;~~

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

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

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

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

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

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

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

9.30 (9) persons who are:

9.31 (i) employed by a governmental subdivision who have not reached the age of 23 and
9.32 who are enrolled on a full-time basis to attend or are attending classes on a full-time basis

10.1 at an accredited school, college, or university in an undergraduate, graduate, or
10.2 professional-technical program, or at a public or charter high school;

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

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

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

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

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

10.15 (ii) employees of Hennepin County or Hennepin Healthcare System, Inc.;

10.16 (iii) employees legally authorized to work in the United States for three years or more;
10.17 and

10.18 (iv) employees otherwise required to participate under federal law;

10.19 (12) public hospital employees who elected not to participate as members of the
10.20 association before 1972 and who did not elect to participate from July 1, 1988, to October
10.21 1, 1988;

10.22 (13) except as provided in section 353.86, volunteer ambulance service personnel, as
10.23 defined in subdivision 35, but persons who serve as volunteer ambulance service personnel
10.24 may still qualify as public employees under subdivision 2 and may be members of the Public
10.25 Employees Retirement Association and participants in the general employees retirement
10.26 plan or the public employees police and fire plan, whichever applies, on the basis of
10.27 compensation received from public employment service other than service as volunteer
10.28 ambulance service personnel;

10.29 (14) except as provided in section 353.87, volunteer firefighters, as defined in subdivision
10.30 36, engaging in activities undertaken as part of volunteer firefighter duties, but a person
10.31 who is a volunteer firefighter may still qualify as a public employee under subdivision 2
10.32 and may be a member of the Public Employees Retirement Association and a participant

11.1 in the general employees retirement plan or the public employees police and fire plan,
11.2 whichever applies, on the basis of compensation received from public employment activities
11.3 other than those as a volunteer firefighter;

11.4 (15) employees in the building and construction trades, as follows:

11.5 (i) pipefitters and associated trades personnel employed by Independent School District
11.6 No. 625, St. Paul, with coverage under a collective bargaining agreement by the pipefitters
11.7 local 455 pension plan who were either first employed after May 1, 1997, or, if first employed
11.8 before May 2, 1997, elected to be excluded under Laws 1997, chapter 241, article 2, section
11.9 12;

11.10 (ii) electrical workers, plumbers, carpenters, and associated trades personnel employed
11.11 by Independent School District No. 625, St. Paul, or the city of St. Paul, with coverage
11.12 under a collective bargaining agreement by the electrical workers local 110 pension plan,
11.13 the plumbers local 34 pension plan, or the carpenters local 322 pension plan who were either
11.14 first employed after May 1, 2000, or, if first employed before May 2, 2000, elected to be
11.15 excluded under Laws 2000, chapter 461, article 7, section 5;

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

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

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

11.33 (vi) laborers and associated trades personnel employed by the city of St. Paul or
11.34 Independent School District No. 625, St. Paul, who are designated as temporary employees

12.1 with coverage under a collective bargaining agreement by a multiemployer plan as defined
12.2 in section 356.27, subdivision 1, who were either first employed on or after June 1, 2018,
12.3 or if first employed before June 1, 2018, elected to be excluded under Laws 2018, chapter
12.4 211, article 16, section 13; and

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

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

12.13 (17) persons who are provided supported employment or work-study positions by a
12.14 governmental subdivision and who participate in an employment or industries program
12.15 maintained for the benefit of these persons where the governmental subdivision limits the
12.16 position's duration to up to five years, including persons participating in a federal or state
12.17 subsidized on-the-job training, work experience, senior citizen, youth, or unemployment
12.18 relief program where the training or work experience is not provided as a part of, or for,
12.19 future permanent public employment;

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

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

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

12.24 (21) persons employed as full-time fixed-route bus drivers by the St. Cloud Metropolitan
12.25 Transit Commission who are members of the International Brotherhood of Teamsters Local
12.26 638 and who are, by virtue of that employment, members of the International Brotherhood
12.27 of Teamsters Central States pension plan; and

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

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

13.1 **EFFECTIVE DATE.** This section is effective July 1, 2023.

13.2 Sec. 3. Minnesota Statutes 2022, section 353.01, subdivision 15, is amended to read:

13.3 Subd. 15. **Dependent child.** For the purpose of survivor benefit eligibility ~~under sections~~
13.4 ~~353.31, subdivision 1, and 353.657, subdivision 3,~~ "dependent child" means:

13.5 (1) a biological or adopted child of a deceased member who is unmarried, and ~~under~~
13.6 has not reached the age of 18, or age 18 to 23, so long as the child submits evidence of
13.7 full-time enrollment in an accredited educational institution. "Dependent child" also includes;

13.8 (2) a child of the member conceived during the member's lifetime and born after the
13.9 member's death. ~~It also means,~~ unless a parent-child relationship does not exist under section
13.10 524.2-120, subdivision 10; and

13.11 (3) a ~~dependent~~ child who has not reached the age of 23 and is the subject of adoption
13.12 proceedings filed by a member, and who, within two years after death of the member, by
13.13 judgment and decree duly entered, is adjudged to be the adopted child of the deceased
13.14 member; ~~subject, however, to the qualifying conditions of age and dependency under this~~
13.15 subdivision. The ~~dependency of the child dates from~~ is a dependent child effective on the
13.16 date of the decree of adoption. "Dependent child" also includes a child age 18 to 23 who
13.17 had submitted evidence of full-time enrollment in an accredited educational institution but
13.18 was determined to be medically unable to continue school on a full-time basis. The board
13.19 of trustees shall adopt written procedures to make determinations regarding eligibility based
13.20 on a student being medically unable to continue school, and may not continue a benefit for
13.21 medical reasons for a period greater than one year.

13.22 **EFFECTIVE DATE.** This section is effective July 1, 2023.

13.23 Sec. 4. Minnesota Statutes 2022, section 353.0162, is amended to read:

13.24 **353.0162 SALARY CREDIT PURCHASE FOR PERIODS OF REDUCED**
13.25 **SALARY.**

13.26 Subdivision 1. **Definitions.** (a) For the purposes of this section, the terms defined in this
13.27 subdivision have the meanings given them, unless the context clearly indicates another
13.28 meaning is intended.

13.29 (b) "Differential salary credit" is the difference between the salary received by the
13.30 member during a period of reduced salary as described in subdivision 2 and the salary of
13.31 the member, excluding overtime, on which contributions to the applicable plan would have

14.1 been made during the period based on the member's normal employment period, measured
14.2 in hours or otherwise, as applicable, and rate of pay.

14.3 (c) "Reporting period" means a school year, for school year employees, or a calendar
14.4 year, for all other employees, during which a member has a period of reduced salary.

14.5 Subd. 2. Salary credit purchase permitted. (a) A member may purchase differential
14.6 salary credit as ~~described in paragraph (e)~~ for a period of reduced salary as ~~described in~~
14.7 ~~paragraph (b)~~.

14.8 ~~(b)~~ The period of reduced salary must be a period occurring entirely within one school
14.9 year, for school year employees, or one calendar year, for all other employees, during which
14.10 the member receives no salary or a reduced salary from the employer while the member is:

14.11 (1) receiving workers' compensation payments related to the member's service to the
14.12 public employer;

14.13 (2) on an authorized leave of absence;

14.14 (3) on an authorized leave of absence as a result of a budgetary or salary savings program
14.15 offered or mandated by a governmental subdivision, if certified to the executive director
14.16 by the governmental subdivision; or

14.17 (4) on a periodic, repetitive leave that is offered to all employees of a governmental
14.18 subdivision where the leave program is certified by the employer to the association as one
14.19 that does not exceed 208 hours during the school year or calendar year, as applicable.

14.20 ~~(e) Differential salary credit is the difference between the salary received by the member~~
14.21 ~~during a period of reduced salary specified in paragraph (b) and the salary of the member,~~
14.22 ~~excluding overtime, on which contributions to the applicable plan would have been made~~
14.23 ~~during the period based on the member's normal employment period, measured in hours or~~
14.24 ~~otherwise, as applicable, and rate of pay.~~

14.25 Subd. 3. Payment amount. ~~(d)~~ (a) To receive differential salary credit, the member
14.26 shall pay the plan, by delivering payment to the executive director, an amount equal to:

14.27 (1) the applicable employee contribution rate under section 353.27, subdivision 2; 353.65,
14.28 subdivision 2; or 353E.03, subdivision 1, as applicable, multiplied by the differential salary
14.29 amount;

14.30 (2) plus an employer equivalent payment equal to the applicable employer contribution
14.31 rate in section 353.27, subdivision 3; 353.65, subdivision 3; or 353E.03, subdivision 2, as
14.32 applicable, multiplied by the differential salary amount;

15.1 (3) plus, if applicable, an equivalent employer additional amount equal to the additional
 15.2 employer contribution rate in section 353.27, subdivision 3a, multiplied by the differential
 15.3 salary amount.

15.4 ~~(e)~~ (b) The employer, by appropriate action of its governing body and documented in
 15.5 its official records, may pay on behalf of the member the amounts determined under
 15.6 paragraph ~~(d)~~ (a), clauses (2) and (3), as applicable, plus interest under paragraph ~~(f)~~ (c).
 15.7 However, if the period of reduced salary is a periodic, repetitive leave under ~~paragraph (b)~~
 15.8 subdivision 2, clause (4), then the employer must pay on behalf of the member the amount
 15.9 determined under paragraph ~~(d)~~ (a), clauses (2) and (3), as applicable, plus interest under
 15.10 paragraph ~~(f)~~ (c).

