

1.1 **2019 OMNIBUS BILL**
 1.2 **LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT**
 1.3 **AS OF APRIL 2, 2019**

1.4 moves to amend H.F. No. 2632; S.F. No. 2583, as follows:

1.5 Delete everything after the enacting clause and insert:

1.6 **"ARTICLE 1**
 1.7 **MINNESOTA STATE RETIREMENT SYSTEM**
 1.8 **ADMINISTRATIVE PROVISIONS**

1.9 Section 1. Minnesota Statutes 2018, section 3A.02, is amended by adding a subdivision
 1.10 to read:

1.11 Subd. 7. **Application procedure.** The application for a benefit or refund made under
 1.12 this chapter must comply with section 352.115, subdivision 7a.

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

1.14 Sec. 2. Minnesota Statutes 2018, section 352.03, subdivision 1, is amended to read:

1.15 Subdivision 1. **Membership of board; election; term.** (a) The policy-making function
 1.16 of the system is vested in a board of 11 members known as the board of directors. This
 1.17 board shall consist of:

1.18 (1) three members appointed by the governor, one of whom must be a constitutional
 1.19 officer or appointed state official and two of whom must be public members knowledgeable
 1.20 in pension matters;

1.21 (2) four state employees elected by active ~~members~~ and ~~former~~ inactive vested members
 1.22 eligible for a deferred annuity from of the general state employees retirement plan and
 1.23 members with an account balance in the unclassified employees retirement program,

2.1 excluding employees and ~~deferred annuitants~~ inactive vested members for whom a board
2.2 member is designated under clause (3);

2.3 (3) one employee of the Metropolitan Council's transit operations or its successor agency
2.4 designated by the executive committee of the labor organization that is the exclusive
2.5 bargaining agent representing employees of the transit division;

2.6 (4) one employee who is a member of the State Patrol retirement plan elected by active
2.7 ~~members and former~~ inactive vested members ~~eligible for a deferred annuity from~~ of that
2.8 plan;

2.9 (5) one employee who is a member of the correctional state employees retirement plan
2.10 established under this chapter elected by active ~~members and former~~ inactive vested members
2.11 ~~eligible for a deferred annuity from~~ of that plan; and

2.12 (6) one retired employee of a plan included in the system, elected by disabled and retired
2.13 employees of the plans administered by the system at a time and in a manner determined
2.14 by the board.

2.15 (b) The terms of the four elected state employees under paragraph (a), clause (2), must
2.16 be staggered, with two of the state employee board positions elected each biennium, whose
2.17 terms of office begin on the first Monday in May after their election. Elected members and
2.18 the appointed member of the Metropolitan Council's transit operations hold office for a term
2.19 of four years and until their successors are elected or appointed, and have qualified.

2.20 (c) An employee or former employee of the system is not eligible for membership on
2.21 the board of directors. A state employee on leave of absence is not eligible for election or
2.22 reelection to membership on the board of directors.

2.23 (d) The term of any board member who is on leave for more than six months
2.24 automatically ends on expiration of the term of office.

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

2.26 Sec. 3. Minnesota Statutes 2018, section 352.03, subdivision 1b, is amended to read:

2.27 Subd. 1b. **Membership voting limitations.** (a) Active members and ~~former~~ inactive
2.28 vested members ~~eligible for a deferred annuity from~~ of a plan under this chapter ~~or~~ chapter
2.29 352B, or chapter 352D are eligible to vote in board elections as further specified and restricted
2.30 in this section.

2.31 (b) Retired members and ~~disabilitants~~ from a plan in the system may vote only for the
2.32 retired member position under subdivision 1, paragraph (a), clause (6).

3.1 ~~(c) If a former~~ an inactive vested member eligible for a deferred annuity from of a plan
 3.2 under this chapter ~~or~~, chapter 352B, or chapter 352D is ~~a deferred annuitant from~~ an inactive
 3.3 vested member of more than one plan covered by the system, that person is eligible to vote
 3.4 only in elections applicable for ~~deferred annuitants from~~ inactive vested members of the
 3.5 plan in the system from which the person last received allowable service.

3.6 (d) If a person is an active member of a plan in the system and is ~~a deferred annuitant~~
 3.7 an inactive vested member or a retiree from another plan or plans in the system, the person
 3.8 is only eligible to vote in board elections applicable due to the active member plan
 3.9 membership.

3.10 (e) If a person is ~~a deferred annuitant~~ an inactive vested member from a plan in the
 3.11 system and is also a retiree from another plan in the system, the person is only eligible to
 3.12 vote in elections applicable due to the retiree status.

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

3.14 Sec. 4. Minnesota Statutes 2018, section 352.113, subdivision 2, is amended to read:

3.15 Subd. 2. **Application; accrual of benefits.** (a) An employee making claim for a total
 3.16 and permanent disability benefit, or someone acting on behalf of the employee upon proof
 3.17 of authority satisfactory to the director, shall file a written application for benefits in the
 3.18 office of the system on or before the deadline specified in subdivision 4, paragraph (g).

3.19 (b) The application must be in a form and manner prescribed by the executive director
 3.20 and include the medical reports required by subdivision 4, paragraph (b).

3.21 (c) The benefit shall begin to accrue the day following the start of disability or the day
 3.22 following the last day paid, whichever is later, but not earlier than 180 days before the date
 3.23 the application is filed ~~with the director~~ in an office of the system.

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

3.25 Sec. 5. Minnesota Statutes 2018, section 352.115, subdivision 7, is amended to read:

3.26 Subd. 7. **Application for annuity.** Application for annuity or optional annuity payment
 3.27 may be made by the employee at time of retirement, or by someone acting ~~in~~ on behalf of
 3.28 the employee; upon proof of authority satisfactory to the director.

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

4.1 Sec. 6. Minnesota Statutes 2018, section 352.115, is amended by adding a subdivision to
4.2 read:

4.3 Subd. 7a. **Application procedure.** (a) The filing of an application for an annuity, refund,
4.4 disability benefit, survivor benefit, death benefit, or other monthly benefit authorized by
4.5 this chapter, chapters 3A, 352B, 352D, or 490 must comply with this subdivision.

4.6 (b) Filing of an application under paragraph (a) is not complete until an original
4.7 application and supporting documents are received in an office of the system or received
4.8 by a person authorized by the director. An original application may not be an electronic
4.9 copy or facsimile copy and if received in an office of the system, must be delivered by
4.10 personal service or mail.

4.11 (c) In this subdivision, "supporting documents" are:

4.12 (1) documents sufficient to verify birth;

4.13 (2) documents sufficient to verify marital status or establish the terms of a divorce, if
4.14 applicable;

4.15 (3) the acknowledgment required by section 356.46, subdivision 3, paragraph (b).

4.16 Supporting documents are not required to be original documents except as determined
4.17 by the director.

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

4.19 Sec. 7. Minnesota Statutes 2018, section 352.23, is amended to read:

4.20 **352.23 TERMINATION OF RIGHTS; REPAYMENT OF REFUND.**

4.21 (a) When any employee accepts a refund as provided in section 352.22, all existing
4.22 allowable service credits and all rights and benefits to which the employee was entitled
4.23 before accepting the refund terminate.

4.24 (b) Terminated service credits and rights must not again be restored until the former
4.25 employee acquires at least six months of allowable service credit after taking the last refund
4.26 and repays all refunds previously taken from the retirement fund with interest as provided
4.27 in paragraph (d). If an employee repays only part of a refund or repays a refund in partial
4.28 payments as permitted under paragraph (d), service credit will be restored in accordance
4.29 with section 356.44. An employee will not be considered as entitled to any other benefit,
4.30 including benefits for which the employee may be eligible because of the employee's original
4.31 hire date into public employment, until full repayment of all refunds has been made.

5.1 (c) Repayment of refunds entitles the employee only to credit for service covered by (1)
 5.2 salary deductions; (2) payments previously made in lieu of salary deductions as permitted
 5.3 under law in effect when the payment in lieu of deductions was made; (3) payments made
 5.4 to obtain credit for service as permitted by laws in effect when payment was made; and (4)
 5.5 allowable service previously credited while receiving temporary workers' compensation as
 5.6 provided in section 352.01, subdivision 11, paragraph (a), clause (3).

5.7 (d) Payments under this section for repayment of refunds are to be paid with interest at
 5.8 the applicable annual rate or rates specified in section 356.59, subdivision 2, compounded
 5.9 annually, from the date the refund was taken until the date the refund is repaid. Repayment
 5.10 may be made in partial payments consistent with section 356.44 during employment or in
 5.11 a lump sum up to six months after termination from service.

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

5.13 Sec. 8. Minnesota Statutes 2018, section 352.85, subdivision 4, is amended to read:

5.14 Subd. 4. **Election of coverage.** To be covered by this section-352.85, any employee of
 5.15 the Department of Military Affairs, described in subdivision 1, must file a notice with the
 5.16 executive director of the system on a form prescribed by the executive director stating
 5.17 ~~whether or not~~ that the employee elects to be covered. Notice must be filed within 90 days
 5.18 of employment. Elected coverage is effective retroactively as of the first day of employment.
 5.19 Amounts that would have been deducted from the employee's salary starting with the first
 5.20 day of employment but were not deducted because the employee had not yet filed the election
 5.21 must be deducted from the employee's future salary in accordance with a schedule of
 5.22 deductions determined by the executive director and the Department of Military Affairs.
 5.23 Elections are irrevocable during any period of covered employment. A failure to file a timely
 5.24 notice is deemed a waiver of coverage by this section.

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

5.26 Sec. 9. Minnesota Statutes 2018, section 352.87, subdivision 8, is amended to read:

5.27 Subd. 8. **Election of coverage.** To be covered by this section, an employee of the
 5.28 Department of Public Safety described in subdivision 1 who is employed in a position
 5.29 described in that subdivision must file a notice with the executive director of the ~~Minnesota~~
 5.30 ~~State Retirement~~ system on a form prescribed by the executive director stating ~~whether or~~
 5.31 ~~not~~ that the employee elects to be covered by this section. Notice must be filed within 90
 5.32 days of employment. Elected coverage is effective retroactively as of the first day of
 5.33 employment. Amounts that would have been deducted from the employee's salary starting

6.1 with the first day of employment but were not deducted because the employee had not yet
6.2 filed the election must be deducted from the employee's future salary in accordance with a
6.3 schedule of deductions determined by the executive director and the Department of Public
6.4 Safety. Elections are irrevocable during any period of covered employment. A failure to
6.5 file a timely notice is deemed a waiver of coverage by this section.

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

6.7 Sec. 10. Minnesota Statutes 2018, section 352B.08, is amended by adding a subdivision
6.8 to read:

6.9 **Subd. 1a. Application procedure.** The application for a benefit or refund made under
6.10 this chapter must comply with section 352.115, subdivision 7a.

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

6.12 Sec. 11. Minnesota Statutes 2018, section 352D.05, subdivision 3, is amended to read:

6.13 **Subd. 3. Full or partial withdrawal.** After termination of covered employment or at
6.14 any time thereafter, a participant is entitled, upon application, to withdraw the cash value
6.15 of the participant's total shares or leave such shares on deposit with the supplemental
6.16 retirement fund. The account is valued at the end of the most recent United States investment
6.17 market day following receipt of the application for withdrawal. The application for
6.18 withdrawal must be an original application, not an electronic or facsimile copy and must
6.19 be received in an office of the system or by a person authorized by the executive director.
6.20 Shares not withdrawn remain on deposit with the supplemental retirement fund until the
6.21 former participant becomes at least 55 years old, and applies for an annuity under section
6.22 352D.06, subdivision 1.

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

6.24 Sec. 12. Minnesota Statutes 2018, section 352F.04, subdivision 1, is amended to read:

6.25 **Subdivision 1. Enhanced augmentation rates.** The deferred annuity of a terminated
6.26 hospital employee is subject to augmentation under Minnesota Statutes 1994, section 352.72,
6.27 subdivision 2, except that the rate of augmentation to be applied each January 1 is set by
6.28 this subdivision. For augmentation through December 31, 2018, the rate of augmentation
6.29 is set under Minnesota Statutes 2016, section 352.04, subdivision 1. For augmentation
6.30 beginning January 1, 2019, the rate of augmentation is the following:

7.1	January 1, 2019	4.5 percent
7.2	January 1, 2020	3.75 percent
7.3	January 1, 2021	3.0 percent
7.4	January 1, 2022	2.25 percent
7.5	January 1, 2023	1.5 percent
7.6	January 1, 2024	0.75 percent
7.7	After December 31, 2024, the deferred annuity must not be augmented.	

7.8 Augmentation for each year is effective as of January 1 of that year.

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

7.10 Sec. 13. Minnesota Statutes 2018, section 490.126, subdivision 3, is amended to read:

7.11 Subd. 3. **Application for annuity or refund.** An application for an annuity or a refund
 7.12 under this chapter may be made by the potential annuitant or by someone authorized to act
 7.13 for the potential annuitant. Every application for an annuity or refund, accompanied by a
 7.14 proof of age and by a record of years of service when required, must be submitted to the
 7.15 executive director of the Minnesota State Retirement System in a form prescribed by the
 7.16 director. Except as provided for in this chapter, the application for an annuity, benefit, or
 7.17 refund under this chapter must comply with the filing procedures in section 352.115,
 7.18 subdivision 7a.