15.11 ~~(f)~~ (c) Payment under this section must include interest on the contribution amount or
 15.12 amounts, whichever applies, at the applicable rate or rates specified in section 356.59,
 15.13 subdivision 3, compounded annually, prorated for the number of months, if less than 12
 15.14 months, from the end of the school year or calendar year, as applicable, until full payment
 15.15 is received by the executive director.

15.16 Subd. 4. Timing of required payment. Payment under this section must be completed
 15.17 ~~by the earliest of: (1) six months after termination of public service by the employee under~~
 15.18 ~~section 353.01, subdivision 11a; (2) no later than one year after the termination end of the~~
 15.19 ~~each reporting period of reduced salary specified in paragraph (b); or (3) six months after~~
 15.20 ~~the commencement of a disability benefit.~~

15.21 EFFECTIVE DATE. This section is effective July 1, 2023.

15.22 Sec. 5. Minnesota Statutes 2022, section 353.031, subdivision 10, is amended to read:

15.23 Subd. 10. **Restoring forfeited service and salary credit.** ~~(a)~~ To restore forfeited service
 15.24 and salary credit, a repayment of a refund must be made within six months after the effective
 15.25 date of disability benefits or within six months after the date of the filing of the disability
 15.26 application, whichever is later:

15.27 ~~(b)~~, except for that the salary credit purchase for periods of reduced salary must be made
 15.28 as authorized under section 353.0162, paragraph (b), clause (1), no purchase of prior service
 15.29 or payment made in lieu of salary deductions otherwise authorized under section 353.01 or
 15.30 353.0162 may be made after the occurrence of the disability for which an application is
 15.31 filed under this section.

15.32 EFFECTIVE DATE. This section is effective July 1, 2023.

16.1 Sec. 6. Minnesota Statutes 2022, section 353.32, subdivision 1c, is amended to read:

16.2 Subd. 1c. **Dependent child survivor coverage.** ~~If there is a deceased member has no~~
16.3 surviving spouse eligible for benefits under subdivision 1a, a the member's dependent child
16.4 ~~or children~~ as defined in section 353.01, subdivision ~~15a~~ 15, is eligible for monthly payments.
16.5 Payments to a dependent child must be paid from the date of the member's death to the date
16.6 the dependent child attains age ~~20 if the child is under age 15. If the child is 15 years or~~
16.7 ~~older on the date of death, payment must be made for five years~~ 23. The payment to a
16.8 dependent child is an amount actuarially equivalent to the value of a 100 percent optional
16.9 annuity under subdivision 1a using the age of the member and the age of the dependent
16.10 child at the date of the member's death in lieu of the age of the surviving spouse. If there is
16.11 more than one dependent child, each dependent child ~~shall~~ must receive a proportionate
16.12 share of the actuarial value of the ~~employee's account~~ 100 percent optional annuity.

16.13 **EFFECTIVE DATE.** This section is effective July 1, 2023.

16.14 Sec. 7. Minnesota Statutes 2022, section 353E.001, is amended by adding a subdivision
16.15 to read:

16.16 Subd. 1a. **Fund.** "Fund" means the public employees local government correctional
16.17 service retirement fund.

16.18 **EFFECTIVE DATE.** This section is effective July 1, 2023.

16.19 Sec. 8. Minnesota Statutes 2022, section 353E.001, is amended by adding a subdivision
16.20 to read:

16.21 Subd. 2a. **Member.** "Member" means an individual identified as a member under section
16.22 353E.02, for whom retirement coverage is provided by the plan.

16.23 **EFFECTIVE DATE.** This section is effective July 1, 2023.

16.24 Sec. 9. Minnesota Statutes 2022, section 353E.001, is amended by adding a subdivision
16.25 to read:

16.26 Subd. 3a. **Plan.** "Plan" means the public employees local government correctional service
16.27 retirement plan.

16.28 **EFFECTIVE DATE.** This section is effective July 1, 2023.

17.1 Sec. 10. Minnesota Statutes 2022, section 353E.07, subdivision 3, is amended to read:

17.2 Subd. 3. **Election; accrual.** A surviving spouse election under subdivisions 1 and 2 may
17.3 be made at any time after the date of death of ~~the local government correctional service~~
17.4 ~~employee~~ a member. The surviving spouse benefit begins to accrue as of the first of the
17.5 next month following the date on which the application for the benefit was filed.

17.6 **EFFECTIVE DATE.** This section is effective July 1, 2023.

17.7 Sec. 11. Minnesota Statutes 2022, section 353E.07, subdivision 4, is amended to read:

17.8 Subd. 4. **Surviving spouse coverage; term certain.** In lieu of the 100 percent optional
17.9 annuity under subdivision 1, the surviving spouse of a deceased ~~local government correctional~~
17.10 ~~service employee~~ member may elect to receive survivor coverage in a term certain of ten,
17.11 15, or 20 years. The monthly term certain annuity must be actuarially equivalent to the 100
17.12 percent optional annuity under subdivision 1 and must be based on tables approved by the
17.13 actuary retained under section 356.214. The optional annuity ceases upon the expiration of
17.14 the term certain period. If a survivor elects a term certain annuity and dies before the
17.15 expiration of the specified term certain period, the commuted value of the remaining annuity
17.16 payments must be paid in a lump sum to the survivor's estate.

17.17 **EFFECTIVE DATE.** This section is effective July 1, 2023.

17.18 Sec. 12. Minnesota Statutes 2022, section 353E.07, subdivision 5, is amended to read:

17.19 Subd. 5. **Dependent child survivor coverage.** If ~~there is a deceased member has no~~
17.20 surviving spouse eligible for benefits under subdivisions 1, 2, and 4, a the member's
17.21 dependent child as defined in section 353.01, subdivision ~~45a~~ 15, is eligible for a ~~dependent~~
17.22 ~~child~~ survivor benefit. Benefits to a dependent child must be paid from the date of the
17.23 employee's death to the date the dependent child attains age ~~20 if the child is under age 15~~
17.24 ~~on the date of death. If the child is 15 years or older on the date of death, the benefit is~~
17.25 ~~payable for five years~~ 23. The payment to a dependent child is an amount actuarially
17.26 equivalent to the value of a 100 percent joint and survivor optional annuity using the age
17.27 of the ~~employee~~ member and the age of the dependent child at the date of the member's
17.28 death in lieu of the age of the surviving spouse. If there is more than one dependent child,
17.29 each dependent child ~~shall~~ must receive a proportionate share of the actuarial value of the
17.30 ~~employee's account~~ 100 percent joint and survivor optional annuity, with the amount of the
17.31 benefit payable to each child to be determined based on the portion of the total eligibility
17.32 period that each child is eligible. The process for calculating the ~~dependent child~~ survivor
17.33 benefit must be approved by the actuary retained under section 356.214.

18.1 **EFFECTIVE DATE.** This section is effective July 1, 2023.

18.2 Sec. 13. **REVISOR INSTRUCTION.**

18.3 In Minnesota Statutes, sections 353E.01 to 353E.08, the revisor of statutes shall change
 18.4 the terms "public employees local government correctional service retirement fund" to
 18.5 "fund" and "an employee covered under section 353E.02" to "member" and "local government
 18.6 correctional employee" to "member" and "public employees local government correctional
 18.7 service retirement plan" to "plan" wherever the terms appear in statutes. The revisor shall
 18.8 make any necessary grammatical changes or changes to sentence structure necessary to
 18.9 preserve the meaning of the text as a result of the changes.

18.10 **EFFECTIVE DATE.** This section is effective July 1, 2023.

18.11 Sec. 14. **REPEALER.**

18.12 Minnesota Statutes 2022, section 353.01, subdivision 15a, is repealed.

18.13 **EFFECTIVE DATE.** This section is effective July 1, 2023.

18.14 **ARTICLE 3**

18.15 **PUBLIC EMPLOYEES DEFINED CONTRIBUTION PLAN**

18.16 Section 1. Minnesota Statutes 2022, section 353D.01, is amended by adding a subdivision
 18.17 to read:

18.18 Subd. 1a. **Definitions.** Unless the context clearly indicates that a different meaning is
 18.19 intended, the terms defined in this subdivision, for the purposes of this chapter, have the
 18.20 meanings given:

18.21 (1) "association" means the public employees retirement association; and

18.22 (2) "plan" means the public employees defined contribution plan.

18.23 Sec. 2. Minnesota Statutes 2022, section 353D.01, subdivision 2, is amended to read:

18.24 Subd. 2. **Eligibility.** (a) Eligibility to participate in the ~~defined contribution~~ plan is
 18.25 available to:

18.26 (1) any elected or appointed local government officials official of a governmental
 18.27 subdivision who elect elects to participate in the plan under section 353D.02, subdivision
 18.28 1, and who, for the elected service rendered to a governmental subdivision, are is not

19.1 ~~members~~ a member of the ~~Public Employees Retirement~~ association within the meaning of
19.2 section 353.01, subdivision 7;

19.3 (2) physicians who, if they did not elect to participate in the plan under section 353D.02,
19.4 subdivision 2, would meet the definition of member under section 353.01, subdivision 7;

19.5 (3) basic and advanced life-support emergency medical service personnel who are
19.6 employed by any public ambulance service that elects to participate under section 353D.02,
19.7 subdivision 3;

19.8 (4) members of a municipal rescue squad associated with the city of Litchfield in Meeker
19.9 County, or of a county rescue squad associated with Kandiyohi County, if an independent
19.10 nonprofit rescue squad corporation, incorporated under chapter 317A, performing emergency
19.11 management services, and if not affiliated with a fire department or ambulance service and
19.12 if its members are not eligible for membership in that fire department's or ambulance service's
19.13 relief association or comparable pension plan;

19.14 (5) employees of the Port Authority of the city of St. Paul who elect to participate in the
19.15 plan under section 353D.02, subdivision 5, and who are not members of the ~~Public Employees~~
19.16 ~~Retirement~~ association under section 353.01, subdivision 7;

19.17 (6) city managers who elected to be excluded from the general employees retirement
19.18 plan of the ~~Public Employees Retirement~~ association under section 353.028 and who elected
19.19 to participate in the public employees defined contribution plan under section 353.028,
19.20 subdivision 3, paragraph (b);

19.21 (7) volunteer or emergency on-call firefighters serving in a municipal fire department
19.22 or an independent nonprofit firefighting corporation who are not covered by the ~~public~~
19.23 ~~employees~~ police and fire retirement plan and who are not covered by a volunteer firefighters
19.24 relief association and who elect to participate in the public employees defined contribution
19.25 plan;

19.26 (8) elected county sheriffs who are former members of the police and fire plan and who
19.27 are receiving a retirement annuity as provided under section 353.651; and

19.28 (9) ~~persons who are excluded from membership under section 353.01, subdivision 2b,~~
19.29 ~~paragraph (a), clause (23)~~ appointed to serve on a board or commission of a governmental
19.30 subdivision or an instrumentality thereof.