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

7.20 Sec. 14. **REPEALER.**

7.21 Minnesota Statutes 2018, section 352F.06, is repealed.

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

7.23 **ARTICLE 2**

7.24 **PUBLIC EMPLOYEES RETIREMENT ASSOCIATION PROVISIONS**

7.25 Section 1. Minnesota Statutes 2018, section 353.01, subdivision 16, is amended to read:

7.26 Subd. 16. **Allowable service; limits and computation.** (a) "Allowable service" means:
 7.27 (1) service during years of actual membership in the course of which employee deductions
 7.28 were withheld from salary and contributions were made at the applicable rates under section
 7.29 353.27, 353.65, or 353E.03;

8.1 (2) periods of service covered by payments in lieu of salary deductions under sections
8.2 353.27, subdivisions 12 and 12a, and 353.35;

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

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

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

8.14 (6) a periodic, repetitive leave that is offered to all employees of a governmental
8.15 subdivision. The leave program may not exceed 208 hours per annual normal work cycle
8.16 as certified to the association by the employer. A participating member obtains service credit
8.17 by making employee contributions in an amount or amounts based on the member's average
8.18 salary, excluding overtime pay, that would have been paid if the leave had not been taken.
8.19 The employer shall pay the employer and additional employer contributions on behalf of
8.20 the participating member. The employee and the employer are responsible to pay interest
8.21 on their respective shares at the applicable rate or rates specified in section 356.59,
8.22 subdivision 3, compounded annually, from the end of the normal cycle until full payment
8.23 is made. An employer shall also make the employer and additional employer contributions,
8.24 plus interest at the applicable rate or rates specified in section 356.59, subdivision 3,
8.25 compounded annually, on behalf of an employee who makes employee contributions but
8.26 terminates public service. The employee contributions must be made within one year after
8.27 the end of the annual normal working cycle or within 30 days after termination of public
8.28 service, whichever is sooner. The executive director shall prescribe the manner and forms
8.29 to be used by a governmental subdivision in administering a periodic, repetitive leave. Upon
8.30 payment, the member must be granted allowable service credit for the purchased period;

8.31 (7) an authorized temporary or seasonal layoff under subdivision 12, limited to three
8.32 months allowable service per authorized temporary or seasonal layoff in one calendar year.
8.33 An employee who has received the maximum service credit allowed for an authorized
8.34 temporary or seasonal layoff must return to public service and must obtain a minimum of

9.1 three months of allowable service subsequent to the layoff in order to receive allowable
9.2 service for a subsequent authorized temporary or seasonal layoff;

9.3 ~~(8) a period during which a member is absent from employment by a governmental~~
9.4 ~~subdivision by reason of service in the uniformed services, as defined in United States Code,~~
9.5 ~~title 38, section 4303(13), if the member returns to public service with the same governmental~~
9.6 ~~subdivision upon discharge from service in the uniformed service within the time frames~~
9.7 ~~required under United States Code, title 38, section 4312(e), provided that the member did~~
9.8 ~~not separate from uniformed service with a dishonorable or bad conduct discharge or under~~
9.9 ~~other than honorable conditions. The service must be credited if the member pays into the~~
9.10 ~~fund equivalent employee contributions based upon the contribution rate or rates in effect~~
9.11 ~~at the time that the uniformed service was performed multiplied by the full and fractional~~
9.12 ~~years being purchased and applied to the annual salary rate. The annual salary rate is the~~
9.13 ~~average annual salary during the purchase period that the member would have received if~~
9.14 ~~the member had continued to be employed in covered employment rather than to provide~~
9.15 ~~uniformed service, or, if the determination of that rate is not reasonably certain, the annual~~
9.16 ~~salary rate is the member's average salary rate during the 12-month period of covered~~
9.17 ~~employment rendered immediately preceding the period of the uniformed service. Payment~~
9.18 ~~of the member equivalent contributions must be made during a period that begins with the~~
9.19 ~~date on which the individual returns to public employment and that is three times the length~~
9.20 ~~of the military leave period, or within five years of the date of discharge from the military~~
9.21 ~~service, whichever is less. If the determined payment period is less than one year, the~~
9.22 ~~contributions required under this clause to receive service credit may be made within one~~
9.23 ~~year of the discharge date. Payment may not be accepted following 30 days after termination~~
9.24 ~~of public service under subdivision 11a. If the member equivalent contributions provided~~
9.25 ~~for in this clause are not paid in full, the member's allowable service credit must be prorated~~
9.26 ~~by multiplying the full and fractional number of years of uniformed service eligible for~~
9.27 ~~purchase by the ratio obtained by dividing the total member contributions received by the~~
9.28 ~~total member contributions otherwise required under this clause. The equivalent employer~~
9.29 ~~contribution, and, if applicable, the equivalent additional employer contribution must be~~
9.30 ~~paid by the governmental subdivision employing the member if the member makes the~~
9.31 ~~equivalent employee contributions. The employer payments must be made from funds~~
9.32 ~~available to the employing unit, using the employer and additional employer contribution~~
9.33 ~~rate or rates in effect at the time that the uniformed service was performed, applied to the~~
9.34 ~~same annual salary rate or rates used to compute the equivalent member contribution. The~~
9.35 ~~governmental subdivision involved may appropriate money for those payments. The amount~~
9.36 ~~of service credit obtainable under this section may not exceed five years unless a longer~~

10.1 ~~purchase period is required under United States Code, title 38, section 4312. The employing~~
10.2 ~~unit shall pay interest on all equivalent member and employer contribution amounts payable~~
10.3 ~~under this clause. Interest must be computed at the applicable rate or rates specified in~~
10.4 ~~section 356.59, subdivision 3, compounded annually, from the end of each fiscal year of~~
10.5 ~~the leave or the break in service to the end of the month in which the payment is received.~~
10.6 ~~Upon payment, the employee must be granted allowable service credit for the purchased~~
10.7 ~~period; or of uniformed services leave purchased under section 353.014;~~

10.8 (9) a period of military service purchased under section 353.0141; or

10.9 ~~(9)~~ (10) a period specified under section 353.0162.

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

10.12 (c) For an active member who was an active member of the former Minneapolis
10.13 Firefighters Relief Association on December 29, 2011, "allowable service" is the period of
10.14 service credited by the Minneapolis Firefighters Relief Association as reflected in the
10.15 transferred records of the association up to December 30, 2011, and the period of service
10.16 credited under paragraph (a), clause (1), after December 30, 2011. For an active member
10.17 who was an active member of the former Minneapolis Police Relief Association on December
10.18 29, 2011, "allowable service" is the period of service credited by the Minneapolis Police
10.19 Relief Association as reflected in the transferred records of the association up to December
10.20 30, 2011, and the period of service credited under paragraph (a), clause (1), after December
10.21 30, 2011.

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

10.23 **Sec. 2. [353.014] FEDERALLY PROTECTED MILITARY LEAVE.**

10.24 **Subdivision 1. Service credit purchase authorized.** (a) Unless prohibited under
10.25 paragraph (b), a member is eligible to purchase allowable service credit for one or more
10.26 periods of service during which a member is absent from employment by a governmental
10.27 subdivision by reason of service in the uniformed services, as defined in United States Code,
10.28 title 38, section 4303(13), if the member returns to public service with the same governmental
10.29 subdivision upon discharge from service in the uniformed services within the time frames
10.30 required under United States Code, title 38, section 4312(e).

10.31 (b) The purchase of allowable service credit is prohibited if the member separated from
10.32 uniformed service with a dishonorable or bad conduct discharge or under other than honorable
10.33 conditions.

11.1 Subd. 2. **Payments required.** (a) If the payments required by this section are made, a
11.2 member shall be granted allowable service credit for one or more periods of military service
11.3 as described in subdivision 1. The payments required by this section are equivalent employee
11.4 contributions as described in paragraph (b), equivalent employer contributions or additional
11.5 employer contributions as described in paragraph (c), and interest as described in paragraph
11.6 (d).

11.7 (b) The member shall pay into the fund within the time period described in subdivision
11.8 4 equivalent employee contributions based upon the contribution rate or rates in effect at
11.9 the time that the uniformed service was performed multiplied by the full and fractional years
11.10 being purchased and applied to the annual salary rate as defined in subdivision 3.

11.11 (c) If the member makes the payment under paragraph (b), the governmental subdivision
11.12 employing the member shall pay the equivalent employer contribution and, if applicable,
11.13 the equivalent additional employer contribution. The employer payments must be made
11.14 from funds available to the employing unit, using the employer and additional employer
11.15 contribution rate or rates in effect at the time that the uniformed service was performed,
11.16 applied to the same annual salary rate or rates used to compute the equivalent employee
11.17 contribution. The governmental subdivision involved may appropriate money for those
11.18 payments.

11.19 (d) The employing unit shall pay interest on all equivalent employee and employer
11.20 contribution amounts payable under this subdivision. Interest must be computed at the
11.21 applicable rate or rates specified in section 356.59, subdivision 3, compounded annually,
11.22 from the end of each fiscal year during the leave to the end of the month in which the
11.23 payment is received.

11.24 Subd. 3. **Annual salary rate defined.** The annual salary rate is the average annual salary
11.25 during the purchase period that the member would have received if the member had continued
11.26 to be employed in covered employment rather than take the uniformed services leave, or,
11.27 if the determination of that rate is not reasonably certain, the annual salary rate is the
11.28 member's average salary rate during the 12-month period of covered employment rendered
11.29 immediately preceding the period of the uniformed service.

11.30 Subd. 4. **Time period for making member's payment.** Payment of the employee
11.31 equivalent contributions must be made during a period that begins with the date on which
11.32 the member returns to public employment and that is three times the length of the military
11.33 leave period, or within five years of the date on which the member returns to public
11.34 employment, whichever is less. If the payment period is less than one year, payment of the

12.1 employee equivalent contributions may be made within one year of the date of the member's
12.2 discharge from service in the uniformed services. Payment may not be accepted after 30
12.3 days following termination of public service under Minnesota Statutes, section 353.01,
12.4 subdivision 11a.

12.5 Subd. 5. **Employer required to notify.** The employer shall notify the executive director,
12.6 on a form prescribed by the executive director, of the reemployment of a member who is
12.7 returning from service in the uniformed services as described in subdivision 1, and is eligible
12.8 to purchase service credit under this section. The employer must provide the notice within
12.9 14 days of the member's reemployment. The employer shall maintain a copy of the notice
12.10 in the member's employment file.

12.11 Subd. 6. **Executive director required to notify.** Within 30 days of receipt of notification
12.12 from the employer under subdivision 5, the executive director shall notify the reemployed
12.13 member in writing of the right to purchase service credit. The notification shall be mailed
12.14 to the member's last known address.

12.15 Subd. 7. **Maximum amount of service credit and proration if full payment is not**
12.16 **made.** (a) The maximum amount of service credit that may be purchased under this section
12.17 is five years unless a longer purchase period is required to be offered under United States
12.18 Code, title 38, section 4312.

12.19 (b) If the employee equivalent contributions under subdivision 2 are not paid in full, the
12.20 member's allowable service credit must be prorated by multiplying the full and fractional
12.21 number of years of uniformed service eligible for purchase by the ratio obtained by dividing
12.22 the total employee contributions received by the total employee contributions otherwise
12.23 required under this section.

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

12.25 Sec. 3. **[353.0141] OTHER MILITARY LEAVE.**

12.26 Subdivision 1. **Service credit purchase authorized.** (a) Unless prohibited under
12.27 paragraph (b), a member is eligible to purchase allowable service credit, not to exceed five
12.28 years of allowable service credit, for the initial period of enlistment, induction, or call to
12.29 active duty, without any voluntary extension, in the uniformed services, as defined in United
12.30 States Code, title 38, section 4303(13), if the member has at least three years of allowable
12.31 service credit with the general employees retirement plan, the local government correctional
12.32 employees retirement plan under chapter 353E, or the public employees police and fire
12.33 retirement plan and:

13.1 (1) the employee's service in the uniformed services occurred before becoming a public
13.2 employee as defined in section 353.01, subdivision 2; or

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

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

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

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

13.10 Subd. 2. **Application and documentation.** A member who desires to purchase service
13.11 credit under subdivision 1 must apply with the executive director to make the purchase. The
13.12 application must include all necessary documentation of the member's qualifications to
13.13 make the purchase, signed written permission to allow the executive director to request and
13.14 receive necessary verification of applicable facts and eligibility requirements, and any other
13.15 relevant information that the executive director may require. The member must submit with
13.16 the application payment of the administrative fee in the amount of \$250 to cover the costs
13.17 of calculating the purchase payment amount under section 356.551. If the member proceeds
13.18 with the purchase, the administrative fee will be credited toward the purchase payment
13.19 amount.

13.20 Subd. 3. **Purchase payment amount; service credit grant.** (a) The purchase payment
13.21 amount is the amount determined under section 356.551 for the period or periods of service
13.22 requested, except that, for purposes of calculating the purchase payment amount to purchase
13.23 allowable service credit for service in the uniformed services that occurred before becoming
13.24 a public employee or between periods of public employment, section 356.551, subdivision
13.25 2, paragraph (c), shall not apply.

13.26 (b) Allowable service credit must be granted by the applicable plan to the purchasing
13.27 member upon the executive director's receipt of the purchase payment amount. The allowable
13.28 service credit purchased under this section may not be used for the purpose of determining
13.29 a disability benefit under sections 353.031, 353.33, 353.656, or 353E.06.

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

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

14.1 Sec. 4. Minnesota Statutes 2018, section 353.371, subdivision 1, is amended to read:

14.2 Subdivision 1. **Eligibility.** (a) This section applies to a basic or coordinated member of
14.3 the general employees retirement plan of the Public Employees Retirement Association
14.4 who:

14.5 (1) for at least the five years immediately preceding separation under clause (2), was
14.6 regularly scheduled to work 1,044 or more hours per year in a position covered by the
14.7 general employees retirement plan of the Public Employees Retirement Association not
14.8 including positions that are elected offices;

14.9 (2) terminates membership as defined under section 353.01, subdivision 11b;

14.10 (3) at the time of termination under clause (2), was at least age 62 and met the age and
14.11 service requirements necessary to receive a retirement annuity from the plan and satisfied
14.12 requirements for the commencement of the retirement annuity in the month following
14.13 termination;

14.14 (4) ~~agrees to accept a postretirement option position~~ accepts a phased retirement
14.15 agreement to continue employment with the same or a different governmental subdivision,
14.16 working a reduced schedule that is both:

14.17 (i) a reduction of at least 25 percent from the employee's number of previously regularly
14.18 scheduled work hours; and

14.19 (ii) 1,044 hours or less in public service; and

14.20 (5) is not eligible for participation in the state employee postretirement option program
14.21 under section 43A.346.

14.22 (b) For purposes of this section, the length of separation requirement and termination
14.23 of public service requirement prohibiting return to work agreements under section 353.01,
14.24 subdivisions 11a and 28, are not applicable except as specified in subdivision 7, paragraph
14.25 (a).

14.26 **EFFECTIVE DATE.** This section is effective July 1, 2019.

14.27 Sec. 5. Minnesota Statutes 2018, section 353.371, subdivision 2, is amended to read:

14.28 Subd. 2. **Annuity reduction not applicable.** ~~Notwithstanding any law to the contrary,~~
14.29 The provisions of section 353.37 governing annuities of reemployed annuitants do not apply
14.30 ~~for the duration of a terminated member's~~ to employment in a postretirement option position
14.31 under a phased retirement agreement.

15.1 **EFFECTIVE DATE.** This section is effective July 1, 2019.

15.2 Sec. 6. Minnesota Statutes 2018, section 353.371, subdivision 3, is amended to read:

15.3 Subd. 3. ~~Governing body~~ **Governmental subdivision discretion.** ~~The governing body~~
15.4 ~~of the~~ governmental subdivision has sole discretion to determine if and the extent to which
15.5 a ~~postretirement option~~ phased retirement position under this section is available to a
15.6 ~~terminated member~~ an employee. Any offer of such a position must be made in writing to
15.7 the ~~person~~ employee by the ~~governing body's designee~~ governmental subdivision in a manner
15.8 prescribed by the executive director.

15.9 **EFFECTIVE DATE.** This section is effective July 1, 2019.

15.10 Sec. 7. Minnesota Statutes 2018, section 353.371, subdivision 4, is amended to read:

15.11 Subd. 4. **Duration.** ~~Postretirement option employment may be for an initial period~~ The
15.12 term of employment under a phased retirement agreement must not to exceed one year five
15.13 years. ~~At the end of the initial period,~~ If the term of a phased retirement agreement is less
15.14 than five years, the agreement may be renewed for a period not to exceed a combined total
15.15 of five years. ~~The governing body~~ governmental subdivision has sole discretion to determine
15.16 if ~~the offer of a postretirement option position~~ a phased retirement agreement will be renewed,
15.17 renewed with modifications, or terminated. ~~Postretirement option employment may be~~
15.18 ~~renewed annually, but no more than four renewals may occur.~~

15.19 **EFFECTIVE DATE.** This section is effective July 1, 2019.

15.20 Sec. 8. Minnesota Statutes 2018, section 353.371, subdivision 5, is amended to read:

15.21 Subd. 5. **Copy to fund.** ~~The appointing authority~~ governmental subdivision shall provide
15.22 the ~~Public Employees Retirement Association~~ executive director with documentation, as
15.23 prescribed by the executive director, of the terms of any agreement entered into with a
15.24 ~~member~~ an employee who accepts continuing employment with the ~~appointing authority~~
15.25 governmental subdivision under the terms of this section, ~~and any subsequent renewal~~
15.26 ~~agreement.~~ The documentation must be provided before the employee's termination of
15.27 membership.