19.31 ~~(b) For purposes of this chapter, an elected local government official includes a person~~
19.32 ~~appointed to fill a vacancy in an elective office. Service as an elected local government~~
19.33 ~~official only includes service for the governmental subdivision for which the official was~~

20.1 ~~elected by the public at large. Service as an elected local government official ceases and~~
20.2 ~~eligibility to participate terminates when the person ceases to be an elected official. An~~
20.3 ~~elected local government official does not include an elected county sheriff who must be a~~
20.4 ~~member of the police and fire plan as provided under chapter 353.~~

20.5 (e) (b) Individuals otherwise eligible to participate in the plan under this subdivision
20.6 who are currently covered by a public or private pension plan because of their employment
20.7 or provision of services are not eligible to participate in the public employees defined
20.8 contribution plan.

20.9 (d) (c) A former participant is a person who has terminated eligible employment or
20.10 service and has not withdrawn the value of the person's individual account.

20.11 Sec. 3. Minnesota Statutes 2022, section 353D.02, subdivision 1, is amended to read:

20.12 Subdivision 1. **Elected Local government officials.** Eligible elected or appointed local
20.13 government officials may elect to participate in the defined contribution plan after being
20.14 elected or appointed to ~~elective~~ public office by filing a membership application on a form
20.15 prescribed by the executive director of the association authorizing contributions to be
20.16 deducted from the ~~elected~~ official's salary. Participation begins on the first day of the pay
20.17 period for which the contributions were deducted or, if pay period coverage dates are not
20.18 provided, the date on which the membership application or contributions are received in
20.19 the office of the association, whichever is received first, provided further that the membership
20.20 application is received by the association within 60 days of the receipt of the contributions.
20.21 An election to participate in the plan is revocable during incumbency.

20.22 Sec. 4. Minnesota Statutes 2022, section 353D.03, subdivision 1, is amended to read:

20.23 Subdivision 1. **Contributions for eligible participants.** (a) The following classes of
20.24 eligible participants who elect to participate in the public employees defined contribution
20.25 plan under section 353D.02 shall contribute an amount equal to five percent of salary as
20.26 defined in section 353.01, subdivision 10:

20.27 (1) ~~elected~~ local government officials;

20.28 (2) physicians; and

20.29 (3) persons who are excluded from membership under section 353.01, subdivision 2b,
20.30 paragraph (a), clause (23).

20.31 (b) A participant's governmental subdivision shall contribute a matching amount.

22.1 (b) "Executive director" means the executive director of the Public Employees Retirement
22.2 Association.

22.3 (c) "General plan" means the general employees retirement plan of the Public Employees
22.4 Retirement Association.

22.5 (d) "Police and fire plan" means the police and fire retirement plan of the Public
22.6 Employees Retirement Association.

22.7 (e) "Service credit" means time credited as allowable service under Minnesota Statutes,
22.8 section 353.01, subdivision 16, and credit for salary earned during that time.

22.9 (f) "Transfer period" means the period beginning May 2, 2005, and ending October 28,
22.10 2005.

22.11 Subd. 2. **Authorization.** Notwithstanding any state law to the contrary, an eligible person
22.12 described in subdivision 3 who makes a payment to the police and fire retirement fund, as
22.13 permitted under subdivision 4, on or before one year following the effective date of this
22.14 section is entitled to have:

22.15 (1) the employer payment made on the eligible person's behalf under subdivision 5; and

22.16 (2) applicable past service credit transferred from the general plan to the police and fire
22.17 plan for the transfer period under subdivision 6.

22.18 Subd. 3. **Eligible person.** (a) An eligible person is a person described in paragraph (b)
22.19 or (c).

22.20 (b) An eligible person is a person who:

22.21 (1) was born on July 2, 1982;

22.22 (2) was hired as a full-time police officer by the Metropolitan Airports Commission on
22.23 May 2, 2005; and

22.24 (3) was erroneously credited with allowable service in the general plan instead of the
22.25 police and fire plan for the period beginning May 2, 2005, and ending October 28, 2005.

22.26 (c) An eligible person is a person who:

22.27 (1) was born on April 18, 1982;

22.28 (2) was hired as a full-time police officer by the Metropolitan Airports Commission on
22.29 May 2, 2005; and

22.30 (3) was erroneously credited with allowable service in the general plan instead of the
22.31 police and fire plan for the period beginning May 2, 2005, and ending October 28, 2005.

23.1 Subd. 4. **Payment by eligible person.** (a) An eligible person may pay to the executive
23.2 director the difference between the employee contribution rate for the general plan and the
23.3 employee contribution rate for the police and fire plan for the transfer period. The difference
23.4 between the two rates must be applied to the eligible person's salary at the time that each
23.5 contribution would have been deducted from pay if the eligible person had been covered
23.6 by the police and fire plan for the transfer period. The payment must include interest at the
23.7 applicable annual interest rate or rates that applied for each period listed in Minnesota
23.8 Statutes, section 354.49, subdivision 2, calculated from the date that each contribution would
23.9 have been deducted to the date that payment is made.

23.10 (b) The payment under paragraph (a) must be made in a lump sum no later than one year
23.11 following the effective date. Upon receipt of payment, the executive director must notify
23.12 the Metropolitan Airports Commission that the payment was made and of the amount owed
23.13 under subdivision 5.

23.14 Subd. 5. **Payment by the Metropolitan Airports Commission.** If an eligible person
23.15 makes the payment under subdivision 4, the Metropolitan Airports Commission, on behalf
23.16 of the eligible person, must pay to the Public Employees Retirement Association the actuarial
23.17 present value of the additional benefit resulting from the transferred service credit less the
23.18 payment made under subdivision 4. This amount must be paid by the department in a lump
23.19 sum within 30 days after the date on which the executive director notifies the Metropolitan
23.20 Airports Commission under subdivision 4.

23.21 Subd. 6. **Transfer of assets and service credit.** (a) If the payments under subdivisions
23.22 4 and 5 are made, the executive director must transfer assets from the general employees
23.23 retirement fund to the police and fire retirement fund in an amount equal to the actuarial
23.24 present value of the benefits earned by the eligible person under the general plan during the
23.25 transfer period. The transfer of assets must be made within 15 days after receipt of the
23.26 payments under subdivisions 4 and 5.

23.27 (b) Upon transfer of the assets under paragraph (a), the eligible person shall have service
23.28 credit in the police and fire plan and no service credit in the general plan for the transfer
23.29 period.

23.30 **EFFECTIVE DATE.** This section is effective the day following final enactment.

24.1 **ARTICLE 5**

24.2 **TEACHERS RETIREMENT ASSOCIATION**

24.3 Section 1. Minnesota Statutes 2022, section 354.06, subdivision 2, is amended to read:

24.4 Subd. 2. **President; executive director.** The board ~~shall~~ must annually elect one of its
 24.5 members as president. It ~~shall~~ must elect an executive director. Notwithstanding any law
 24.6 to the contrary, the board must set the salary of the executive director. The salary of the
 24.7 executive director must not exceed the limit for a position listed in section 15A.0815,
 24.8 subdivision 2. The executive director shall serve ~~during~~ at the pleasure of the board and be
 24.9 the executive officer of the board, with ~~such~~ the duties prescribed in subdivision 2a and any
 24.10 additional duties as that the board ~~shall~~ may prescribe. The board ~~shall~~ must employ all
 24.11 other clerks and employees necessary to properly administer the association. ~~The cost and~~
 24.12 ~~expense of administering the provisions of this chapter shall be paid by the association.~~ The
 24.13 board ~~shall~~ must appoint an executive director on the basis of education, experience in the
 24.14 retirement field, ability to manage and lead system staff, and ability to assist the board in
 24.15 setting a vision for the system. The executive director ~~shall~~ must have had at least five years
 24.16 of experience ~~on the administrative staff of a major~~ in either an executive-level management
 24.17 position or in a position with responsibility for the governance, management, or
 24.18 administration of a retirement system plan.

24.19 **EFFECTIVE DATE.** This section is effective the day following final enactment.

24.20 **ARTICLE 6**

24.21 **ST. PAUL TEACHERS RETIREMENT FUND ASSOCIATION**

24.22 Section 1. **[354A.25] AUTHORITY TO ELECT A SURVIVOR ANNUITY FOR A**
 24.23 **SAME-SEX SPOUSE.**

24.24 Subdivision 1. **Authorization.** Notwithstanding any law or bylaws to the contrary, an
 24.25 eligible person, as defined in subdivision 2, is authorized to file an amended benefit election
 24.26 to change the eligible person's retirement annuity to a joint and survivor annuity and designate
 24.27 a beneficiary who is the same sex as the eligible person if the eligible person had not
 24.28 previously been allowed to designate a same-sex spouse because the law or bylaws did not
 24.29 permit the designation of a same-sex spouse.

24.30 Subd. 2. **Definitions.** For the purposes of this section, the following definitions apply,
 24.31 unless the context clearly indicates another meaning is intended.

24.32 (a) "Eligible person" means a person who:

25.1 (1) was formerly a basic member as defined under section 354A.011, subdivision 8, or
25.2 a coordinated member, as defined under section 354A.011, subdivision 11, of the St. Paul
25.3 Teachers Retirement Fund Association;

25.4 (2) retired before August 1, 2013, and is receiving a retirement annuity;

25.5 (3) was unmarried at the time of retirement due to the lack of full recognition of same
25.6 sex marriages under state law; and

25.7 (4) had a same-sex spouse at the time of retirement who has continued to be the eligible
25.8 person's same-sex spouse until the time of the filing of the amended benefit election under
25.9 subdivision 3.

25.10 (b) "Same-sex spouse" means a spouse of the same sex as the eligible person who
25.11 otherwise satisfies the eligibility requirements to receive spousal benefits under the basic
25.12 plan or coordinated plan of the St. Paul Teachers Retirement Fund Association. Before
25.13 August 1, 2013, a same-sex spouse is an individual in a relationship with the eligible person
25.14 that would have caused the individual to satisfy the eligibility requirements to receive spousal
25.15 benefits under the basic plan or coordinated plan of the St. Paul Teachers Retirement Fund
25.16 Association had the individual and eligible person been permitted to marry under state law.

25.17 Subd. 3. **Right to elect a joint and survivor annuity for a same-sex spouse.** (a) An
25.18 eligible person may file an amended benefit election to change the eligible person's retirement
25.19 annuity to a joint and survivor annuity that will pay an annuity for the life of the eligible
25.20 person and a survivor annuity for the life of the eligible person's same-sex spouse.

25.21 (b) To file an amended benefit election, the eligible person must file an election in the
25.22 form requested by the executive director of the St. Paul Teachers Retirement Fund
25.23 Association and must designate the same-sex spouse as the primary designated beneficiary.

25.24 Subd. 4. **Eligible persons who are members of the coordinated plan.** If the eligible
25.25 person is a member of the coordinated plan of the St. Paul Teachers Retirement Fund
25.26 Association, the executive director will recalculate the eligible person's benefit based on
25.27 the amended benefit election and notify the eligible person of the amount that was overpaid
25.28 plus interest since the commencement of the retirement annuity. The overpayment plus
25.29 interest must be recovered in accordance with section 354A.12, subdivision 7, by reducing
25.30 future monthly pension payments.

25.31 **EFFECTIVE DATE.** This section is effective the day following final enactment.

ARTICLE 7

TRANSFERS FROM THE MINNESOTA STATE IRAP TO TRA

Section 1. ALLOWING TRANSFERS FROM THE IRAP TO TRA FOR FOUR FOND DU LAC COLLEGE EMPLOYEES.

Subdivision 1. Authorization. Notwithstanding any provision of law to the contrary, an eligible person described in subdivision 2 is authorized to become a member of the Teachers Retirement Association and to receive service and salary credit in the Teachers Retirement Association upon making an election and the contribution required under subdivision 3.

Subd. 2. Eligible person. (a) An eligible person is a person described in paragraph (b), (c), (d), or (e).

(b) An eligible person is a person who:

(1) was born on June 14, 1969;

(2) is employed by a Minnesota state college or university or the Board of Trustees of the Minnesota State Colleges and Universities;

(3) was first employed on December 13, 2017, by the Fond du Lac Tribal and Community College as an eLearning support specialist, with retirement coverage in the higher education individual retirement account plan; and

(4) was not offered an election to be covered by the Teachers Retirement Association as authorized by Minnesota Statutes 2017, section 354B.21.

(c) An eligible person is a person who:

(1) was born on October 9, 1992;

(2) is employed by a Minnesota state college or university or the Board of Trustees of the Minnesota State Colleges and Universities;

(3) was first employed on June 12, 2019, by the Fond du Lac Tribal and Community College as the Nandagikendan (Seek to Learn) Academy director with retirement coverage in the higher education individual retirement account plan; and

(4) was not offered an election to be covered by the Teachers Retirement Association as authorized by Minnesota Statutes 2019, section 354B.211.

(d) An eligible person is a person who:

(1) was born on November 12, 1983;

27.1 (2) is employed by a Minnesota state college or university or the Board of Trustees of
27.2 the Minnesota State Colleges and Universities;

27.3 (3) was first employed on February 18, 2020, by the Fond du Lac Tribal and Community
27.4 College as a youth education outreach coordinator with retirement coverage in the higher
27.5 education individual retirement account plan; and

27.6 (4) was not offered an election to be covered by the Teachers Retirement Association
27.7 as authorized by Minnesota Statutes 2020, section 354B.211.

27.8 (e) An eligible person is a person who:

27.9 (1) was born on September 3, 1982;

27.10 (2) is employed by a Minnesota state college or university or the Board of Trustees of
27.11 the Minnesota State Colleges and Universities;

27.12 (3) was first employed on June 11, 2018, by the Fond du Lac Tribal and Community
27.13 College as a farm manager with retirement coverage in the higher education individual
27.14 retirement account plan; and

27.15 (4) was not offered an election to be covered by the Teachers Retirement Association
27.16 as authorized by Minnesota Statutes 2018, section 354B.21.

27.17 Subd. 3. **Election, transfer, and payment.** (a) To elect coverage by the Teachers
27.18 Retirement Association, an eligible person must submit a written application to the executive
27.19 director of the Teachers Retirement Association on a form provided by the Teachers
27.20 Retirement Association. The application must include documentation demonstrating that
27.21 the person is an eligible person under subdivision 2 and any other relevant information that
27.22 the executive director may require.

27.23 (b) Membership in the Teachers Retirement Association commences after the date the
27.24 executive director receives the retirement coverage election and information described under
27.25 paragraph (a) and the contribution specified under paragraph (c), if any. Upon membership
27.26 commencement, the executive director must grant past service and salary credit for
27.27 employment with a Minnesota state college or university from the date the eligible person
27.28 was first employed as described under subdivision 2.

27.29 (c) If the eligible person makes the retirement coverage election under paragraph (a),
27.30 the eligible person must make a contribution to the Teachers Retirement Association equal
27.31 to the excess, if any, of the employee contributions that the eligible person would have made
27.32 if covered by the Teachers Retirement Association for the period of past service and salary
27.33 for which credit is to be granted under paragraph (b) over the employee contributions that

28.1 the eligible person made to the higher education individual retirement account plan for the
28.2 same period of past service and salary. The executive director of the Teachers Retirement
28.3 Association must determine the amount to be contributed under this paragraph and notify
28.4 the eligible person of the amount required and options for making the payment.

28.5 (d) Upon the election of retirement coverage under paragraph (a) and payment of the
28.6 contribution under paragraph (c), if a contribution is required, the value of the eligible
28.7 person's account in the higher education individual retirement account plan must be
28.8 transferred to the Teachers Retirement Association.

28.9 (e) Upon receipt of the amount transferred under paragraph (d), the Teachers Retirement
28.10 Association shall determine the required purchase payment amount calculated under
28.11 Minnesota Statutes, section 356.551, as if the coverage election was a prior service credit
28.12 purchase.

28.13 (f) From the amount calculated under paragraph (e), the executive director of the Teachers
28.14 Retirement Association must subtract the amounts received under paragraphs (c) and (d).
28.15 The Board of Trustees of the Minnesota State Colleges and Universities must transmit the
28.16 remaining amount, if any, to the executive director of the Teachers Retirement Association
28.17 within 60 days following the receipt of the amount transferred under paragraph (d).

28.18 Subd. 4. **Expiration.** The authority to make a retirement coverage election under this
28.19 section expires one year from the effective date of this section.

28.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

28.21 Sec. 2. **ALLOWING TRANSFER FROM THE IRAP TO TRA FOR ONE**
28.22 **MINNESOTA STATE EMPLOYEE.**

28.23 (a) Notwithstanding any provision of law to the contrary, an eligible person described
28.24 in paragraph (b) is authorized to become a member of the Teachers Retirement Association
28.25 and to receive service and salary credit in the Teachers Retirement Association from May
28.26 28, 2008, upon making an election under paragraph (c) and upon making the required
28.27 contribution under paragraph (e).

28.28 (b) An eligible person is a person who:

28.29 (1) was born on July 11, 1950;

28.30 (2) was first employed on May 28, 2008, in the Minnesota State system office in the
28.31 city of St. Paul as an academic program director and, on December 31, 2022, was employed

29.1 as the system director for Academic Programs, Planning, and Transfer, with retirement
29.2 coverage in the higher education individual retirement account plan; and

29.3 (3) was not offered an election to be covered by the Teachers Retirement Association
29.4 as authorized by Minnesota Statutes 2008, section 354B.21.

29.5 (c) To elect coverage by the Teachers Retirement Association, an eligible person must
29.6 submit a written application to the executive director of the Teachers Retirement Association
29.7 on a form provided by the Teachers Retirement Association. The application must include
29.8 documentation demonstrating that the person is an eligible person under paragraph (b) and
29.9 any other relevant information that the executive director may require.