15.28 **EFFECTIVE DATE.** This section is effective July 1, 2019.

16.1 Sec. 9. Minnesota Statutes 2018, section 353.371, subdivision 6, is amended to read:

16.2 Subd. 6. **No service credit.** (a) Notwithstanding any law to the contrary, a person may
16.3 not earn allowable service credit in the general employees retirement plan of the Public
16.4 Employees Retirement Association for employment covered under this section, and employer
16.5 contributions and payroll deductions for the retirement fund must not be made based on
16.6 earnings of a person working under an agreement covered by this section. No change may
16.7 be made to a monthly annuity or retirement allowance based on employment under this
16.8 section.

16.9 (b) The governmental subdivision shall report to the executive director the salary earned
16.10 by an employee in a phased retirement position. The report must include the number of
16.11 compensated hours the employee worked and must be made on a pay period basis in a
16.12 manner prescribed by the executive director. Reports must be submitted no later than 14
16.13 calendar days following the last day of each pay period.

16.14 **EFFECTIVE DATE.** This section is effective July 1, 2019.

16.15 Sec. 10. Minnesota Statutes 2018, section 353.371, subdivision 7, is amended to read:

16.16 Subd. 7. **Termination and subsequent employment.** (a) Upon termination of
16.17 employment under a phased retirement agreement, the governmental subdivision and
16.18 employee must inform the executive director, in a manner prescribed by the executive
16.19 director, of the effective date of the employee's termination of public service. The termination
16.20 from public service must meet the termination and length of separation requirements under
16.21 section 353.01, subdivisions 11a and 28.

16.22 (b) If a person ~~has been in a postretirement option position and~~ previously employed
16.23 under a phased retirement agreement subsequently accepts employment with any other
16.24 position in public service beyond the period of time for which the person participated in the
16.25 postretirement option provided under this section governmental subdivision, the person
16.26 may not earn allowable service credit in the general employees retirement plan of the Public
16.27 Employees Retirement Association, no employer contributions or payroll deductions for
16.28 the retirement fund may be made, and the provisions of section 353.37 apply to the
16.29 subsequent employment.

16.30 **EFFECTIVE DATE.** This section is effective July 1, 2019.

17.1 Sec. 11. Minnesota Statutes 2018, section 353.665, subdivision 8, is amended to read:

17.2 Subd. 8. **Member and employer contributions.** (a) Except as provided in paragraph
17.3 (b), (c), or (d), the employee contribution rate for merged former consolidation account
17.4 active members is the rate specified in section 353.65, subdivision 2, and the regular
17.5 municipal contribution rate on behalf of merged former consolidation account active members
17.6 is the rate specified in section 353.65, subdivision 3.

17.7 (b) With respect to active members of the merged former Minneapolis Firefighters Relief
17.8 Association and the merged former Minneapolis Police Relief Association, there are no
17.9 employee contributions payable and the employer contribution on behalf of those active
17.10 members is at the rate specified in section 353.65, subdivision 3, applied to the active
17.11 member's salary. ~~In addition, an additional municipal contribution is payable by the city of
17.12 Minneapolis annually on July 15, set at the amount calculated as of December 30, 2011, as
17.13 sufficient to amortize, on a level annual dollar basis by December 31, 2031, the unfunded
17.14 present value figure calculated as required by Minnesota Statutes 2012, section 353.667,
17.15 subdivision 6, paragraph (a), and Minnesota Statutes 2012, section 353.668, subdivision 6,
17.16 paragraph (a). If the postretirement or preretirement interest rate actuarial assumption
17.17 applicable to the public employees police and fire retirement plan under section 356.215,
17.18 subdivision 8, is modified from the rates specified in Minnesota Statutes 2010, section
17.19 356.215, subdivision 8, the remainder present value of future benefits amount calculation
17.20 under Minnesota Statutes 2012, section 353.667, subdivision 6, and Minnesota Statutes
17.21 2012, section 353.668, subdivision 6, paragraph (a), updated for the passage of time, must
17.22 be revised and the amortization contribution by the city of Minneapolis for the balance of
17.23 the amortization period must be redetermined by the actuary retained under section 356.214
17.24 and certified by the executive director to the city of Minneapolis.~~

17.25 (c) If there are assets of the former Fairmont Police Relief Association in excess of the
17.26 present value of future benefits as of June 29, 2012, these assets must be credited to an
17.27 interest-bearing suspense account within the public employees police and fire retirement
17.28 fund, must be used to offset any amount payable under paragraph (a) until June 30, 2015,
17.29 and, after June 30, 2015, must be paid to the city of Fairmont. The suspense account must
17.30 be credited with the same rate of investment return as the public employees police and fire
17.31 retirement fund. If, after June 29, 2012, the postretirement or preretirement interest rate
17.32 actuarial assumption applicable to the public employees police and fire retirement plan
17.33 under section 356.215, subdivision 8, is modified from the rates specified in Minnesota
17.34 Statutes 2010, section 356.215, subdivision 8, the remainder present value of future benefits
17.35 amount calculation under paragraph (a), updated for the passage of time, must be revised

18.1 and the amortization contribution by the city of Fairmont for the balance of the amortization
18.2 period must be redetermined by the actuary retained under section 356.214 and certified by
18.3 the executive director to the city of Fairmont.

18.4 (d) If there was a remainder present value of future benefits amounts under Minnesota
18.5 Statutes 2012, section 353.6691, subdivision 5, paragraph (a), the city of Virginia shall pay
18.6 an additional municipal contribution annually on or before December 31 sufficient to
18.7 amortize on a level annual dollar basis by December 31, 2020, that remainder present value
18.8 of future benefits amounts of the former Virginia fire department consolidation account. If,
18.9 after June 29, 2012, the postretirement or preretirement interest rate actuarial assumption
18.10 applicable to the public employees police and fire retirement plan under section 356.215,
18.11 subdivision 8, is modified from the rates specified in Minnesota Statutes 2010, section
18.12 356.215, subdivision 8, the remainder present value of future benefits amount calculation
18.13 under paragraph (a), updated for the passage of time, must be revised and any amortization
18.14 contribution by the city of Virginia for the balance of the amortization period must be
18.15 redetermined by the actuary retained under section 356.214 and certified by the executive
18.16 director to the city of Virginia.

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

18.18 Sec. 12. Minnesota Statutes 2018, section 353.665, is amended by adding a subdivision
18.19 to read:

18.20 **Subd. 8a. City of Minneapolis contribution for firefighters and police.** (a) Until July
18.21 15, 2018, the city of Minneapolis shall make a contribution annually to the public employees
18.22 police and fire retirement plan on July 15, set at the amount calculated as of December 30,
18.23 2011, as sufficient to amortize, on a level annual dollar basis by December 31, 2031, the
18.24 unfunded present value figure calculated as required by Minnesota Statutes 2012, sections
18.25 353.667, subdivision 6, paragraph (a), and 353.668, subdivision 6, paragraph (a).

18.26 (b) Beginning July 15, 2019, and every July 15 thereafter until and including July 15,
18.27 2031, the city of Minneapolis shall make a contribution annually to the public employees
18.28 police and fire retirement plan equal to \$3,188,735, attributable to the former Minneapolis
18.29 Firefighters Relief Association, and \$4,489,837, attributable to the former Minneapolis
18.30 Police Relief Association.

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

19.1 Sec. 13. **REPEALER.**19.2 Minnesota Statutes 2018, section 353.371, subdivision 8, is repealed.19.3 **EFFECTIVE DATE.** This section is effective July 1, 2019.19.4 **ARTICLE 3**19.5 **STATEWIDE VOLUNTEER FIREFIGHTER PLAN PROVISIONS**19.6 Section 1. **[353G.18] TERMINATION OF PARTICIPATION AND DISTRIBUTION**
19.7 **OF BENEFITS.**19.8 Subdivision 1. **Application.** This section provides the procedures that apply if an entity
19.9 wishes to terminate its participation in the retirement plan and authorize the distribution of
19.10 all assets credited to the entity's account in the retirement fund held for the benefit of the
19.11 entity's former firefighters. If this section conflicts with another section of this chapter, this
19.12 section controls.19.13 Subd. 2. **Definitions.** (a) For purposes of this section, the terms defined in this subdivision
19.14 have the meanings given them unless the context clearly indicates otherwise.19.15 (b) "Departing entity" means the entity seeking to terminate its participation in the
19.16 retirement plan and the coverage of its departing firefighters by the retirement plan.19.17 (c) "Departing firefighter" means each former firefighter of the departing entity who:19.18 (1) is credited with one or more years of service under the retirement plan or under the
19.19 relief association previously affiliated with the departing entity;19.20 (2) has not yet received a distribution of the firefighter's pension benefit; and19.21 (3) is entitled to a distribution of a pension benefit under this section.19.22 (d) "Direct rollover" means a payment described under section 356.635, subdivisions 3
19.23 to 7. Consistent with the definition of "distributee" under section 356.635, subdivision 7, a
19.24 departing firefighter is a distributee for purpose of direct rollover election.19.25 (e) "Distribution date" means the date as of which all assets in the entity's account are
19.26 to be distributed in the form of a payment to each departing firefighter or the survivor of
19.27 each deceased departing firefighter or as a direct rollover, if elected under section 356.635,
19.28 subdivisions 3 to 7.19.29 (f) "Entity" means a municipality, an independent nonprofit firefighting corporation, or
19.30 a joint powers entity that operates or had operated a fire department with firefighters who
19.31 are covered by the retirement plan.

20.1 (g) "Entity's account" means the pension plan that is a component of the retirement plan
20.2 and under which the departing firefighters have accrued lump sum pension benefits and
20.3 with which the departing entity is affiliated.

20.4 (h) "Executive director" means the executive director of the Public Employees Retirement
20.5 Association.

20.6 (i) "Termination date" means the effective date of the termination of the pension plan
20.7 that is the entity's account. The termination date shall precede the distribution date.

20.8 (j) "Year of service" means a year of good time service credit certified by the departing
20.9 entity's fire chief under section 353G.07. For purposes of determining the amount of a
20.10 departing firefighter's pension benefit under this section, year of service includes any service
20.11 credit earned by the departing firefighter under the relief association previously affiliated
20.12 with the departing entity, which must be certified under section 424A.003 beginning January
20.13 1, 2019. Good time service credit ends when the departing firefighter's active service ends,
20.14 notwithstanding a later termination date as defined in paragraph (j).

20.15 Subd. 3. **Eligibility.** An entity is eligible to terminate its participation in the retirement
20.16 plan under this section if the entity satisfies the following conditions:

20.17 (1) the entity has eliminated its fire department or, if its fire department is ongoing, the
20.18 fire department has ceased using the services of all departing firefighters and any other
20.19 noncareer or volunteer firefighters; and

20.20 (2) the entity's account has assets sufficient to cover all liabilities, after taking into
20.21 account the requirement to fully vest all departing firefighters and pay administrative
20.22 expenses determined under subdivision 4, paragraph (c), clause (3).

20.23 Subd. 4. **Termination procedures.** (a) The participation of a departing entity in the
20.24 retirement plan and the coverage of the departing firefighters by the retirement plan shall
20.25 cease as of the date the requirements in this subdivision are completed and all assets credited
20.26 to the entity's account are distributed.

20.27 (b) The governing board of the departing entity shall adopt the resolutions under
20.28 subdivision 5 and deliver the resolutions to the executive director.

20.29 (c) The executive director shall:

20.30 (1) fully vest all departing firefighters as of the termination date and consider each
20.31 departing firefighter 100 percent vested in the pension benefit accrued by the departing
20.32 firefighter under the entity's account as of the termination date;

21.1 (2) determine the present value of each departing firefighter's accrued benefit as of the
21.2 termination date, taking into account the benefit level under section 353G.11 or otherwise
21.3 in effect for the departing firefighter as determined by the executive director;

21.4 (3) determine, as of the termination date, the value of accrued liabilities, including
21.5 administrative expenses incurred or reasonably anticipated to be incurred through the
21.6 distribution date, and the value of assets attributable to the entity's account; and

21.7 (4) to the extent necessary to minimize the risk of investment losses between the
21.8 termination date and the distribution date, reinvest the assets credited to the entity's account
21.9 in low risk investments.

21.10 (d) If the entity's account has assets in excess of accrued liabilities, the executive director
21.11 shall allocate the excess among all departing firefighters in the same proportion that the
21.12 present value of the accrued benefit for each departing firefighter bears to the total present
21.13 value of the accrued benefits of all departing firefighters, and each departing firefighter's
21.14 benefit, as determined under paragraph (c), clause (2), shall be increased by the departing
21.15 firefighter's share of the excess.

21.16 (e) The executive director shall, as soon as practicable after the termination date, distribute
21.17 to each departing firefighter, regardless of whether the departing firefighter has attained
21.18 age 50, the firefighter's benefit as calculated by the executive director under paragraphs (c)
21.19 and (d). The distribution shall be made in a lump sum, either as a payment to the departing
21.20 firefighter or as a direct rollover, if elected by the firefighter. If the departing firefighter is
21.21 deceased, then the firefighter's benefit shall be paid to the firefighter's survivor under section
21.22 353G.12 or as a direct rollover, if elected by the survivor.

21.23 (f) The executive director shall pay supplemental benefits under section 424A.10, but
21.24 only to the extent that the executive director will be reimbursed under section 424A.10,
21.25 subdivision 3.

21.26 Subd. 5. **Entity board resolutions.** If an entity wishes to cease its participation in the
21.27 retirement plan and end the coverage of its former firefighters by the retirement plan, the
21.28 entity's governing board shall approve the following resolutions in a form satisfactory to
21.29 the executive director:

21.30 (1) a statement of intent to terminate participation in the retirement plan and cease the
21.31 coverage by the retirement plan of the entity's former firefighters; and

21.32 (2) the proposed termination date, which must be the last day of a month and at least 90
21.33 days after the date the resolutions are to be delivered to the executive director.

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

22.2 Sec. 2. **GRANDFATHERING PREVIOUSLY APPROVED TERMINATIONS.**

22.3 For any entity with a governing board that approved resolutions to terminate participation
 22.4 in the statewide volunteer firefighter plan established by chapter 353G before the effective
 22.5 date of this act, the termination date is September 30, 2019, and the termination process
 22.6 and disposition of assets set forth in the resolutions shall control, notwithstanding the
 22.7 provisions of this act.

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

22.9 Sec. 3. **REPEALER.**

22.10 Minnesota Statutes 2018, section 353G.15, is repealed.

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

22.12 **ARTICLE 4**

22.13 **VOLUNTEER FIREFIGHTER RELIEF ASSOCIATION**
 22.14 **RETIREMENT CHANGES**

22.15 Section 1. Minnesota Statutes 2018, section 69.051, subdivision 1, is amended to read:

22.16 Subdivision 1. **Financial report and audit.** (a) The board of the Bloomington Fire
 22.17 Department Relief Association and each volunteer firefighters relief association as defined
 22.18 in section 424A.001, subdivision 4, with assets of at least \$500,000 or liabilities of at least
 22.19 \$500,000 in the prior year or in any previous year, according to the applicable actuarial
 22.20 valuation or according to the financial report if no valuation is required, shall prepare a
 22.21 financial report covering the special and general funds of the relief association for the
 22.22 preceding fiscal year, file the financial report, and submit financial statements.