29.10 (d) Membership in the Teachers Retirement Association commences after the date the
29.11 executive director receives (1) the retirement coverage election, including information
29.12 described in paragraph (c), and (2) the contribution specified in paragraph (e). Upon
29.13 membership commencement, the executive director must grant past service and salary credit
29.14 for employment with Minnesota State from May 28, 2008.

29.15 (e) If the eligible person makes the retirement coverage election under paragraph (c),
29.16 the eligible person must make a contribution to the Teachers Retirement Association equal
29.17 to the excess, if any, of the employee contributions that the eligible person would have made
29.18 if covered by the Teachers Retirement Association for the period of past service and salary
29.19 for which credit is to be granted under paragraph (d) over the employee contributions that
29.20 the eligible person made to the higher education individual retirement account plan for the
29.21 same period of past service and salary. The executive director of the Teachers Retirement
29.22 Association must determine the amount to be contributed under this paragraph and notify
29.23 the eligible person of the amount required and options for making the payment.

29.24 (f) If payment is made under paragraph (e), the value of the eligible person's account in
29.25 the higher education individual retirement account plan must be transferred to the Teachers
29.26 Retirement Association.

29.27 (g) Upon receipt of the amount transferred under paragraph (f), the Teachers Retirement
29.28 Association shall determine the required purchase payment amount calculated under
29.29 Minnesota Statutes, section 356.551, as if the coverage election was a purchase of prior
29.30 service credit.

29.31 (h) From the amount calculated under paragraph (g), the executive director of the Teachers
29.32 Retirement Association must subtract the amounts received under paragraphs (e) and (f).
29.33 The Board of Trustees of the Minnesota State Colleges and Universities must transmit the

30.1 remaining amount, if any, to the executive director of the Teachers Retirement Association
30.2 within 60 days following the receipt of the amount transferred under paragraph (f).

30.3 (i) An eligible person's authority to make a retirement coverage election under this
30.4 section expires one year from the effective date of this section.

30.5 (j) An eligible person may elect coverage by the Teachers Retirement Association under
30.6 paragraph (c) during or after the eligible person's employment with the Minnesota State
30.7 Colleges and Universities, as long as the eligible person has not withdrawn or taken a
30.8 distribution of all or any portion of the eligible person's account in the higher education
30.9 individual retirement account plan.

30.10 **EFFECTIVE DATE.** This section is effective the day following final enactment.

30.11 Sec. 3. **WORK GROUP ON IRAP TO TRA TRANSFERS.**

30.12 Subdivision 1. **Work group established.** The executive director of the Legislative
30.13 Commission on Pensions and Retirement must convene a work group for the purpose of
30.14 recommending legislation to end the need for special legislation permitting participants in
30.15 the higher education individual retirement account plan to transfer to the Teachers Retirement
30.16 Association because the participant was not aware or did not receive notice of the right to
30.17 elect a transfer when the participant was eligible to elect a transfer under applicable law.

30.18 Subd. 2. **Membership.** (a) The work group must consist of at least the following:

30.19 (1) representatives from Minnesota State Colleges and Universities;

30.20 (2) representatives from the Teachers Retirement Association;

30.21 (3) one representative from the Inter Faculty Organization (IFO);

30.22 (4) one representative from the Minnesota State College Faculty (MSCF); and

30.23 (5) one representative from the Minnesota Association of Professional Employees
30.24 (MAPE).

30.25 (b) The executive director may invite others to participate in one or more meetings of
30.26 the work group.

30.27 (c) The organizations specified in paragraph (a) must provide the executive director with
30.28 the names and contact information for the representatives who will serve on the work group
30.29 by June 15, 2023.

30.30 Subd. 3. **Scope.** (a) The work group must recommend legislation or alternatives for
30.31 legislation that:

31.1 (1) address the cost of the transfers to the Teachers Retirement Association and the
31.2 Minnesota State Colleges and Universities;

31.3 (2) end the need for participants in the higher education individual retirement account
31.4 plan to seek special legislation permitting them to transfer to the Teachers Retirement
31.5 Association;

31.6 (3) would have authorized the transfer election by all individuals covered by special
31.7 legislation in the last ten legislative sessions had the recommended legislation been enacted
31.8 11 years ago;

31.9 (4) require the administration of Minnesota State Colleges and Universities to conduct
31.10 outreach to all facilities and plan participants to inform them about the opportunity to transfer
31.11 to the Teachers Retirement Association and the procedure for doing so;

31.12 (5) require an annual report to the Legislative Commission on Pensions and Retirement
31.13 from the appropriate human resources manager at Minnesota State Colleges and Universities
31.14 and the executive director of the Teachers Retirement Association on the number of
31.15 employees who elected a transfer during the prior twelve-month period under the legislation
31.16 and, for each employee, the cost of the transfer to the employee and Minnesota State Colleges
31.17 and Universities and the actuarial cost of the employee's pension benefit at the time of the
31.18 transfer as calculated by the Teachers Retirement Association; and

31.19 (6) must not increase the unfunded liability of the Teachers Retirement Association.

31.20 (b) The recommendation must be accompanied by estimates prepared by representatives
31.21 of the Minnesota State Colleges and Universities of the number of participants in the higher
31.22 education individual retirement account plan who are eligible for a transfer under the
31.23 recommended legislation and the cost to the Minnesota State Colleges and Universities if
31.24 the eligible participants elect the transfer.

31.25 Subd. 4. **Due date for submitting recommendation to the commission.** The executive
31.26 director must submit the recommendation of the work group to the chair of the Legislative
31.27 Commission on Pensions and Retirement by January 5, 2024.

31.28 Subd. 5. **Meetings.** (a) The executive director must convene the first meeting of the
31.29 work group by August 1, 2023, and will serve as chair.

31.30 (b) Meetings may be conducted remotely or in-person or a combination of remote and
31.31 in-person.

31.32 (c) In-person meetings will be held in the offices of the Legislative Coordinating
31.33 Commission.

32.1 Subd. 6. Compensation; lobbying; retaliation. (a) Members of the work group serve
32.2 without compensation.

32.3 (b) Participation in the work group is not lobbying under Minnesota Statutes, chapter
32.4 10A.

32.5 (c) An individual's employer or an association of which an individual is a member must
32.6 not retaliate against the individual because of the individual's participation in the work
32.7 group.

32.8 Subd. 7. Administrative support. Commission staff must provide administrative support
32.9 for the work group.

32.10 Subd. 8. Expiration. The work group expires June 30, 2024.

32.11 EFFECTIVE DATE. This section is effective the day following final enactment.

32.12 **ARTICLE 8**

32.13 **SERVICE CREDIT PURCHASES FOR PERIODS OF MILITARY LEAVE**

32.14 Section 1. Minnesota Statutes 2022, section 354.53, subdivision 3, is amended to read:

32.15 **Subd. 3. Eligible payment period.** (a) To receive service credit under this section, the
32.16 contributions specified in this section must be transmitted to the Teachers Retirement
32.17 Association during the period which begins with the date on which the individual returns
32.18 to teaching service and which has a duration of three times the length of the uniformed
32.19 service period, but not to exceed five years.

32.20 (b) Notwithstanding paragraph (a), if the payment period determined under paragraph
32.21 (a) is less than ~~one year~~ three years, the contributions required under this section to receive
32.22 service credit may be made within ~~one year~~ three years from the discharge date.

32.23 EFFECTIVE DATE. This section is effective the day following final enactment.

32.24 Sec. 2. Minnesota Statutes 2022, section 354A.093, subdivision 4, is amended to read:

32.25 **Subd. 4. Eligible payment period.** (a) To receive service credit under this section, the
32.26 contributions specified in this section must be transmitted to the St. Paul Teachers Retirement
32.27 Fund Association during the period which begins with the date the individual returns to
32.28 teaching service and which has a duration of three times the length of the uniformed service
32.29 period, but not to exceed five years.

33.1 (b) Notwithstanding paragraph (a), if the payment period determined under paragraph
33.2 (a) is less than ~~one year~~ three years, the contributions required under this section to receive
33.3 service credit may be made within ~~one year~~ three years from the discharge date.

33.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

33.5 **ARTICLE 9**

33.6 **ANNUAL LIMIT ON PUBLIC FUNDS CONTRIBUTED TO TWO**
33.7 **MULTIEMPLOYER PENSION PLANS**

33.8 Section 1. Minnesota Statutes 2022, section 356.24, subdivision 1, is amended to read:

33.9 Subdivision 1. **Restriction; exceptions.** It is unlawful for a school district or other
33.10 governmental subdivision or state agency to levy taxes for or to contribute public funds to
33.11 a supplemental pension or deferred compensation plan that is established, maintained, and
33.12 operated in addition to a primary pension program for the benefit of the governmental
33.13 subdivision employees other than:

33.14 (1) to a supplemental pension plan that was established, maintained, and operated before
33.15 May 6, 1971;

33.16 (2) to a plan that provides solely for group health, hospital, disability, or death benefits;

33.17 (3) to the individual retirement account plan established by chapter 354B;

33.18 (4) to a plan that provides solely for severance pay under section 465.72 to a retiring or
33.19 terminating employee;

33.20 (5) to a deferred compensation plan defined in subdivision 3;

33.21 (6) for personnel employed by the Board of Trustees of the Minnesota State Colleges
33.22 and Universities and not covered by clause (5), to the supplemental retirement plan under
33.23 chapter 354C, if the supplemental plan coverage is provided for in a personnel policy or in
33.24 the collective bargaining agreement of the public employer with the exclusive representative
33.25 of the covered employees in an appropriate unit, in an amount matching employee
33.26 contributions on a dollar for dollar basis, but not to exceed an employer contribution of
33.27 \$2,700 a year for each employee;

33.28 (7) to a supplemental plan or to a governmental trust to save for postretirement health
33.29 care expenses qualified for tax-preferred treatment under the Internal Revenue Code, if the
33.30 supplemental plan coverage is provided for in a personnel policy or in the collective
33.31 bargaining agreement of a public employer with the exclusive representative of the covered
33.32 employees in an appropriate unit;

34.1 (8) to the laborers national industrial pension fund or to a laborers local pension fund
 34.2 for the employees of a governmental subdivision who are covered by a collective bargaining
 34.3 agreement that provides for coverage by that fund and that sets forth a fund contribution
 34.4 rate, but not to exceed an employer contribution of ~~\$7,000~~ \$10,000 per year per employee;

34.5 (9) to the plumbers and pipefitters national pension fund or to a plumbers and pipefitters
 34.6 local pension fund for the employees of a governmental subdivision who are covered by a
 34.7 collective bargaining agreement that provides for coverage by that fund and that sets forth
 34.8 a fund contribution rate, but not to exceed an employer contribution of \$5,000 per year per
 34.9 employee;

34.10 (10) to the international union of operating engineers pension fund for the employees
 34.11 of a governmental subdivision who are covered by a collective bargaining agreement that
 34.12 provides for coverage by that fund and that sets forth a fund contribution rate, but not to
 34.13 exceed an employer contribution of ~~\$5,000~~ \$10,000 per year per employee;

34.14 (11) to the International Association of Machinists national pension fund for the
 34.15 employees of a governmental subdivision who are covered by a collective bargaining
 34.16 agreement that provides for coverage by that fund and that sets forth a fund contribution
 34.17 rate, but not to exceed an employer contribution of \$5,000 per year per employee;

34.18 (12) for employees of United Hospital District, Blue Earth, to the state of Minnesota
 34.19 deferred compensation program, if the employee makes a contribution, in an amount that
 34.20 does not exceed the total percentage of covered salary under section 353.27, subdivisions
 34.21 3 and 3a;

34.22 (13) to the alternative retirement plans established by the Hennepin County Medical
 34.23 Center under section 383B.914, subdivision 5; or

34.24 (14) to the International Brotherhood of Teamsters Central States pension plan for
 34.25 fixed-route bus drivers employed by the St. Cloud Metropolitan Transit Commission who
 34.26 are members of the International Brotherhood of Teamsters Local 638 by virtue of that
 34.27 employment.

34.28 ARTICLE 10

34.29 VESTING UNDER THE PERA STATEWIDE VOLUNTEER FIREFIGHTER PLAN

34.30 Section 1. Minnesota Statutes 2022, section 353G.01, subdivision 8, is amended to read:

34.31 Subd. 8. **Member.** "Member" means an individual who is or was a volunteer firefighter
 34.32 ~~who provides active~~ providing service to a ~~municipal fire department~~ municipality or an

35.1 independent nonprofit firefighting corporation ~~where the applicable municipality or~~
35.2 ~~corporation~~ that has elected coverage by the ~~retirement~~ plan under section 353G.05, and
35.3 ~~which~~ whose service is covered by the ~~retirement~~ plan.

35.4 Sec. 2. Minnesota Statutes 2022, section 353G.01, is amended by adding a subdivision to
35.5 read:

35.6 Subd. 12a. **Service credit.** "Service credit" means the period of service rendered by a
35.7 volunteer firefighter that is certified under section 353G.07 by the fire chief of the fire
35.8 department in which the volunteer firefighter serves. A volunteer firefighter's service credit
35.9 equals all periods of service with any fire department covered by the plan.

35.10 Sec. 3. Minnesota Statutes 2022, section 353G.01, is amended by adding a subdivision to
35.11 read:

35.12 Subd. 14a. **Vesting service credit.** "Vesting service credit" means service credit plus
35.13 any earlier period of service rendered as a volunteer firefighter in a fire department in the
35.14 state that was not covered by the plan at the time the service was rendered. The earlier period
35.15 of service must be certified by the fire chief of the fire department covered by the plan in
35.16 a manner similar to the requirements of section 353G.07. The volunteer firefighter must
35.17 provide documentation in a form acceptable to the executive director regarding the earlier
35.18 period of service.

35.19 Sec. 4. Minnesota Statutes 2022, section 353G.01, subdivision 15, is amended to read:

35.20 Subd. 15. **Volunteer firefighter.** "Volunteer firefighter" means a person who is an active
35.21 member of ~~a municipal~~ the fire department of a municipality or an independent nonprofit
35.22 firefighting corporation and who, in that capacity, engages in fire suppression activities,
35.23 provides emergency response services, or delivers fire education or prevention services on
35.24 an on-call basis.

35.25 Sec. 5. Minnesota Statutes 2022, section 353G.09, subdivision 1, is amended to read:

35.26 Subdivision 1. **Entitlement.** (a) A member ~~of~~ with at least one year of service credit
35.27 with a fire department with active firefighters that are covered by the ~~retirement~~ plan is
35.28 entitled to a ~~service pension~~ retirement benefit as defined in subdivision 1a from the
35.29 ~~retirement~~ fire department's account in the plan if the member:

35.30 (1) has separated from active service with the fire department for at least 30 days;

35.31 (2) has attained the age of at least 50 years;

36.1 (3) has satisfied the minimum service requirement in paragraph (b) or (c), as applicable;
36.2 and

36.3 (4) applies in a manner prescribed by the executive director ~~for the service pension.~~

36.4 (b) ~~A~~ If the member is a member of the lump-sum division, the member satisfies the
36.5 minimum service requirement if the member meets at least one of the following requirements:
36.6 is at least 40 percent vested as determined under subdivision 2.

36.7 ~~(1) the member is at least 40 percent vested based on years of service as a member of~~
36.8 ~~the retirement plan;~~

36.9 ~~(2) the member is at least 40 percent vested based on years of service with the fire~~
36.10 ~~department and the total number of years of service as a member of the former affiliated~~
36.11 ~~relief association plus years of service as a member of the retirement plan is at least five;~~
36.12 ~~or~~

36.13 ~~(3)~~ (c) If the member is a member of the monthly benefit division, the member satisfies
36.14 the minimum service requirement if the member has completed at least the minimum number
36.15 of years of service as a member of the retirement plan specified in the retirement benefit
36.16 plan document attributable to the applicable fire department if the person is a member of
36.17 the monthly benefit retirement division applicable to the member.

36.18 Sec. 6. Minnesota Statutes 2022, section 353G.09, is amended by adding a subdivision to
36.19 read:

36.20 Subd. 1a. **Retirement benefit.** (a) A volunteer firefighter who is entitled to a service
36.21 pension under subdivision 1 must receive a retirement benefit under subdivision 1, paragraph
36.22 (a) or (b), as applicable.

36.23 (b) The retirement benefit of a member of the lump-sum division is equal to the number
36.24 of years of service credit certified under section 353G.07 for the member, multiplied by the
36.25 service pension level applicable to the member under section 353G.11, multiplied by the
36.26 member's vested percentage under subdivision 2.

36.27 (c) The retirement benefit of a member of the monthly benefit division is equal to the
36.28 number of years of service credit certified under section 353G.07 for the member, multiplied
36.29 by the service pension level applicable to the member under section 353G.112, multiplied
36.30 by the member's vested percentage under subdivision 2.

37.1 Sec. 7. Minnesota Statutes 2022, section 353G.09, subdivision 2, is amended to read:

37.2 Subd. 2. ~~Vesting schedule; nonforfeitable portion of service pension~~ Vested
 37.3 percentage. A member of the plan has a nonforfeitable right to a retirement benefit, up to
 37.4 the percent vested. The member's vested percentage is determined under paragraph (a), (b),
 37.5 or (c), as applicable.

37.6 (a) ~~Except as provided in paragraphs (c) and (d), an active~~ If the member is a member
 37.7 of the lump-sum retirement division is entitled to a service pension and employed in a fire
 37.8 department that joined the plan before January 1, 2023, the member's vested percentage is
 37.9 equal to the nonforfeitable percentage that corresponds to the number of the applicable
 37.10 service pension amount, taking into account years of vesting service as a member of the
 37.11 retirement plan plus years of service as a member of the former affiliated relief association,
 37.12 if any, credit, as follows:

37.13 Completed years of service credit	37.14 Nonforfeitable <u>Vested</u> percentage of the service pension
37.15 less than 5	0 percent
37.16 5	40 percent
37.17 6	44 percent
37.18 7	48 percent
37.19 8	52 percent
37.20 9	56 percent
37.21 10	60 percent
37.22 11	64 percent
37.23 12	68 percent
37.24 13	72 percent
37.25 14	76 percent
37.26 15	80 percent
37.27 16	84 percent
37.28 17	88 percent
37.29 18	92 percent
37.30 19	96 percent

37.31 (b) If the member is a member of the lump-sum division and employed in a fire
 37.32 department that joined the retirement plan on or after January 1, 2023, the member's vested
 37.33 percentage is equal to the percentage determined by applying the vesting schedule selected
 37.34 in the request for coverage under section 353G.05, subdivision 1a, taking into account years
 37.35 of vesting service credit.

38.1 ~~(c) If an active~~ the member is a member of the monthly benefit retirement division and
38.2 has completed 20 years of service as a member of the plan, the member is 100 percent
38.3 vested. If the member has completed less than 20 years of service ~~credit~~ as a member of the
38.4 ~~monthly benefit retirement division of the plan, the person's entitlement to a service pension~~
38.5 ~~must be governed by~~ member's vested percentage is equal to the percentage determined
38.6 under the retirement benefit plan document attributable to the applicable fire department
38.7 applicable to the member.