22.23 (b) The financial report must contain financial statements and disclosures which present
 22.24 the true financial condition of the relief association and the results of relief association
 22.25 operations in conformity with generally accepted accounting principles and in compliance
 22.26 with the regulatory, financing and funding provisions of this chapter and any other applicable
 22.27 laws. The financial report must be countersigned by:

22.28 (1) the municipal clerk or clerk-treasurer of the municipality in which the relief
 22.29 association is located if the relief association is a firefighters relief association which is
 22.30 directly associated with a municipal fire department; or

23.1 (2) by the municipal clerk or clerk-treasurer of the largest municipality in population
23.2 which contracts with the independent nonprofit firefighting corporation if the volunteer
23.3 firefighter relief association is a subsidiary of an independent nonprofit firefighting
23.4 corporation and by the secretary of the independent nonprofit firefighting corporation; or

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

23.8 (c) The financial report must be retained in its office for public inspection and must be
23.9 filed with the governing body of the government subdivision in which the associated fire
23.10 department is located after the close of the fiscal year. One copy of the financial report must
23.11 be furnished to the state auditor after the close of the fiscal year.

23.12 (d) Audited financial statements must be attested to by a certified public accountant or
23.13 by the state auditor and must be filed with the state auditor within 180 days after the close
23.14 of the fiscal year. Audits must be conducted in compliance with generally accepted
23.15 governmental auditing standards and section 6.65 governing audit procedures. The state
23.16 auditor may accept this report in lieu of the report required in paragraph (c).

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

23.18 Sec. 2. Minnesota Statutes 2018, section 424A.001, is amended by adding a subdivision
23.19 to read:

23.20 Subd. 9a. **Break in service.** "Break in service" means temporarily ceasing all of the
23.21 following with a particular fire department:

23.22 (1) performing fire suppression duties;

23.23 (2) performing fire prevention duties;

23.24 (3) supervising fire suppression duties; and

23.25 (4) supervising fire prevention duties.

23.26 **EFFECTIVE DATE.** This section is effective January 1, 2020.

23.27 Sec. 3. Minnesota Statutes 2018, section 424A.01, subdivision 6, is amended to read:

23.28 Subd. 6. **Return to active firefighting after break in service.** (a) This subdivision
23.29 governs the service pension calculation requirements of a firefighter who returns to active
23.30 service after a break in service and applies to all breaks in service, except that the resumption
23.31 service requirements of this subdivision do not apply to leaves of absence made available

24.1 by federal statute, such as the Family Medical Leave Act, United States Code, title 29,
24.2 section 2691, and the Uniformed Services Employment and Reemployment Rights Act,
24.3 United States Code, title 38, section 4301, and do not apply to leaves of absence made
24.4 available by state statute, such as the Parental Leave Act, section 181.941; the Leave for
24.5 Organ Donation Act, section 181.9456; the Leave for Civil Air Patrol Service Act, section
24.6 181.946; the Leave for Immediate Family Members of Military Personnel Injured or Killed
24.7 in Active Service Act, section 181.947; or the Protection of Jurors' Employment Act, section
24.8 593.50.

24.9 (b)(1) If a firefighter who has ~~ceased to perform or supervise fire suppression and fire~~
24.10 ~~prevention duties for at least 60 days~~ a break in service of any duration resumes performing
24.11 active firefighting with the fire department associated with the relief association, and if the
24.12 bylaws of the relief association so permit, the firefighter may again become an active member
24.13 of the relief association. ~~A firefighter who returns to active service and membership is~~
24.14 ~~subject to,~~ subject to the requirements of this paragraph and the service pension calculation
24.15 requirements under this section.

24.16 (2) A firefighter who has been paid a service pension or disability benefit must wait at
24.17 least 60 days following receipt of the pension or benefit before resuming active firefighting
24.18 with the fire department and active membership in the relief association.

24.19 ~~(2)~~ (3) A firefighter who has been granted an approved leave of absence not exceeding
24.20 one year by the fire department or by the relief association is exempt from the minimum
24.21 period of resumption service requirement of this section.

24.22 ~~(3)~~ (4) A person who has a break in service not exceeding one year but has not been
24.23 granted an approved leave of absence ~~and who has not received a service pension or disability~~
24.24 ~~benefit~~ may be made exempt from the minimum period of resumption service requirement
24.25 of this section by the relief association bylaws.

24.26 ~~(4)~~ (5) If the bylaws so provide, a firefighter who returns to active relief association
24.27 membership ~~under this paragraph~~ after a break in service of any duration may continue to
24.28 collect a monthly service pension from the relief association, notwithstanding the ~~service~~
24.29 ~~pension eligibility requirements~~ requirement under chapter 424A section 424A.02,
24.30 subdivision 1, that the firefighter has separated from active service.

24.31 (c) If a former firefighter who has ~~received~~ been paid a service pension or disability
24.32 benefit returns to active relief association membership under paragraph (b), the firefighter
24.33 may qualify for the receipt of a service pension from the relief association for the resumption
24.34 service period if the firefighter meets the service requirements of section 424A.016,

25.1 subdivision 3, or 424A.02, subdivision 2, as applicable, or meets the resumption minimum
25.2 service requirements specified in the relief association's bylaws. No firefighter may be paid
25.3 a service pension more than once for the same period of service.

25.4 (d) If a former firefighter who has not ~~received~~ been paid a service pension or disability
25.5 benefit returns to active relief association membership under paragraph (b), the firefighter
25.6 may qualify for the receipt of a service pension from the relief association for the original
25.7 and resumption service periods if the firefighter meets the service requirements of section
25.8 424A.016, subdivision 3, or 424A.02, subdivision 2, based on the original and resumption
25.9 years of service credit.

25.10 (e) A firefighter who returns to active lump-sum relief association membership under
25.11 paragraph (b) and who qualifies for a service pension under paragraph (c) must have, upon
25.12 a subsequent cessation of duties, any service pension for the resumption service period
25.13 calculated as a separate benefit. If a lump-sum service pension had been paid to the firefighter
25.14 upon the firefighter's previous cessation of duties, a second lump-sum service pension for
25.15 the resumption service period must be calculated by applying the service pension amount
25.16 in effect on the date of the firefighter's termination of the resumption service for all years
25.17 of the resumption service.

25.18 (f) A firefighter who had not been paid a lump-sum service pension returns to active
25.19 relief association membership under paragraph (b), who did not meet the minimum period
25.20 of resumption service requirement specified in the relief association's bylaws, but who does
25.21 meet the minimum service requirement of section 424A.02, subdivision 2, based on the
25.22 firefighter's original and resumption years of active service, must have, upon a subsequent
25.23 cessation of duties, a service pension for the original and resumption service periods
25.24 calculated by applying the service pension amount in effect on the date of the firefighter's
25.25 termination of the resumption service, or, if the bylaws so provide, based on the service
25.26 pension amount in effect on the date of the firefighter's previous cessation of duties. The
25.27 service pension for a firefighter who returns to active lump-sum relief association membership
25.28 under this paragraph, but who had met the minimum period of resumption service requirement
25.29 specified in the relief association's bylaws, must be calculated by applying the service
25.30 pension amount in effect on the date of the firefighter's termination of the resumption service.

25.31 (g) If a firefighter receiving a monthly benefit service pension returns to active monthly
25.32 benefit relief association membership under paragraph (b), and if the relief association
25.33 bylaws do not allow for the firefighter to continue collecting a monthly service pension,
25.34 any monthly benefit service pension payable to the firefighter is suspended as of the first
25.35 day of the month next following the date on which the firefighter returns to active

26.1 membership. If the firefighter was receiving a monthly benefit service pension, and qualifies
26.2 for a service pension under paragraph (c), the firefighter is entitled to an additional monthly
26.3 benefit service pension upon a subsequent cessation of duties calculated based on the
26.4 resumption service credit and the service pension accrual amount in effect on the date of
26.5 the termination of the resumption service. A suspended initial service pension resumes as
26.6 of the first of the month next following the termination of the resumption service. If the
26.7 firefighter was not receiving a monthly benefit service pension and meets the minimum
26.8 service requirement of section 424A.02, subdivision 2, a service pension must be calculated
26.9 by applying the service pension amount in effect on the date of the firefighter's termination
26.10 of the resumption service for all years of service credit.

26.11 (h) A firefighter who was not receiving a monthly benefit service pension returns to
26.12 active relief association membership under paragraph (b), who did not meet the minimum
26.13 period of resumption service requirement specified in the relief association's bylaws, but
26.14 who does meet the minimum service requirement of section 424A.02, subdivision 2, based
26.15 on the firefighter's original and resumption years of active service, must have, upon a
26.16 subsequent cessation of duties, a service pension for the original and resumption service
26.17 periods calculated by applying the service pension amount in effect on the date of the
26.18 firefighter's termination of the resumption service, or, if the bylaws so provide, based on
26.19 the service pension amount in effect on the date of the firefighter's previous cessation of
26.20 duties. The service pension for a firefighter who returns to active relief association
26.21 membership under this paragraph, but who had met the minimum period of resumption
26.22 service requirement specified in the relief association's bylaws, must be calculated by
26.23 applying the service pension amount in effect on the date of the firefighter's termination of
26.24 the resumption service.

26.25 (i) For defined contribution plans, a firefighter who returns to active relief association
26.26 membership under paragraph (b) and who qualifies for a service pension under paragraph
26.27 (c) or (d) must have, upon a subsequent cessation of duties, any service pension for the
26.28 resumption service period calculated as a separate benefit. If a service pension had been
26.29 paid to the firefighter upon the firefighter's previous cessation of duties, and if the firefighter
26.30 meets the minimum service requirement of section 424A.016, subdivision 3, or meets the
26.31 resumption minimum service requirements specified in the relief association's bylaws, as
26.32 applicable, based on the resumption years of service, a second service pension for the
26.33 resumption service period must be calculated to include allocations credited to the firefighter's
26.34 individual account during the resumption period of service and deductions for administrative
26.35 expenses, if applicable.

27.1 (j) For defined contribution plans, if a firefighter who had not been paid a service pension
 27.2 returns to active relief association membership under paragraph (b), and who meets the
 27.3 minimum service requirement of section 424A.016, subdivision 3, based on the firefighter's
 27.4 original and resumption years of service, must have, upon a subsequent cessation of duties,
 27.5 a service pension for the original and resumption service periods calculated to include
 27.6 allocations credited to the firefighter's individual account during the original and resumption
 27.7 periods of service and deductions for administrative expenses, if applicable, less any amounts
 27.8 previously forfeited under section 424A.016, subdivision 4.

27.9 **EFFECTIVE DATE.** This section is effective January 1, 2020.

27.10 Sec. 4. Minnesota Statutes 2018, section 424A.015, subdivision 6, is amended to read:

27.11 Subd. 6. **Governing benefit plan provisions.** A service pension or ancillary benefit
 27.12 payable under this chapter is governed by and must be calculated under the general statute,
 27.13 special law, relief association articles of incorporation, ~~and~~ or relief association bylaw
 27.14 provisions applicable on the earlier of the following dates:

27.15 (1) the date on which the member ~~separated~~ separates from active service with the fire
 27.16 department and active membership in the relief association; or

27.17 (2) the date on which the member begins a break in service with the fire department that
 27.18 continues until the member separates from active service with the fire department and active
 27.19 membership in the relief association.

27.20 **EFFECTIVE DATE.** This section is effective January 1, 2020.

27.21 Sec. 5. Minnesota Statutes 2018, section 424A.016, subdivision 3, is amended to read:

27.22 Subd. 3. ~~Reduced Vesting schedule.~~ If the articles of incorporation or bylaws of a
 27.23 defined contribution relief association ~~so provide, a relief association may pay a reduced~~
 27.24 ~~service pension not to exceed the nonforfeitable percentage of the account balance to a~~
 27.25 ~~retiring member who has completed fewer than 20 years of service. The reduced service~~
 27.26 ~~pension may be paid when the retiring member meets the minimum age and service~~
 27.27 ~~requirements of subdivision 2. The nonforfeitable percentage of pension amounts are as~~
 27.28 ~~follows:~~ a vesting schedule that satisfies the requirements of this subdivision, the relief
 27.29 association may pay a reduced service pension to a retiring member. For purposes of this
 27.30 section, "vests," "vesting," or "vested" means a nonforfeitable, unconditional, or legally
 27.31 enforceable right. A member vests in the member's account in accordance with the vesting
 27.32 schedule set forth in the relief association's articles of incorporation or bylaws. Provided a

28.1 member meets the minimum age and service requirements of subdivision 2, the member is
 28.2 entitled to a service pension equal to the member's account, but only to the extent vested as
 28.3 provided in the vesting schedule set forth in the articles of incorporation or bylaws. In no
 28.4 event may the articles of incorporation or bylaws:

28.5 (1) require that a member have more than 20 years of active service to become 100
 28.6 percent vested in the member's account; or

28.7 (2) provide for a larger vesting percentage than is provided in the following schedule
 28.8 with respect to the completed number of years of active service indicated in the schedule:

	Completed Years of <u>Active Service</u>	Nonforfeitable <u>Vested Percentage</u> of Pension Amount
28.11	5	40 percent
28.12	6	52 percent
28.13	7	64 percent
28.14	8	76 percent
28.15	9	88 percent
28.16	10 and thereafter <u>or more</u>	100 percent

28.17 **EFFECTIVE DATE.** This section is effective January 1, 2020.

28.18 Sec. 6. Minnesota Statutes 2018, section 424A.016, subdivision 6, is amended to read:

28.19 Subd. 6. **Deferred service pensions.** (a) A member of a relief association is entitled to
 28.20 a deferred service pension if the member separates from active service and membership and
 28.21 has completed the minimum service and membership requirements in subdivision 2. The
 28.22 requirement that a member separate from active service and membership is waived for
 28.23 persons who have discontinued their volunteer firefighter duties and who are employed on
 28.24 a full-time basis under section 424A.015, subdivision 1.

28.25 (b) The deferred service pension is payable when the former member reaches at least
 28.26 age 50, or at least the minimum age specified in the bylaws governing the relief association
 28.27 if that age is greater than age 50, and when the former member makes a valid written
 28.28 application.

28.29 (c) A defined contribution relief association may, if its governing bylaws so provide,
 28.30 credit interest or additional investment performance on the deferred lump-sum service
 28.31 pension during the period of deferral. If provided for in the bylaws, the interest must be
 28.32 paid credited:

29.1 (1) at the investment performance rate actually earned on that portion of the assets if the
29.2 deferred benefit amount is invested by the relief association in a separate account established
29.3 and maintained by the relief association;

29.4 (2) at the investment performance rate actually earned on that portion of the assets if the
29.5 deferred benefit amount is invested in a separate investment vehicle held by the relief
29.6 association; or

29.7 (3) at the investment return on the assets of the special fund of the defined contribution
29.8 volunteer firefighters relief association in proportion to the share of the assets of the special
29.9 fund to the credit of each individual deferred member account through the accounting date
29.10 on which the investment return is recognized by and credited to the special fund.