38.8 ~~(e) A person described in paragraph (d) is entitled to the vested portion of the service~~
38.9 ~~pension as determined by applying the vesting schedule selected in the request for coverage~~
38.10 ~~under section 353G.05, subdivision 1a, taking into account years of service as a member~~
38.11 ~~of the retirement plan plus years of service as a member of the former affiliated relief~~
38.12 ~~association, if any.~~

38.13 ~~(d) A person is described in this paragraph if the person becomes a member of the~~
38.14 ~~lump-sum retirement division in connection with the transfer of coverage from a relief~~
38.15 ~~association to the retirement plan on or after January 1, 2023, or in connection with a~~
38.16 ~~municipality or independent nonprofit firefighting corporation joining the retirement plan~~
38.17 ~~on or after January 1, 2023.~~

38.18 Sec. 8. Minnesota Statutes 2022, section 353G.14, is amended to read:

38.19 **353G.14 PURCHASE OF ANNUITY CONTRACTS DISTRIBUTIONS FROM**
38.20 **LUMP-SUM DIVISION.**

38.21 Subdivision 1. Lump sum. Unless a volunteer firefighter requests an annuity under
38.22 subdivision 2, the executive director must distribute a lump-sum service pension in the form
38.23 of a single payment from the account of each fire department covered by the plan in which
38.24 the volunteer firefighter earned a retirement benefit under section 353G.09.

38.25 Subd. 2. Annuity. The executive director may purchase an annuity contract on behalf
38.26 of a ~~retiring~~ volunteer firefighter retiring from the lump-sum ~~retirement~~ division of the
38.27 ~~statewide retirement~~ plan with a total premium payment in an amount equal to the lump-sum
38.28 service pension payable under section 353G.09 if the purchase was requested by the ~~retiring~~
38.29 volunteer firefighter in a manner prescribed by the executive director. The annuity contract
38.30 must be purchased from an insurance carrier that is licensed to do business in this state. If
38.31 purchased, the annuity contract is in lieu of any service pension or other benefit from the
38.32 lump-sum retirement plan of the retirement plan. The annuity contract may be purchased
38.33 at any time after the volunteer firefighter discontinues active service, but the annuity contract

39.1 must stipulate that no annuity amounts are payable before the ~~former~~ volunteer firefighter
 39.2 attains the age of 50.

39.3 **Sec. 9. REVISOR INSTRUCTION.**

39.4 In Minnesota Statutes, chapter 353G, the revisor of statutes shall change the terms in
 39.5 column A to the terms in column B wherever the terms appear.

39.6 <u>Column A</u>	39.6 <u>Column B</u>
39.7 <u>lump-sum retirement division</u>	39.7 <u>lump-sum division</u>
39.8 <u>monthly benefit retirement division</u>	39.8 <u>monthly benefit division</u>
39.9 <u>retirement plan</u>	39.9 <u>plan</u>

39.10 **Sec. 10. REPEALER.**

39.11 Minnesota Statutes 2022, sections 353G.01, subdivision 7; and 353G.13, are repealed.

39.12 **Sec. 11. EFFECTIVE DATE.**

39.13 Sections 1 to 10 are effective January 1, 2024.

39.14 **ARTICLE 11**

39.15 **RELIEF ASSOCIATION REQUIREMENTS AFTER JOINING THE PERA**
 39.16 **STATEWIDE VOLUNTEER FIREFIGHTER PLAN**

39.17 Section 1. Minnesota Statutes 2022, section 353G.06, subdivision 2, is amended to read:

39.18 Subd. 2. **Other relief association changes.** In addition to the transfer and
 39.19 disestablishment of the special fund under subdivision 1, notwithstanding any provisions
 39.20 of chapter 424A or 424B to the contrary, upon the effective date of the change in ~~volunteer~~
 39.21 ~~firefighter retirement~~ coverage, if the relief association membership elects to retain the relief
 39.22 association as a ~~fraternal~~ nonprofit organization after the ~~benefit~~ coverage election, the
 39.23 following changes must be implemented with respect to the ~~applicable volunteer firefighter~~
 39.24 relief association:

39.25 ~~(1) the relief association board of trustees membership is reduced to five, comprised of~~
 39.26 ~~the fire chief of the fire department and four trustees elected by and from the relief association~~
 39.27 ~~membership;~~

39.28 ~~(2) the relief association may only maintain a general fund, which continues to be~~
 39.29 ~~governed by section 424A.06;~~

40.1 ~~(3)~~ (1) the relief association is not authorized to receive the proceeds of any state aid or
40.2 to receive any municipal funds; and

40.3 ~~(4)~~ (2) the relief association may not pay any service pension or benefit that was not
40.4 authorized as a general fund disbursement under the articles of incorporation or bylaws of
40.5 the relief association in effect immediately prior to the plan coverage election process.

40.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

40.7 Sec. 2. Minnesota Statutes 2022, section 353G.06, subdivision 3, is amended to read:

40.8 Subd. 3. **Successor in interest.** Upon the disestablishment of the special fund of the
40.9 ~~volunteer firefighter~~ relief association under this section, the ~~statewide volunteer firefighter~~
40.10 retirement plan is the successor in interest of the special fund of the ~~volunteer firefighter~~
40.11 relief association for all claims against the special fund other than a claim against the special
40.12 fund, the ~~volunteer firefighter~~ relief association, the municipality, the fire department, or
40.13 any person connected with the ~~volunteer firefighter~~ relief association in a fiduciary capacity
40.14 under chapter 356A or common law that was based on any act or acts which were not
40.15 performed in good faith and which constituted a breach of a fiduciary obligation. As the
40.16 successor in interest of the special fund of the ~~volunteer firefighter~~ relief association, the
40.17 ~~statewide volunteer firefighter~~ retirement plan may assert any applicable defense in any
40.18 judicial proceeding which the board of trustees of the ~~volunteer firefighter~~ relief association
40.19 or the municipality would have been entitled to assert.

40.20 **EFFECTIVE DATE.** This section is effective the day following final enactment.

40.21 **ARTICLE 12**

40.22 **THRESHOLD FOR REQUIRING RELIEF ASSOCIATIONS TO FILE AUDITED** 40.23 **FINANCIAL STATEMENTS**

40.24 Section 1. Minnesota Statutes 2022, section 424A.014, subdivision 1, is amended to read:

40.25 Subdivision 1. **Financial report and audit.** (a) An annual financial report and audited
40.26 financial statements in accordance with paragraphs (c) to (e) must be submitted by the board
40.27 of trustees of the Bloomington Fire Department Relief Association and the board of trustees
40.28 of each ~~volunteer~~ firefighters relief association with special fund assets of at least ~~\$500,000~~
40.29 \$750,000 or special fund liabilities of at least ~~\$500,000~~ \$750,000, according to any previous
40.30 year's financial report.

40.31 (b) The board of trustees of a ~~volunteer~~ firefighters relief association with special fund
40.32 assets of less than ~~\$500,000~~ \$750,000 and special fund liabilities of less than ~~\$500,000~~

41.1 \$750,000, according to each previous year's financial report, may submit an annual financial
41.2 report and audited financial statements in accordance with paragraphs (c) to (e).

41.3 (c) The financial report must cover the relief association's special fund and general fund
41.4 and be in the style and form prescribed by the state auditor. The financial report must be
41.5 countersigned by:

41.6 (1) the municipal clerk or clerk-treasurer of the municipality in which the relief
41.7 association is located if the relief association is directly associated with a municipal fire
41.8 department;

41.9 (2) the municipal clerk or clerk-treasurer of the largest municipality in population that
41.10 contracts with the independent nonprofit firefighting corporation if the volunteer firefighter
41.11 relief association is a subsidiary of an independent nonprofit firefighting corporation, and
41.12 by the secretary of the independent nonprofit firefighting corporation; or

41.13 (3) the chief financial official of the county in which the volunteer firefighter relief
41.14 association is located or primarily located if the relief association is associated with a fire
41.15 department that is not located in or associated with an organized municipality.

41.16 (d) The financial report must be retained in the office of the Bloomington Fire Department
41.17 Relief Association or the volunteer firefighter relief association for public inspection and
41.18 must be filed with the governing body of the government subdivision in which the associated
41.19 fire department is located after the close of the fiscal year. One copy of the financial report
41.20 must be furnished to the state auditor on or before June 30 after the close of the fiscal year.

41.21 (e) Audited financial statements that present the true financial condition of the relief
41.22 association's special fund and general fund must be attested to by a certified public accountant
41.23 or by the state auditor and must be filed with the state auditor on or before June 30 after the
41.24 close of the fiscal year. Audits must be conducted in compliance with generally accepted
41.25 auditing standards and section 6.65 governing audit procedures. The state auditor may accept
41.26 audited financial statements in lieu of the financial report required in paragraph (a).

41.27 **Sec. 2. EFFECTIVE DATE; APPLICATION.**

41.28 This article is effective on December 31, 2023, and applies to audited financial statements
41.29 for calendar year 2023 and thereafter. A relief association with special fund assets of less
41.30 than \$750,000 and special fund liabilities of less than \$750,000 on December 31, 2023, is
41.31 not required to submit audited financial statements under Minnesota Statutes, section
41.32 424A.014, subdivision 1, unless and until the association's special fund assets or special

42.1 fund liabilities exceed \$750,000, even if audited financial statements were required on the
42.2 date immediately prior to the effective date.

42.3 **ARTICLE 13**

42.4 **HAMEL AND LORETTO RELIEF ASSOCIATIONS**

42.5 **Section 1. STATEWIDE VOLUNTEER FIREFIGHTER PLAN COVERAGE FOR**
42.6 **HAMEL AND LORETTO FIREFIGHTERS; MERGER OF ASSETS AND**
42.7 **LIABILITIES.**

42.8 Subdivision 1. **Mid-year effective date for coverage by the statewide volunteer**
42.9 **firefighter plan.** (a) If the requirements of paragraph (b) and all other requirements for
42.10 coverage by the statewide volunteer firefighter plan under Minnesota Statutes, section
42.11 353G.05, are satisfied by the governing boards of the independent nonprofit firefighting
42.12 corporation and the affiliated relief associations, the effective date of coverage is as provided
42.13 in paragraph (c) or (d), as applicable, notwithstanding Minnesota Statutes, section 353G.05,
42.14 subdivision 5, paragraph (c).

42.15 (b) The Hamel Volunteer Fire Department Relief Association and the Loretto Firefighters
42.16 Relief Association must submit to the state auditor detailed investment or financial statements
42.17 in a format satisfactory to the state auditor that confirm transfer of all special fund assets
42.18 to the State Board of Investment.

42.19 (c) Coverage of the volunteer firefighters employed by the independent nonprofit
42.20 firefighting corporation that operates the fire department that serves the community of
42.21 Hamel is effective on the later of the date of approval by the governing board of the
42.22 independent nonprofit firefighting corporation or the date of approval by the Board of
42.23 Trustees of the Hamel Volunteer Fire Department Relief Association.

42.24 (d) Coverage of the volunteer firefighters employed by the independent nonprofit
42.25 firefighting corporation that operates the fire department that serves the city of Loretto is
42.26 effective on the later of the date of approval by the governing board of the independent
42.27 nonprofit firefighting corporation or the date of approval by the Board of Trustees of the
42.28 Loretto Firefighters Relief Association.

42.29 **Subd. 2. Merger of retirement accounts in the statewide volunteer firefighter plan**
42.30 **for the Hamel and Loretto firefighters.** (a) The executive director of the public employees
42.31 retirement association must merge the assets and liabilities of the lump-sum retirement plan
42.32 account for the fire department that serves the community of Hamel with the assets and

43.1 liabilities of the lump-sum retirement plan account for the fire department that serves the
43.2 city of Loretto upon receipt of the following:

43.3 (1) resolutions approved by the governing board of the independent nonprofit firefighting
43.4 corporation associated with the fire department that serves the community of Hamel
43.5 approving the merger and directing the executive director to merge the lump-sum plan
43.6 accounts and take any other action determined necessary by the executive director to
43.7 effectuate the merger; and

43.8 (2) resolutions approved by the governing board of the independent nonprofit firefighting
43.9 corporation associated with the fire department that serves the city of Loretto approving the
43.10 merger and directing the executive director to merge the lump-sum plan accounts and take
43.11 any other action determined necessary by the executive director to effectuate the merger.

43.12 (b) The executive director is authorized to take whatever actions deemed necessary to
43.13 effectuate the merger, notwithstanding any state laws to the contrary.

43.14 **EFFECTIVE DATE.** This section is effective the day following final enactment.

43.15 **ARTICLE 14**

43.16 **SERVICE CREDIT TRANSFER FROM THE GENERAL STATE EMPLOYEES** 43.17 **PLAN TO THE CORRECTIONAL STATE EMPLOYEES PLAN**

43.18 Section 1. **TRANSFER OF PAST SERVICE CREDIT FROM THE MINNESOTA**
43.19 **STATE RETIREMENT SYSTEM GENERAL PLAN TO THE MINNESOTA STATE**
43.20 **RETIREMENT SYSTEM CORRECTIONAL PLAN.**

43.21 Subdivision 1. **Definitions.** The following terms as used in this section have the meanings
43.22 given in this subdivision.

43.23 (1) "Correctional plan" means the correctional employees retirement plan of the
43.24 Minnesota State Retirement System.

43.25 (2) "Executive director" means the executive director of the Minnesota State Retirement
43.26 System.

43.27 (3) "General plan" means the general state employees retirement plan of the Minnesota
43.28 State Retirement System.

43.29 (4) "Service credit" means time credited as allowable service under Minnesota Statutes,
43.30 section 352.01, subdivision 11, to an eligible person described in subdivision 3.

43.31 (5) "Transfer period" means the period from July 8, 1998, to August 5, 2001.

44.1 Subd. 2. **Transfer of past service credit authorized.** Notwithstanding any state law to
44.2 the contrary, an eligible person described in subdivision 3 who makes a payment to the
44.3 correctional employees retirement fund, as permitted under subdivision 4, on or before one
44.4 year following the effective date of this section is entitled to have:

44.5 (1) the employer payment made on the eligible person's behalf under subdivision 5; and

44.6 (2) applicable past service credit transferred from the general plan to the correctional
44.7 plan for the transfer period under subdivision 6.

44.8 Subd. 3. **Eligible person.** An eligible person is a person who:

44.9 (1) is an employee of the Department of Corrections;

44.10 (2) on July 8, 1998, was appointed to a position with MinnCor, a position eligible to
44.11 participate in the correctional plan; and

44.12 (3) from July 8, 1998, to August 5, 2001, was erroneously covered by the general plan
44.13 because the department misreported the person's retirement plan eligibility to the Minnesota
44.14 State Retirement System.

44.15 Subd. 4. **Payment by eligible person.** (a) An eligible person may pay to the executive
44.16 director the difference between the employee contribution rate for the general plan and the
44.17 employee contribution rate for the correctional plan for the transfer period. The difference
44.18 between the two rates must be applied to the eligible person's salary at the time that each
44.19 contribution would have been deducted from pay if the eligible person had been covered
44.20 by the correctional plan for the transfer period. The payment must include interest at the
44.21 applicable annual rate or rates specified in Minnesota Statutes, section 356.59, subdivision
44.22 2, calculated from the date that each contribution would have been deducted to the date that
44.23 the payment is made.

44.24 (b) The payment under paragraph (a) must be made in a lump sum no later than one year
44.25 following the effective date. Upon receipt of the payment, the executive director must notify
44.26 the commissioner of corrections that the payment was made and of the amount owed under
44.27 subdivision 5.

44.28 Subd. 5. **Payment by the Department of Corrections.** If an eligible person makes the
44.29 payment under subdivision 4, the Department of Corrections, on behalf of the eligible
44.30 person, shall pay to the Minnesota State Retirement System the actuarial present value of
44.31 the additional benefit resulting from the transferred service credit less the payment made
44.32 under subdivision 4. This amount must be paid by the department in a lump sum within 30

45.1 days after the date on which the executive director notifies the commissioner of corrections
45.2 under subdivision 4.

45.3 Subd. 6. **Transfer of assets and service credit.** (a) If the payments under subdivisions
45.4 4 and 5 are made, the executive director must transfer assets from the general state employees
45.5 retirement fund to the correctional employees retirement fund in an amount equal to the
45.6 actuarial present value of the benefits earned by the eligible person under the general plan
45.7 during the transfer period. The transfer of assets must be made within 15 days after receipt
45.8 of the payments under subdivisions 4 and 5.

45.9 (b) Upon the transfer of the assets under paragraph (a), the eligible person shall have
45.10 service credit in the correctional plan and no service credit in the general plan for the transfer
45.11 period.

45.12 **EFFECTIVE DATE.** This section is effective the day following final enactment.

353.01 DEFINITIONS.

Subd. 15a. **Dependent child.** For the purpose of survivor benefit eligibility under section 353.32, subdivision 1c, "dependent child" means any biological or adopted child of a deceased member who has not reached the age of 20 and is dependent for more than one-half of support upon the member. It also includes any child of the member conceived during the member's lifetime and born after the member's death.

353G.01 DEFINITIONS.

Subd. 7. **Service credit.** "Service credit" means the length of service credit for an active firefighter that is reported by the applicable fire chief based on the minimum firefighter activity standards of the fire department. The credit may be reported on an annual or monthly basis.

353G.13 LUMP-SUM RETIREMENT DIVISION; PORTABILITY.

Subdivision 1. **Eligibility.** An active firefighter who is a member of the lump-sum retirement division of the retirement plan who also renders firefighting service and has service credit in the lump-sum retirement division of the retirement plan from another fire department, if the number of years of service credit in the plan from a combination of nonconcurrent periods totals at least five years, is eligible, upon complying with the other requirements of section 353G.09, to receive a lump-sum service pension upon filing an application in the manner prescribed by the executive director, computed as provided in subdivision 2.

Subd. 2. **Combined service pension computation.** The lump-sum service pension payable to a firefighter who qualifies under subdivision 1 is the per year of good time lump-sum service credit service pension amount in effect for each lump-sum retirement account in which the firefighter has one or more years of service credit as of the date on which the firefighter terminated active service with the fire department associated with the applicable account, multiplied by the number of years of service credit that the firefighter has in the applicable account and adjusted for the vesting percentage based on the total number of years of service covered in the applicable accounts.

Subd. 3. **Payment.** A lump-sum service pension under this section must be paid in a single payment, with the applicable portion of the total lump-sum service pension payment amount deducted from each lump-sum retirement account.

490.124 MATURITY OF BENEFITS; RETIREMENT AND SURVIVORS' ANNUITIES.

Subd. 10. **Prior survivors' benefits; limitation.** (a) Benefits provided under Minnesota Statutes 2004, section 490.102, subdivision 6, or 490.1091, for a surviving spouse of a retired judge, payable after the death of the judge, are limited to spouses of judges who have retired before January 1, 1974.

(b) No other judge in office on or after January 1, 1974, is required to contribute under Minnesota Statutes 2004, section 490.102, subdivision 6, or 490.109.