29.11 (d) Unless the bylaws of a relief association that has elected to pay interest or additional
29.12 investment performance on deferred lump-sum service pensions under paragraph (c) specifies
29.13 a different interest or additional investment performance method, including the interest or
29.14 additional investment performance period starting date and ending date, the interest or
29.15 additional investment performance on a deferred service pension is creditable as follows:

29.16 (1) for a relief association that has elected to ~~pay~~ credit interest or additional investment
29.17 performance under paragraph (c), clause (1) or (3), beginning on the date that the member
29.18 separates from active service and membership and ending on the accounting date immediately
29.19 before the deferred member commences receipt of the deferred service pension; or

29.20 (2) for a relief association that has elected to ~~pay~~ credit interest or additional investment
29.21 performance under paragraph (c), clause (2), beginning on the date that the member separates
29.22 from active service and membership and ending on the date that the separate investment
29.23 vehicle is valued immediately before the date on which the deferred member commences
29.24 receipt of the deferred service pension.

29.25 **EFFECTIVE DATE.** This section is effective January 1, 2020.

29.26 Sec. 7. Minnesota Statutes 2018, section 424A.02, subdivision 2, is amended to read:

29.27 Subd. 2. ~~Nonforfeitable portion of service pension~~ **Vesting schedule.** (a) If the articles
29.28 of incorporation or bylaws of a defined benefit relief association ~~so provide, the relief~~
29.29 ~~association may pay a reduced service pension to a retiring member who has completed~~
29.30 ~~fewer than 20 years of service. The reduced service pension may be paid when the retiring~~
29.31 ~~member meets the minimum age and service requirements of subdivision 1.~~ a vesting
29.32 schedule that satisfies the requirements of this subdivision, the relief association may pay
29.33 a reduced service pension to a retiring member. For purposes of this section, "vests,"

30.1 "vesting," or "vested" means a nonforfeitable, unconditional, or legally enforceable right.
 30.2 A member vests in the member's accrued service pension in accordance with the vesting
 30.3 schedule set forth in the relief association's articles of incorporation or bylaws. Provided a
 30.4 member meets the minimum age and service requirements of subdivision 1, the member is
 30.5 entitled to the member's accrued service pension, but only to the extent vested as provided
 30.6 in the vesting schedule set forth in the articles of incorporation or bylaws. In no event may
 30.7 the articles of incorporation or bylaws:

30.8 ~~(b) The amount of the reduced service pension may not exceed the amount calculated~~
 30.9 ~~by multiplying the service pension appropriate for the completed years of service as specified~~
 30.10 ~~in the bylaws multiplied by the applicable nonforfeitable percentage of pension.~~

30.11 ~~(c) For a defined benefit volunteer firefighters relief association that pays a lump-sum~~
 30.12 ~~service pension, a monthly benefit service pension, or a lump-sum service pension or a~~
 30.13 ~~monthly benefit service pension as alternative benefit forms, the nonforfeitable percentage~~
 30.14 ~~of pension amounts are as follows:~~

30.15 (1) require that a member have more than 20 years of active service to become 100
 30.16 percent vested in the member's accrued service pension; or

30.17 (2) provide for a larger vesting percentage than is provided in the following schedule
 30.18 with respect to the completed number of years of active service indicated in the schedule:

30.19	Completed Years of <u>Active</u> Service	Nonforfeitable <u>Vested</u> Percentage of
30.20		Pension Amount
30.21	5	40 percent
30.22	6	44 <u>52</u> percent
30.23	7	48 <u>64</u> percent
30.24	8	52 <u>76</u> percent
30.25	9	56 <u>88</u> percent
30.26	10	60 percent
30.27	11	64 percent
30.28	12	68 percent
30.29	13	72 percent
30.30	14	76 percent
30.31	15	80 percent
30.32	16	84 percent
30.33	17	88 percent
30.34	18	92 percent
30.35	19	96 percent
30.36	<u>20 10 and thereafter or more</u>	100 percent

31.1 **EFFECTIVE DATE.** This section is effective January 1, 2020.

31.2 Sec. 8. Minnesota Statutes 2018, section 424A.02, subdivision 7, is amended to read:

31.3 Subd. 7. **Deferred service pensions.** (a) A member of a defined benefit relief association
31.4 is entitled to a deferred service pension if the member separates from active service and
31.5 membership and has completed the minimum service and membership requirements in
31.6 subdivision 1. The requirement that a member separate from active service and membership
31.7 is waived for persons who have discontinued their volunteer firefighter duties and who are
31.8 employed on a full-time basis under section 424A.015, subdivision 1.

31.9 (b) The deferred service pension is payable when the former member reaches at least
31.10 age 50, or at least the minimum age specified in the bylaws governing the relief association
31.11 if that age is greater than age 50, and when the former member makes a valid written
31.12 application.

31.13 (c) A defined benefit relief association that provides a lump-sum service pension governed
31.14 by subdivision 3 may, when its governing bylaws so provide, ~~pay~~ credit interest on the
31.15 deferred lump-sum service pension during the period of deferral. If provided for in the
31.16 bylaws, interest must be ~~paid~~ credited in one of the following manners:

31.17 (1) at the investment performance rate actually earned on that portion of the assets if the
31.18 deferred benefit amount is invested by the relief association in a separate account established
31.19 and maintained by the relief association;

31.20 (2) at the investment performance rate actually earned on that portion of the assets if the
31.21 deferred benefit amount is invested in a separate investment vehicle held by the relief
31.22 association; or

31.23 (3) at an interest rate of up to five percent, compounded annually, as set by the board of
31.24 trustees.

31.25 (d) Any change in the interest rate set by the board of trustees under paragraph (c), clause
31.26 (3), must be ratified by the governing body of the municipality or joint powers entity served
31.27 by the fire department to which the relief association is directly associated, or by the
31.28 independent nonprofit firefighting corporation, as applicable.

31.29 (e) Interest under paragraph (c), clause (3), is ~~payable~~ credited beginning on the January
31.30 1 next following the date on which the deferred service pension interest rate as set by the
31.31 board of trustees was ratified by the governing body of the municipality or joint powers
31.32 entity served by the fire department to which the relief association is directly associated, or
31.33 by the independent nonprofit firefighting corporation, as applicable.

32.1 (f) Unless the bylaws of a relief association that has elected to ~~pay~~ credit interest or
32.2 additional investment performance on deferred lump-sum service pensions under paragraph
32.3 (c) specifies a different interest or additional investment performance method, including
32.4 the interest or additional investment performance period starting date and ending date, the
32.5 interest or additional investment performance on a deferred service pension is creditable as
32.6 follows:

32.7 (1) for a relief association that has elected to ~~pay~~ credit interest or additional investment
32.8 performance under paragraph (c), clause (1) or (3), beginning on the first day of the month
32.9 next following the date on which the member separates from active service and membership
32.10 and ending on the last day of the month immediately before the month in which the deferred
32.11 member commences receipt of the deferred service pension; or

32.12 (2) for a relief association that has elected to ~~pay~~ credit interest or additional investment
32.13 performance under paragraph (c), clause (2), beginning on the date that the member separates
32.14 from active service and membership and ending on the date that the separate investment
32.15 vehicle is valued immediately before the date on which the deferred member commences
32.16 receipt of the deferred service pension.

32.17 (g) For a deferred service pension that is transferred to a separate account established
32.18 and maintained by the relief association or separate investment vehicle held by the relief
32.19 association, the deferred member bears the full investment risk subsequent to transfer and
32.20 in calculating the accrued liability of the volunteer firefighters relief association that pays
32.21 a lump-sum service pension, the accrued liability for deferred service pensions is equal to
32.22 the separate relief association account balance or the fair market value of the separate
32.23 investment vehicle held by the relief association.

32.24 **EFFECTIVE DATE.** This section is effective January 1, 2020.

32.25 Sec. 9. Minnesota Statutes 2018, section 424A.02, subdivision 9, is amended to read:

32.26 Subd. 9. **Limitation on ancillary benefits.** A defined benefit relief association, including
32.27 any volunteer firefighters relief association governed by Laws 2013, chapter 111, article 5,
32.28 sections 31 to 42, or any volunteer firefighters division of a relief association governed by
32.29 chapter 424, may only pay ancillary benefits which would constitute an authorized
32.30 disbursement as specified in section 424A.05 subject to the following requirements or
32.31 limitations:

32.32 (1) with respect to a defined benefit relief association in which governing bylaws provide
32.33 solely for a lump-sum service pension to a retiring member, or provide a retiring member

33.1 the choice of either a lump-sum service pension or a monthly service pension and the
33.2 lump-sum service pension was chosen, no ancillary benefit may be paid to any former
33.3 member or paid to any person on behalf of any former member after the former member (i)
33.4 terminates active service with the fire department and active membership in the relief
33.5 association; and (ii) commences receipt of a service pension as authorized under this section;
33.6 and

33.7 (2) with respect to any defined benefit relief association, no ancillary benefit paid or
33.8 payable to any member, to any former member, or to any person on behalf of any member
33.9 or former member, may exceed in amount the total earned service pension of the member
33.10 or former member. The total earned service pension must be calculated by multiplying the
33.11 service pension amount specified in the bylaws of the relief association at the time of death
33.12 or disability, whichever applies, by the years of service credited to the member or former
33.13 member. The years of service must be determined as of (i) the date the member or former
33.14 member became entitled to the ancillary benefit; or (ii) the date the member or former
33.15 member died entitling a survivor or the estate of the member or former member to an
33.16 ancillary benefit. The ancillary benefit must be calculated without regard to whether the
33.17 member had attained the minimum amount of service and membership credit specified in
33.18 the governing bylaws. For active members, the amount of a permanent disability benefit or
33.19 a survivor benefit must be equal to the member's total earned service pension except that
33.20 the bylaws of a defined benefit relief association may provide for the payment of a survivor
33.21 benefit in an amount not to exceed five times the yearly service pension amount specified
33.22 in the bylaws on behalf of any member who dies before having performed five years of
33.23 active service in the fire department with which the relief association is affiliated. For
33.24 deferred members, the amount of a permanent disability benefit or a survivor benefit must
33.25 be calculated using the service pension amount in effect on the date specified in section
33.26 424A.015, subdivision 6, unless the bylaws of the relief association specify a different
33.27 service pension amount to be used for the calculation.

33.28 (3)(i) If a lump sum survivor or death benefit is payable under the articles of incorporation
33.29 or bylaws, the benefit must be paid:

33.30 (A) as a survivor benefit to the surviving spouse of the deceased firefighter;

33.31 (B) as a survivor benefit to the surviving children of the deceased firefighter if no
33.32 surviving spouse;

33.33 (C) as a survivor benefit to a designated beneficiary of the deceased firefighter if no
33.34 surviving spouse or surviving children; or

34.1 (D) as a death benefit to the estate of the deceased active or deferred firefighter if no
34.2 surviving children and no beneficiary designated.

34.3 (ii) If there are no surviving children, the surviving spouse may waive, in writing, wholly
34.4 or partially, the spouse's entitlement to a survivor benefit.

34.5 (4)(i) If a monthly benefit survivor or death benefit is payable under the articles of
34.6 incorporation or bylaws, the benefit must be paid:

34.7 (A) as a survivor benefit to the surviving spouse of the deceased firefighter;

34.8 (B) as a survivor benefit to the surviving children of the deceased firefighter if no
34.9 surviving spouse;

34.10 (C) as a survivor benefit to a designated beneficiary of the deceased firefighter if no
34.11 surviving spouse or surviving children; or

34.12 (D) as a death benefit to the estate of the deceased active or deferred firefighter if no
34.13 surviving spouse, no surviving children, and no beneficiary designated.

34.14 (ii) If there are no surviving children, the surviving spouse may waive, in writing, wholly
34.15 or partially, the spouse's entitlement to a survivor benefit.

34.16 (iii) For purposes of this clause, if the relief association bylaws authorize a monthly
34.17 survivor benefit payable to a designated beneficiary, the relief association bylaws may limit
34.18 the total survivor benefit amount payable.

34.19 (5) For purposes of this section, for a monthly benefit volunteer fire relief association
34.20 or for a combination lump-sum and monthly benefit volunteer fire relief association where
34.21 a monthly benefit service pension has been elected by or a monthly benefit is payable with
34.22 respect to a firefighter, a designated beneficiary must be a natural person. For purposes of
34.23 this section, for a lump-sum volunteer fire relief association or for a combination lump-sum
34.24 and monthly benefit volunteer fire relief association where a lump-sum service pension has
34.25 been elected by or a lump-sum benefit is payable with respect to a firefighter, a trust created
34.26 under chapter 501C may be a designated beneficiary. If a trust is payable to the surviving
34.27 children organized under chapter 501C as authorized by this section and there is no surviving
34.28 spouse, the survivor benefit may be paid to the trust, notwithstanding a requirement of this
34.29 section to the contrary.

34.30 **EFFECTIVE DATE.** This section is effective January 1, 2020.

35.1 Sec. 10. Minnesota Statutes 2018, section 424A.02, subdivision 10, is amended to read:

35.2 Subd. 10. **Local approval of bylaw amendments; filing requirements.** (a) Each defined
35.3 benefit relief association to which this section applies must file a revised copy of its governing
35.4 bylaws with the state auditor upon the adoption of any amendment to its governing bylaws
35.5 by the relief association or upon the approval of any amendment to its governing bylaws
35.6 granted by the governing body of ~~each~~ the municipality served by the fire department to
35.7 which the relief association is directly associated or by the independent nonprofit firefighting
35.8 corporation, as applicable. Failure of the relief association to file a copy of the bylaws or
35.9 any bylaw amendments with the state auditor disqualifies the municipality from the
35.10 distribution of any future fire state aid until this filing requirement has been completed.

35.11 (b) If the special fund of the relief association does not have a surplus over full funding
35.12 under section 424A.092, subdivision 3, paragraph (c), clause (5), or 424A.093, subdivision
35.13 4, and if the municipality is required to provide financial support to the special fund of the
35.14 relief association under section 424A.092 or 424A.093, no bylaw amendment which would
35.15 affect the amount of, the manner of payment of, or the conditions for qualification for service
35.16 pensions or ancillary benefits or disbursements other than administrative expenses authorized
35.17 under section 69.80 payable from the special fund of the relief association is effective until
35.18 it has been ratified as required under section 424A.092, subdivision 6, or 424A.093,
35.19 subdivision 6. If the special fund of the relief association has a surplus over full funding
35.20 under section 424A.092, subdivision 3, or 424A.093, subdivision 4, and if the municipality
35.21 is not required to provide financial support to the special fund under this section, the relief
35.22 association may adopt or amend without municipal ratification its articles of incorporation
35.23 or bylaws which increase or otherwise affect the service pensions or ancillary benefits
35.24 payable from the special fund if authorized under section 424A.092, subdivision 6, or
35.25 424A.093, subdivision 6.

35.26 (c) If the relief association pays only a lump-sum pension, the financial requirements
35.27 are to be determined by the board of trustees following the preparation of an estimate of
35.28 the expected increase in the accrued liability and annual accruing liability of the relief
35.29 association attributable to the change. If the relief association pays a monthly benefit service
35.30 pension, the financial requirements are to be determined by the board of trustees following
35.31 either an updated actuarial valuation including the proposed change or an estimate of the
35.32 expected actuarial impact of the proposed change prepared by the actuary of the relief
35.33 association. If a relief association adopts or amends its articles of incorporation or bylaws
35.34 without municipal ratification under this subdivision, and, subsequent to the amendment or
35.35 adoption, the financial requirements of the special fund under this section are such so as to

36.1 require financial support from the municipality, the provision which was implemented
36.2 without municipal ratification is no longer effective without municipal ratification, and any
36.3 service pensions or ancillary benefits payable after that date must be paid only in accordance
36.4 with the articles of incorporation or bylaws as amended or adopted with municipal
36.5 ratification.

36.6 **EFFECTIVE DATE.** This section is effective January 1, 2020.

36.7 Sec. 11. Minnesota Statutes 2018, section 424A.10, subdivision 1, is amended to read:

36.8 Subdivision 1. **Definitions.** For purposes of this section:

36.9 (1) "qualified recipient" means a volunteer firefighter who receives a lump-sum
36.10 distribution of pension or retirement benefits from a volunteer firefighters relief association
36.11 or from the voluntary statewide lump-sum volunteer firefighter retirement plan;

36.12 (2) "survivor of a deceased active or deferred volunteer firefighter" means the surviving
36.13 spouse of a deceased active or deferred volunteer firefighter or, if none, the surviving child
36.14 or children of a deceased active or deferred volunteer firefighter, or, if none, the designated
36.15 beneficiary of the deceased active or deferred volunteer firefighter, or, if no beneficiary has
36.16 been designated, the estate of the deceased active or deferred volunteer firefighter;

36.17 (3) "active volunteer firefighter" means a person who:

36.18 (i) regularly renders fire suppression service, the performance or supervision of authorized
36.19 fire prevention duties, or the performance or supervision of authorized emergency medical
36.20 response activities for a fire department;

36.21 (ii) has met the statutory and other requirements for relief association membership; and

36.22 (iii) is deemed by the relief association under law and its bylaws to be a fully qualified
36.23 member of the relief association or from the voluntary statewide lump-sum volunteer
36.24 firefighter retirement plan for at least one month;

36.25 (4) "deferred volunteer firefighter" means a former active volunteer firefighter who:

36.26 (i) terminated active firefighting service, the performance or supervision of authorized
36.27 fire prevention duties, or the performance or supervision of authorized emergency medical
36.28 response activities; and

36.29 (ii) has sufficient service credit from the applicable relief association or from the voluntary
36.30 statewide lump-sum volunteer firefighter retirement plan to be entitled to a service pension
36.31 under the bylaws of the relief association, but has not applied for or has not received the
36.32 service pension; and

37.1 (5) "volunteer firefighter" includes an individual whose services were utilized to perform
37.2 or supervise fire prevention duties if authorized under section 424A.01, subdivision 5, and
37.3 individuals whose services were used to perform emergency medical response duties or
37.4 supervise emergency medical response activities if authorized under section 424A.01,
37.5 subdivision 5a.

37.6 EFFECTIVE DATE. This section is effective January 1, 2020, and applies to
37.7 supplemental benefits paid by a relief association in 2019 and thereafter for the death of an
37.8 active or deferred volunteer firefighter that occurred on or after January 1, 2019.

37.9 Sec. 12. Laws 2018, chapter 211, article 14, section 26, is amended to read:

37.10 Sec. 26. **CITY OF AUSTIN; ALLOCATION OF FIRE STATE AID FOR**
37.11 **FIREFIGHTERS.**

37.12 (a) Notwithstanding any law to the contrary, the city of Austin must annually:

37.13 (1) determine the amount of state aid required under the bylaws of the Austin Parttime
37.14 Firefighters Relief Association to fund the volunteer firefighters' service pensions;

37.15 (2) transmit to the Austin Parttime Firefighters Relief Association any supplemental
37.16 state aid received under Minnesota Statutes, section 423A.022;

37.17 (3) transmit to the Austin Parttime Firefighters Relief Association an amount of fire
37.18 state aid under Minnesota Statutes, sections 69.011 to 69.051, equal to the difference between
37.19 the amount determined under clause (1) and the amount transmitted under clause (2); and

37.20 (4) transmit the remaining balance of fire state aid under Minnesota Statutes, sections
37.21 69.011 to 69.051, for the payment of the employer contribution requirements for firefighters
37.22 covered by the public employees police and fire retirement plan under Minnesota Statutes,
37.23 section 353.65, subdivision 3.

37.24 (b) Notwithstanding Minnesota Statutes, section 69.031, subdivision 5, the city of Austin
37.25 has no liability to the relief association related to payments it made or will make to the
37.26 public employees police and fire retirement plan from fire state aid for 2013, 2014, 2015,
37.27 2016, 2017, and 2018 and subsequent years.

37.28 (c) ~~This section expires July 1, 2019~~ Paragraphs (a) and (b) expire on the effective date
37.29 of general legislation permitting the allocation of fire state aid between volunteer firefighter
37.30 relief associations and the affiliated municipalities, independent nonprofit firefighting
37.31 corporations, or joint powers entities.

38.1 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
38.2 city of Austin and its chief clerical officer comply with Minnesota Statutes, section 645.021,
38.3 subdivisions 2 and 3.

38.4 **ARTICLE 5**

38.5 **MINNESOTA STATE COLLEGES AND UNIVERSITIES**
38.6 **RETIREMENT PROVISIONS**

38.7 Section 1. Minnesota Statutes 2018, section 136F.47, is amended to read:

38.8 **136F.47 PENSION PLAN.**

38.9 The board shall assume the administrative responsibility for the individual retirement
38.10 account plans in chapters 354B and 354C formerly administered separately by the State
38.11 University Board and the Community College Board. The separate plans and the former
38.12 plan administration must be merged into a single individual retirement account plan and
38.13 plan administration covering eligible employees of the board, eligible employees of system
38.14 institutions, and other eligible employee groups who are covered by the plan under section
38.15 ~~354B.21~~ 354B.211.

38.16 **EFFECTIVE DATE.** This section is effective July 1, 2019.

38.17 Sec. 2. Minnesota Statutes 2018, section 136F.481, is amended to read:

38.18 **136F.481 EARLY SEPARATION INCENTIVE PROGRAM.**

38.19 (a) Notwithstanding any provision of law to the contrary, the board may offer a targeted
38.20 early separation incentive program for its employees.

38.21 (b) The early separation incentive program may include one or both of the following:

38.22 (1) cash incentives, not to exceed one year of base salary; or

38.23 (2) employer contributions to the postretirement health care savings plan established
38.24 under section 352.98.

38.25 (c) To be eligible to receive an incentive, an employee must be at least age 55 and must
38.26 have at least five years of employment by the Minnesota State Colleges and Universities
38.27 System. The board shall establish and periodically revise the eligibility requirements for
38.28 system employees to receive an incentive. The board shall file a copy of its proposed revised
38.29 eligibility requirements with the chairs and ranking members of the senate committee with
38.30 higher education within its jurisdiction and the senate finance division with higher education
38.31 within its jurisdiction and with the chair and ranking members of the committee in the house
38.32 of representatives with higher education within its jurisdiction and of the house of

39.1 representatives Committee on Ways and Means, at least 30 days before the final adoption
39.2 of the proposed revised eligibility requirements by the board, shall post the same document
39.3 on the system website at the same time, and shall hold a public hearing on the proposed
39.4 eligibility requirements. The type and any additional amount of the incentive to be offered
39.5 may vary by employee classification, as specified by the board.

39.6 (d) The president of a college or university, consistent with paragraphs (b) and (c), may
39.7 designate:

39.8 (1) specific departments or programs at the college or university whose employees are
39.9 eligible to be offered the incentive program; or

39.10 (2) positions at the college or university eligible to be offered the incentive program.

39.11 (e) The chancellor, consistent with paragraphs (b) and (c), may designate:

39.12 (1) system office divisions whose employees are eligible to be offered the incentive
39.13 program; or

39.14 (2) positions at the system office eligible to be offered the incentive program.

39.15 (f) Acceptance of the offered incentive must be voluntary on the part of the employee
39.16 and must be in writing. The incentive may only be offered at the sole discretion of the
39.17 president of the applicable college or university.

39.18 (g) A decision by the president of a college or university or by the chancellor not to offer
39.19 an incentive may not be challenged.

39.20 (h) The cost of the incentive is payable by the college or university on whose behalf the
39.21 president offered the incentive or from the system office budget if the chancellor offered
39.22 the incentive. If a college or university is merged, the remaining cost of any early separation
39.23 incentive must be borne by the successor institution. If a college or university is closed, the
39.24 remaining cost of any early separation incentive must be borne by the board.

39.25 (i) Annually, the chancellor and the president of each college or university must report
39.26 on the number and types of early separation incentives which were offered and utilized
39.27 under this section. The report must be filed annually with the board and with the Legislative
39.28 Reference Library on or before September 1.

39.29 ~~(j) The early retirement incentive authority under this section expires on June 30, 2019.~~

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

40.1 Sec. 3. Minnesota Statutes 2018, section 354.05, subdivision 2a, is amended to read:

40.2 Subd. 2a. **Exceptions.** (a) Notwithstanding subdivision 2, a person specified in paragraph
40.3 (b) is not a member of the association except for purposes of Social Security coverage unless
40.4 the person is covered by section ~~354B.21~~ 354B.211, and elects coverage by the Teachers
40.5 Retirement Association.

40.6 (b) A teacher is excluded from association membership other than Social Security
40.7 coverage under paragraph (a) if the person is covered by the individual retirement account
40.8 plan established under chapter 354B.

40.9 **EFFECTIVE DATE.** This section is effective July 1, 2019.

40.10 Sec. 4. Minnesota Statutes 2018, section 354.51, subdivision 5, is amended to read:

40.11 Subd. 5. **Payment of shortages.** (a) Except as provided in paragraph (b), in the event
40.12 that full required member contributions are not deducted from the salary of a teacher,
40.13 payment of shortages in member deductions on salary earned are the sole obligation of the
40.14 employing unit and are payable by the employing unit upon notification by the executive
40.15 director of the shortage. The amount of the shortage shall be paid with interest at the
40.16 applicable annual rate or rates specified in section 356.59, subdivision 4, compounded
40.17 annually, from the end of the fiscal year in which the shortage occurred to the end of the
40.18 month in which payment is made and the interest must be credited to the fund. The employing
40.19 unit shall also pay the employer contributions as specified in section 354.42, subdivisions
40.20 3 and 5 for the shortages. If the shortage payment is not paid by the employing unit within
40.21 60 days of notification, and if the executive director does not use the recovery procedure
40.22 in section 354.512, the executive director shall certify the amount of the shortage to the
40.23 applicable county auditor, who shall spread a levy in the amount of the shortage payment
40.24 over the taxable property of the taxing district of the employing unit if the employing unit
40.25 is supported by property taxes. Payment may not be made for shortages in member deductions
40.26 on salary paid or payable under paragraph (b) or for shortages in member deductions for
40.27 persons employed by the Minnesota State Colleges and Universities system in a faculty
40.28 position or in an eligible unclassified administrative position and whose employment was
40.29 less than 25 percent of a full academic year, exclusive of the summer session, for the
40.30 applicable institution that exceeds the most recent 36 months.

40.31 (b) For a person who is employed by the Minnesota State Colleges and Universities
40.32 system in a faculty position or in an eligible unclassified administrative position and whose
40.33 employment was less than 25 percent of a full academic year, exclusive of the summer
40.34 session, for the applicable institution, upon the person's election under section ~~354B.21~~

41.1 354B.211 of retirement coverage under this chapter, the shortage in member deductions on
 41.2 the salary for employment by the Minnesota State Colleges and Universities system institution
 41.3 of less than 25 percent of a full academic year, exclusive of the summer session, for the
 41.4 applicable institution for the most recent 36 months and the associated employer contributions
 41.5 must be paid by the Minnesota State Colleges and Universities system institution, plus
 41.6 interest at the applicable annual rate or rates specified in section 356.59, subdivision 4,
 41.7 compounded annually, from the end of the fiscal year in which the shortage occurred to the
 41.8 end of the month in which the Teachers Retirement Association coverage election is made.
 41.9 An individual electing coverage under this paragraph shall repay the amount of the shortage
 41.10 in member deductions, plus interest, through deduction from salary or compensation
 41.11 payments within the first year of employment after the election under section ~~354B.21~~
 41.12 354B.211, subject to the limitations in section 16D.16. The Minnesota State Colleges and
 41.13 Universities system may use any means available to recover amounts which were not
 41.14 recovered through deductions from salary or compensation payments. No payment of the
 41.15 shortage in member deductions under this paragraph may be made for a period longer than
 41.16 the most recent 36 months.

41.17 **EFFECTIVE DATE.** This section is effective July 1, 2019.

41.18 Sec. 5. Minnesota Statutes 2018, section 354A.011, subdivision 27, is amended to read:

41.19 Subd. 27. **Teacher.** (a) "Teacher" means any person who renders service for a public
 41.20 school district, ~~other than a charter school, located in the corporate limits of:~~

41.21 (1) Independent School District No. 625, St. Paul, as any of the following:

41.22 ~~(1) (i)~~ (i) a full-time employee in a position for which a valid license from the state
 41.23 ~~Department of Education~~ Professional Educator Licensing and Standards Board is required;

41.24 ~~(2) an employee of the teachers retirement fund association located in the city of St.~~
 41.25 ~~Paul;~~

41.26 ~~(3) (ii)~~ (ii) a part-time employee in a position for which a valid license from the state
 41.27 ~~Department of Education~~ Professional Educator Licensing and Standards Board is required;

41.28 or

41.29 ~~(4) (iii)~~ (iii) a part-time employee in a position for which a valid license from the state
 41.30 ~~Department of Education~~ Professional Educator Licensing and Standards Board is required

41.31 who also renders other nonteaching services for the school district, unless the board of
 41.32 trustees of the teachers retirement fund association determines that the combined employment

42.1 is on the whole so substantially dissimilar to teaching service that the service may not be
42.2 covered by the association;

42.3 (2) the teachers retirement fund association located in the city of St. Paul as an employee;

42.4 or

42.5 (3) the Minnesota State Colleges and Universities as an employee who has continuing
42.6 coverage under this chapter through section 354B.211, subdivision 3, paragraph (c).

42.7 (b) The term does not mean any person who renders service in the school district as any
42.8 of the following:

42.9 (1) an independent contractor or the employee of an independent contractor;

42.10 (2) an employee who is a full-time teacher covered by the Teachers Retirement
42.11 Association under chapter 354;

42.12 (3) an employee who is exempt from licensure pursuant to section 122A.30; or

42.13 ~~(4) an employee who is a teacher in a technical college located in a city of the first class~~
42.14 ~~unless the person elects coverage by the first class city teacher retirement fund association~~
42.15 ~~under section 354B.21, subdivision 2;~~

42.16 ~~(5) a teacher employed by a charter school, irrespective of the location of the school;~~

42.17 ~~(6) an employee who is a part-time teacher in a technical college in the city of St. Paul~~
42.18 ~~and who has elected coverage by the first class city teacher retirement fund association~~
42.19 ~~under section 354B.21, subdivision 2, but (i) the teaching service is incidental to the regular~~
42.20 ~~nonteaching occupation of the person; (ii) the applicable technical college stipulates annually~~
42.21 ~~in advance that the part-time teaching service will not exceed 300 hours in a fiscal year;~~
42.22 ~~and (iii) the part-time teaching actually does not exceed 300 hours in the fiscal year to which~~
42.23 ~~the certification applies; or~~

42.24 ~~(7)~~ (4) a person who is receiving a retirement annuity from the teachers retirement fund
42.25 association and is employed after retirement by the school district associated with the
42.26 retirement fund association.

42.27 **EFFECTIVE DATE.** This section is effective July 1, 2019.

42.28 Sec. 6. Minnesota Statutes 2018, section 354B.20, subdivision 4, is amended to read:

42.29 Subd. 4. **Covered employment.** (a) "Covered employment" means employment by a
42.30 person eligible for coverage by this retirement program under section 354B.21 in a faculty
42.31 position or in an eligible unclassified administrative position an employee in the fiscal year

43.1 in which the employee first attains eligible employee status, as determined under section
 43.2 354B.211, subdivision 1, and thereafter all employment by that individual in an eligible
 43.3 unclassified administrative position as defined in subdivision 6 or in an eligible unclassified
 43.4 faculty position as defined in subdivision 6a.

43.5 ~~(b) "Covered employment" does not mean employment specified in paragraph (a) by a~~
 43.6 ~~faculty member employed in the Minnesota State Colleges and Universities system if the~~
 43.7 ~~person's initial appointment is specified as constituting less than 25 percent of a full academic~~
 43.8 ~~year, exclusive of summer session, for the applicable institution.~~

43.9 **EFFECTIVE DATE.** This section is effective July 1, 2019.

43.10 Sec. 7. Minnesota Statutes 2018, section 354B.20, is amended by adding a subdivision to
 43.11 read:

43.12 Subd. 6a. **Eligible unclassified faculty position.** "Eligible unclassified faculty position"
 43.13 means employment by an employing unit in:

43.14 (1) a classification included in the:

43.15 (i) state university instructional unit;

43.16 (ii) state university administrative faculty unit; or

43.17 (iii) state college instructional unit under section 179A.10, subdivision 2; or

43.18 (2) an employment position that meets the definition of "teacher" under section 354.05,
 43.19 subdivision 2, or 354A.011, subdivision 27.

43.20 **EFFECTIVE DATE.** This section is effective July 1, 2019.

43.21 Sec. 8. Minnesota Statutes 2018, section 354B.20, subdivision 7, is amended to read:

43.22 Subd. 7. **Employing unit.** "Employing unit," if the agency employs any persons covered
 43.23 by the individual retirement account plan under section ~~354B.21~~ 354B.211, means:

43.24 (1) the board;

43.25 (2) the Minnesota Office of Higher Education; and

43.26 (3) the Higher Education Facilities Authority.

43.27 **EFFECTIVE DATE.** This section is effective July 1, 2019.

44.1 Sec. 9. Minnesota Statutes 2018, section 354B.20, subdivision 12, is amended to read:

44.2 Subd. 12. **Participant.** "Participant" means a person who is employed in covered
44.3 employment by the board and who elects coverage by the plan under section ~~354B.21~~
44.4 354B.211.

44.5 **EFFECTIVE DATE.** This section is effective July 1, 2019.

44.6 Sec. 10. **[354B.211] COVERAGE.**

44.7 **Subdivision 1. Eligibility.** (a) The following persons are eligible to have coverage by
44.8 the individual retirement account plan or coverage by another plan as further specified in
44.9 this section:

44.10 (1) employees who are employed for at least 25 percent of a full academic year, exclusive
44.11 of the summer session, in eligible unclassified faculty positions under section 354B.20,
44.12 subdivision 6a; and

44.13 (2) employees who are employed for at least 25 percent of a full fiscal year in eligible
44.14 unclassified administrative positions under section 354B.20, subdivision 6.

44.15 (b) An employee who becomes eligible under clause (1) or (2) remains eligible regardless
44.16 of (i) a break in service, or (ii) the percentage of full time worked in any covered employment.

44.17 **Subd. 2. Default coverage.** (a) The default retirement coverage specified under this
44.18 subdivision for an eligible employee applies to all covered employment unless the eligible
44.19 employee makes a coverage election under subdivision 4.

44.20 (b) The individual retirement account plan is the default coverage if:

44.21 (1) the eligible employee does not have continuing coverage under subdivision 3; and

44.22 (2) the eligible employee:

44.23 (i) was employed before July 1, 2011; or

44.24 (ii) is employed on or after July 1, 2011 and does not have allowable service credit or
44.25 an account in any retirement plan listed in section 356.30, subdivision 3.

44.26 (c) The Teachers Retirement Association is the default coverage if the eligible employee
44.27 (1) does not have continuing coverage under subdivision 3, paragraphs (c) or (d), (2) is
44.28 employed on or after July 1, 2011, and (3) has allowable service credit or an account in any
44.29 retirement plan listed in section 356.30, subdivision 3.

44.30 (d) At the time of hire, the employee must certify to the employer the existence of any
44.31 allowable service credit or an account within any plan listed in section 356.30, subdivision

45.1 3. If an employee fails to provide certification, the Minnesota State Colleges and Universities
45.2 system and its board shall be held harmless and, notwithstanding any law to the contrary,
45.3 any resulting cost or financial liability becomes the employee's responsibility.

45.4 Subd. 3. Coverage continuation; certain technical college employees. (a) If an
45.5 employee was employed in a technical college faculty position with Teachers Retirement
45.6 Association coverage on or before June 30, 1997, that coverage continues for all covered
45.7 employment unless the employee elects coverage under paragraph (e).

45.8 (b) If an employee was employed in a technical college faculty position on or before
45.9 June 30, 1995, and covered by a former first class city teacher retirement fund association,
45.10 the Teachers Retirement Association shall provide coverage for all covered employment
45.11 unless the employee elects coverage under paragraph (e).

45.12 (c) If an employee was employed in a technical college faculty position with St. Paul
45.13 Teachers Retirement Fund Association coverage on or before June 30, 1995, that coverage
45.14 continues for all covered employment unless the employee elects coverage under paragraph
45.15 (e).

45.16 (d) If an employee was employed in a technical college position with Public Employee
45.17 Retirement Association coverage on or before June 30, 1995, that coverage continues for
45.18 all covered employment unless the employee elects coverage under paragraph (e).

45.19 (e) If an employee under this subdivision changes employment within the Minnesota
45.20 State Colleges and Universities system, the employee is authorized to elect prospective
45.21 coverage by the individual retirement account plan pursuant to subdivision 4 for all
45.22 subsequent covered employment.

45.23 Subd. 4. Coverage; election for new employment position. (a) Unless a timely coverage
45.24 election is made as specified below, an eligible employee retains the default coverage
45.25 specified in subdivision 2 for all covered employment.

45.26 (1) An eligible employee who has default coverage with the individual retirement account
45.27 plan under subdivision 2 may elect prospective Teachers Retirement Association coverage.

45.28 (2) An eligible employee who has default coverage with the Teachers Retirement
45.29 Association under subdivision 2 may elect prospective coverage by the individual retirement
45.30 account plan.

45.31 (b) An election under paragraph (a) must be made within one year of commencing
45.32 covered employment. If an election is not made within one year of commencing covered

46.1 employment and the employee separated from such covered employment prior to completion
46.2 of the year, an election may be made within 90 days of returning to covered employment.

46.3 (c) Except as provided in subdivision 6, purchasing service credit in the Teachers
46.4 Retirement Association for any period of Minnesota State Colleges and Universities system
46.5 employment occurring before the election under this section is prohibited.

46.6 (d) An election made under this subdivision is irrevocable unless a subsequent election
46.7 is made under subdivision 6.

46.8 Subd. 5. **Required notice.** (a) No later than 90 days before the end of any applicable
46.9 election period specified in this section, the employer must provide an eligible employee
46.10 the following information:

46.11 (1) the eligible employee's default retirement coverage;

46.12 (2) the form for electing alternative coverage other than the default coverage; and

46.13 (3) the website addresses for the plan providing default coverage and comparable
46.14 information for the applicable optional coverage.

46.15 (b) The election of coverage forms must include a certification statement that the
46.16 employee has received and reviewed materials on the alternative and default coverages prior
46.17 to making the election.

46.18 Subd. 6. **Coverage; election for tenure.** (a) A faculty member, defined as a person
46.19 employed in an eligible unclassified faculty position under section 354B.20, subdivision
46.20 6a, who is a member of the individual retirement account plan may elect to transfer retirement
46.21 coverage to the Teachers Retirement Association within one year of the faculty member
46.22 first achieving tenure or its equivalent at a Minnesota state college or university.

46.23 (b) A faculty member electing Teachers Retirement Association coverage must purchase
46.24 service credit in the Teachers Retirement Association for the entire period of time covered
46.25 under the individual retirement account plan. The purchase payment amount must be
46.26 determined under section 356.551. The Teachers Retirement Association may charge a
46.27 faculty member transferring coverage a reasonable fee to cover the costs associated with
46.28 computing the actuarial cost of purchasing service credit and making the transfer.

46.29 (c) A faculty member purchasing service credit in the Teachers Retirement Association
46.30 may use:

46.31 (1) any balances in the faculty member's individual retirement account plan or higher
46.32 education supplemental retirement plan established under chapter 354C; or

47.1 (2) any source specified in section 356.441, subdivision 1.

47.2 If the total amount of payments under this paragraph are less than the total purchase payment
47.3 amount under section 356.551, and the employee fails to make timely payments as determined
47.4 by the Teachers Retirement Association, all payment amounts must be refunded to the
47.5 applicable source.

47.6 Subd. 7. **Coverage; acting, interim, or temporary appointments.** An employee on a
47.7 leave of absence from a classified position who is appointed to an acting, interim, or
47.8 temporary unclassified position retains the retirement coverage that the employee had in
47.9 the prior classified position for up to one year of covered employment. If the employee
47.10 continues in the unclassified position, the employee has the option to make an election under
47.11 subdivision 4, provided no previous election had been made under that subdivision.

47.12 Subd. 8. **Coverage; certain part-time employees.** Notwithstanding subdivision 1, an
47.13 employee in a part-time eligible unclassified administrative position or eligible unclassified
47.14 faculty position that constitutes less than 25 percent of a full academic year is eligible for
47.15 Teachers Retirement Association coverage for all covered employment if the person certifies
47.16 to the employer existing membership in the Teachers Retirement Association.

47.17 **EFFECTIVE DATE.** This section is effective July 1, 2019.

47.18 Sec. 11. Minnesota Statutes 2018, section 354B.22, subdivision 2, is amended to read:

47.19 Subd. 2. **Public pension coverage as condition of employment.** Coverage by a public
47.20 pension plan under section ~~354B.21~~ 354B.211 is a condition of initial employment or
47.21 continued employment ~~as a faculty member~~ in an eligible unclassified faculty position or
47.22 an eligible unclassified administrative position by the board or other employing unit.

47.23 **EFFECTIVE DATE.** This section is effective July 1, 2019.

47.24 Sec. 12. Minnesota Statutes 2018, section 354B.23, subdivision 1, is amended to read:

47.25 Subdivision 1. **Member contribution rate.** (a) Except for a participant described under
47.26 paragraph (b), the member contribution rate for participants in the individual retirement
47.27 account plan is ~~4.5 percent of salary~~ equal to the coordinated employee contribution rate in
47.28 section 354.42, subdivision 2.

47.29 (b) The member contribution rate is the rate described in paragraph (c) for a participant
47.30 in the individual retirement account plan who:

48.1 (1) achieved tenure or its equivalent at a Minnesota state college or university before
 48.2 July 1, 2018; or

48.3 (2) is an employee in an eligible unclassified administrative position, is not a faculty
 48.4 member, and first contributed to the individual retirement account plan before July 1, 2018.

48.5 (c) The member contribution rate for a participant described in paragraph (b) is the
 48.6 following percentage of salary:

48.7 from July 1, 2019, to June 30, 2020 5.15

48.8 from July 1, 2020, to June 30, 2021 5.80

48.9 from July 1, 2021, to June 30, 2022 6.45

48.10 from July 1, 2022, to June 30, 2023 7.10

48.11 from July 1, 2023, to June 30, 2024 7.75

48.12 After June 30, 2024, the member contribution rate is the rate specified in paragraph (a).

48.13 **EFFECTIVE DATE.** This section is effective July 1, 2019.

48.14 Sec. 13. Minnesota Statutes 2018, section 354B.23, subdivision 3, is amended to read:

48.15 Subd. 3. **Employer contribution rate.** The employer contribution rate on behalf of
 48.16 participants in the individual retirement account plan is six percent of salary in fiscal year
 48.17 2019, 6.35 percent in fiscal year 2020, 6.7 percent in fiscal year 2021, 7.05 percent in fiscal
 48.18 year 2022, 7.4 percent in fiscal year 2023, and 7.75 percent in fiscal year 2024. Starting in
 48.19 fiscal year 2025, the employer contribution rate is equal to the coordinated employee
 48.20 contribution rate in section 354.42, subdivision 2.

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

48.22 Sec. 14. Minnesota Statutes 2018, section 354B.23, subdivision 5, is amended to read:

48.23 Subd. 5. **Omitted member deductions.** (a) If the employing unit that employs a plan
 48.24 participant fails to deduct the member contribution from the participant's salary and a period
 48.25 of less than 60 days from the date on which the deduction should have been made has
 48.26 elapsed, the employing unit must obtain the omitted member deduction by an additional
 48.27 payroll deduction during the pay period next following the discovery of the omission.

48.28 (b) If the employing unit of a plan participant fails to deduct the member contribution
 48.29 from the participant's salary and that omission continues for at least 60 days from the date
 48.30 on which the deduction should have been made, the employing unit must pay the amount
 48.31 representing the omitted member contribution, and the full required employer contribution,
 48.32 plus compound interest at ~~an annual rate of 8.5 percent~~ the applicable annual rate or rates

49.1 specified in section 356.59, subdivision 2. The contributions and any interest must be made
49.2 within one year of the date on which the omission was discovered.

49.3 **EFFECTIVE DATE.** This section is effective July 1, 2019.

49.4 Sec. 15. Minnesota Statutes 2018, section 354C.12, subdivision 2, is amended to read:

49.5 Subd. 2. **Omitted deductions.** If the employer of personnel covered by the supplemental
49.6 retirement plan as provided in section 354C.11 fails to deduct the member basic contribution
49.7 from the covered employee's salary and a period of less than 60 days from the date on which
49.8 the deduction should have been made has elapsed, the employer must obtain the omitted
49.9 member deduction by an additional payroll deduction during the pay period next following
49.10 the discovery of the omission. If the employer fails to deduct the member basic contribution
49.11 from the covered employee's salary and that omission continues for at least 60 days from
49.12 the date on which the member basic contribution deduction should have been made, the
49.13 employer must pay the amount representing the omitted member basic contribution, and
49.14 the full required omitted employer basic contribution, plus compound interest at ~~an annual~~
49.15 ~~rate of 8.5 percent~~ the applicable annual rate or rates specified in section 356.59, subdivision
49.16 2. The contributions must be made within one year of the date on which the omission was
49.17 discovered.

49.18 **EFFECTIVE DATE.** This section is effective July 1, 2019.

49.19 Sec. 16. Minnesota Statutes 2018, section 355.01, subdivision 3c, is amended to read:

49.20 Subd. 3c. **Higher education employee.** "Higher education employee" means an employee
49.21 of the state of Minnesota who performs services in a Minnesota State Colleges and
49.22 Universities system in a position covered by the individual retirement account plan under
49.23 section ~~354B.21~~ 354B.211 and who remains a member of the Teachers Retirement
49.24 Association for purposes of Social Security coverage only.

49.25 **EFFECTIVE DATE.** This section is effective July 1, 2019.

49.26 Sec. 17. Minnesota Statutes 2018, section 355.091, is amended to read:

49.27 **355.091 DIVISION OF RETIREMENT PLANS.**

49.28 (a) The public retirement plans enumerated in paragraph (b) must be divided into two
49.29 parts in accordance with section 218(d)(6)(c) of the Social Security Act, with one part
49.30 composed of plan members who did not elect Social Security coverage in the applicable

50.1 referendum and the other part composed of plan members who did elect Social Security
50.2 coverage in the applicable referendum.

50.3 (b) The applicable public retirement plans are:

50.4 (1) the elective state officers retirement plan;

50.5 (2) the judges retirement plan;

50.6 (3) the legislators retirement plan;

50.7 (4) the Minneapolis Teachers Retirement Fund Association;

50.8 (5) the general employees retirement plan of the Public Employees Retirement
50.9 Association;

50.10 (6) the St. Paul Teachers Retirement Fund Association; and

50.11 (7) the Teachers Retirement Association.

50.12 (c) Plan participants and persons electing participation under section ~~354B.21~~ 354B.211
50.13 remain members of the Teachers Retirement Association for purposes of Social Security
50.14 coverage only, and remain covered by the applicable agreement entered into under section
50.15 355.01, but are not members of the Teachers Retirement Association for any other purpose
50.16 while employed in covered employment.

50.17 **EFFECTIVE DATE.** This section is effective July 1, 2019.

50.18 Sec. 18. **REPEALER.**

50.19 Minnesota Statutes 2018, sections 354B.20, subdivision 8; and 354B.21, subdivisions
50.20 1, 1a, 2, 3, 3a, 3b, 4, 5, 6, and 7, are repealed.

50.21 **EFFECTIVE DATE.** This section is effective July 1, 2019.

50.22 **ARTICLE 6**

50.23 **GENERALLY APPLICABLE RETIREMENT PLAN CHANGES**

50.24 Section 1. Minnesota Statutes 2018, section 356.219, subdivision 3, is amended to read:

50.25 Subd. 3. **Content of reports.** (a) The report required by subdivision 1 must include a
50.26 written statement of the investment policy. Following that initial report, subsequent reports
50.27 must include investment policy changes and the effective date of each policy change rather
50.28 than a complete statement of investment policy, unless the state auditor requests submission
50.29 of a complete current statement. The report must also include the information required by
50.30 the following paragraphs, as applicable.

51.1 (b) If, after four years of reporting under this paragraph, the total portfolio time weighted
51.2 rate of return, net of all investment related costs and fees, provided by the public pension
51.3 plan differs by no more than 0.1 percent from the comparable return for the plan calculated
51.4 by the Office of the State Auditor, and if a public pension plan has a total market value of
51.5 ~~\$25,000,000~~ \$50,000,000 or more as of the beginning of the calendar year, and if the public
51.6 pension plan's annual audit is performed by the state auditor or by the legislative auditor,
51.7 the report required by subdivision 1 must include the market value of the total portfolio and
51.8 the market value of each asset class included in the pension fund as of the beginning of the
51.9 calendar year and as of the end of the calendar year. At the discretion of the state auditor,
51.10 the public pension plan may be required to submit the market value of the total portfolio
51.11 and the market value of each investment account, investment portfolio, or asset class included
51.12 in the pension fund for each month, and the amount and date of each injection and withdrawal
51.13 to the total portfolio and to each investment account, investment portfolio, or asset class. If
51.14 the market value of a public pension plan's fund drops below ~~\$25,000,000~~ \$50,000,000 in
51.15 a subsequent year, it must continue reporting under this paragraph for any subsequent year
51.16 in which the public pension plan is not fully invested as specified in subdivision 1, paragraph
51.17 (b), except that if the public pension plan's annual audit is not performed by the state auditor
51.18 or legislative auditor, paragraph (c) applies.

51.19 (c) If paragraph (b) would apply if the annual audit were provided by the state auditor
51.20 or legislative auditor, the report required by subdivision 1 must include the market value
51.21 of the total portfolio and the market value of each asset class included in the pension fund
51.22 as of the beginning of the calendar year and for each month, and the amount and date of
51.23 each injection and withdrawal to the total portfolio and to each investment account,
51.24 investment portfolio, or asset class.

51.25 (d) For public pension plans to which paragraph (b) or (c) applies, the report required
51.26 by subdivision 1 must also include a calculation of the total time-weighted rate of return
51.27 available from index-matching investments assuming the asset class performance targets
51.28 and target asset mix indicated in the written statement of investment policy. The provided
51.29 information must include a description of indices used in the analyses and an explanation
51.30 of why those indices are appropriate. This paragraph does not apply to any fully invested
51.31 plan, as defined by subdivision 1, paragraph (b). Reporting by the State Board of Investment
51.32 under this paragraph is limited to information on the Minnesota public pension plans required
51.33 to be invested by the State Board of Investment under section 11A.23.

51.34 (e) If a public pension plan has a total market value of less than ~~\$25,000,000~~ \$50,000,000
51.35 as of the beginning of the calendar year and was never required to file under paragraph (b)

52.1 or (c), the report required by subdivision 1 must include the amount and date of each total
52.2 portfolio injection and withdrawal. In addition, the report must include the market value of
52.3 the total portfolio as of the beginning of the calendar year and for each quarter.

52.4 (f) Any public pension plan reporting under paragraph (b) or (c) must include computed
52.5 time-weighted rates of return with the report, in addition to all other required information,
52.6 as applicable. The chief administrative officer of the public pension plan submitting the
52.7 returns must certify, on a form prescribed by the state auditor, that the returns have been
52.8 computed by the pension plan's investment performance consultant or custodial bank. The
52.9 chief administrative officer of the public pension plan submitting the returns also must
52.10 certify that the returns are net of all costs and fees, including investment management fees,
52.11 and that the procedures used to compute the returns are consistent with Bank Administration
52.12 Institute studies of investment performance measurement and presentation standards set by
52.13 the CFA Institute. If the certifications required under this paragraph are not provided, the
52.14 reporting requirements of paragraph (c) apply.

52.15 (g) For public pension plans reporting under paragraph (e), the public pension plan must
52.16 retain supporting information specifying the date and amount of each injection and
52.17 withdrawal to each investment account and investment portfolio. The public pension plan
52.18 must also retain the market value of each investment account and investment portfolio at
52.19 the beginning of the calendar year and for each quarter. Information that is required to be
52.20 collected and retained for any given year or years under this paragraph must be submitted
52.21 to the Office of the State Auditor if the Office of the State Auditor requests in writing that
52.22 the information be submitted by a public pension plan or plans, or be submitted by the State
52.23 Board of Investment for any plan or plans for which the State Board of Investment is the
52.24 investment authority under this section. If the state auditor requests information under this
52.25 subdivision, and the public plan fails to comply, the pension plan is subject to penalties
52.26 under subdivision 5, unless penalties are waived by the state auditor under that subdivision.

52.27 **EFFECTIVE DATE.** This section is effective January 1, 2020.

52.28 Sec. 2. Minnesota Statutes 2018, section 356.551, subdivision 2, is amended to read:

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

53.1 (b) Calculation of this amount must be made using the ~~preretirement interest rate~~
53.2 investment return assumption applicable to the public pension plan specified in section
53.3 356.215, subdivision 8, and the mortality table adopted for the public pension plan.

53.4 (1) Unless clause (2) applies, the calculation must assume continuous future service in
53.5 the public pension plan until, and retirement at, the age at which the minimum requirements
53.6 of the fund for normal retirement or retirement with an annuity unreduced for retirement at
53.7 an early age, including section 356.30, are met with the additional service credit purchased.
53.8 The calculation must also assume a full-time equivalent salary, or actual salary, whichever
53.9 is greater, and a future salary history that includes annual salary increases at the applicable
53.10 salary increase rate for the plan specified in section 356.215, subdivision 8.

53.11 (2) This clause applies when the calculation is being done for purposes of section
53.12 353.0141, subdivision 3. The calculation must include continuous future service in the
53.13 public pension plan until, and retirement at, any age at or after which the minimum
53.14 requirements of the fund for early retirement or retirement with an annuity unreduced for
53.15 retirement at an early age, including section 356.30, are met with the additional service
53.16 credit purchased. The calculation must be determined using the retirement age that provides
53.17 the most valuable benefit to the member. The calculation must also assume a full-time
53.18 equivalent salary, or actual salary, whichever is greater, and a future salary history that
53.19 includes annual salary increases at the applicable salary increase rate for the plan specified
53.20 in section 356.215, subdivision 8.

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

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

53.33 (e) However, the current employer or the prior employer may, at its discretion, pay all
53.34 or any portion of the payment amount that exceeds an amount equal to the employee

54.1 contribution rates in effect during the period or periods of prior service applied to the actual
 54.2 salary rates in effect during the period or periods of prior service, plus interest at the
 54.3 applicable annual rate or rates specified in section 356.59, subdivision 2, 3, 4, or 5, whichever
 54.4 applies, compounded annually, from the date on which the contributions would otherwise
 54.5 have been made to the date on which the payment is made. If the employer agrees to
 54.6 payments under this subdivision, the purchaser must make the employee payments required
 54.7 under this subdivision within 90 days of the prior service credit authorization. If that
 54.8 employee payment is made, the employer payment under this subdivision must be remitted
 54.9 to the chief administrative officer of the public pension plan within 60 days of receipt by
 54.10 the chief administrative officer of the employee payments specified under this subdivision.

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

54.12 **Sec. 3. [356.97] INFORMATION SERVICES AND TECHNOLOGY.**

54.13 The executive directors subject to the standard of fiduciary conduct under chapter 356A
 54.14 and the boards to which they report are exempt from the requirements of chapter 16E. An
 54.15 executive director or board may use services provided by the Office of MN.IT Services.

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

54.17 **Sec. 4. CITY OF ST. PAUL; ST. PAUL SCHOOL DISTRICT; TEMPORARY**
 54.18 **SUPPLEMENTAL PENSION PLAN CONTRIBUTION RESTRICTION**
 54.19 **EXEMPTION.**

54.20 Notwithstanding Minnesota Statutes, section 356.24, subdivision 1, until June 30, 2020,
 54.21 the city of St. Paul and Independent School District No. 625, St. Paul, shall be permitted to
 54.22 levy taxes for or contribute public funds to a supplemental pension or deferred compensation
 54.23 plan established, maintained, and operated in addition to a primary pension program for the
 54.24 benefit of the governmental subdivision employees if and to the extent permitted or allocated
 54.25 under the applicable collective bargaining agreements to any of the following retirement
 54.26 funds:

54.27 (1) the international union of operating engineers pension fund;

54.28 (2) the International Association of Machinists national pension fund;

54.29 (3) the laborers national industrial pension fund or a laborers local pension fund;

54.30 (4) the plumbers and pipefitters national pension fund or a plumbers and pipefitters local
 54.31 pension fund;

55.1 (5) the sheet metal workers national defined benefit pension fund, a sheet metal workers
55.2 local defined benefit pension fund, or a sheet metal workers local defined contribution
55.3 retirement fund;

55.4 (6) the elevator constructors national pension fund or the elevator constructors annuity
55.5 and 401(k) retirement plan;

55.6 (7) the national electrical benefit fund, an electricians local defined benefit pension fund,
55.7 or an electricians local defined contribution pension fund;

55.8 (8) the carpenters and joiners defined benefit pension fund or the carpenters and joiners
55.9 defined contribution pension fund;

55.10 (9) the sprinkler fitters national defined benefit pension fund or the sprinkler fitters
55.11 supplemental defined contribution pension fund;

55.12 (10) the painters and allied trades national pension fund or a painters and allied trades
55.13 local pension fund; or

55.14 (11) the national roofing industry pension fund or a roofers local defined contribution
55.15 fund.

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

55.17 **Sec. 5. DIRECTION TO PREPARE DRAFT LEGISLATION.**

55.18 Representatives of the city of St. Paul, Independent School District No. 625, St. Paul,
55.19 and the local trade unions participating in the funds listed in section 4 shall work with the
55.20 staff of the Legislative Commission on Pensions and Retirement to prepare draft legislation
55.21 for consideration during the 2020 legislative session and submit the draft legislation to the
55.22 executive director of the Legislative Commission on Pensions and Retirement no later than
55.23 November 30, 2019. The draft legislation must eliminate the need to identify in Minnesota
55.24 Statutes, section 356.24, specific multiemployer funds in which the city of St. Paul or
55.25 Independent School District No. 625, St. Paul, participate, including the funds listed in
55.26 section 4, by:

55.27 (1) excluding from eligibility under a pension plan administered by the public employees
55.28 retirement association or the teachers retirement association, as applicable, any employee
55.29 accruing a retirement benefit under a multiemployer fund in which the city of St. Paul or
55.30 Independent School District No. 625, St. Paul, participate, including the funds listed in
55.31 section 4, who is or becomes employed by the city of St. Paul and Independent School

56.1 District No. 625, St. Paul, for any year that the employee participates in the multiemployer
56.2 fund; or

56.3 (2) requiring reporting to the Legislative Commission on Pensions and Retirement or
56.4 another entity with oversight information on the specific funds, including funding information
56.5 for each fund, annual contribution rates per employee, and the number of employees
56.6 participating; or

56.7 (3) providing other safeguards that take into account the needs of the city of St. Paul,
56.8 Independent School District No. 625, St. Paul, the trade unions, and the state of Minnesota
56.9 with regard to the use of public funds for supplemental pension and deferred compensation
56.10 plans.

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

56.12 **ARTICLE 7**

56.13 **SESSION LAW FOR ONE PERSON**

56.14 Section 1. **TRA COVERAGE ELECTION AUTHORITY FOR CERTAIN**
56.15 **MINNESOTA STATE EMPLOYEE.**

56.16 (a) Notwithstanding any provision of law to the contrary, an eligible person described
56.17 in paragraph (b) is authorized to become a coordinated member of the Teachers Retirement
56.18 Association and to purchase service and salary credit in the Teachers Retirement Association
56.19 coordinated plan retroactively from January 3, 1995, upon making an election under
56.20 paragraph (c) and upon making all required payments under paragraphs (d) and (e).

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

56.22 (1) was born on January 18, 1966;

56.23 (2) was first employed as an academic advisor on January 3, 1995, covered by the higher
56.24 education individual retirement account plan;

56.25 (3) was employed as an academic advisor with Metropolitan State University on March
56.26 20, 2019, with retirement coverage in the higher education individual retirement account
56.27 plan; and

56.28 (4) was not offered an election of Teachers Retirement Association coverage as authorized
56.29 by Minnesota Statutes, section 354B.21, so remained in the higher education individual
56.30 retirement account plan.

57.1 (c) To be eligible for coverage by the Teachers Retirement Association, an eligible
57.2 person must submit a written application to the executive director of the Teachers Retirement
57.3 Association on a form provided by the Teachers Retirement Association. The application
57.4 must include all documentation of the applicability of this section and any other relevant
57.5 information that the executive director may require. Teachers Retirement Association plan
57.6 membership commences after the date of the retirement coverage election under this section
57.7 and past salary and service credit is granted for past Minnesota State system employment
57.8 from January 3, 1995, until the executive director receives the written application specified
57.9 in this paragraph and the payments specified in paragraphs (d) and (e).

57.10 (d) If the eligible person makes the retirement coverage election under paragraph (c),
57.11 the eligible person shall make a contribution to the Teachers Retirement Association equal
57.12 to the excess, if any, of the employee contributions that the eligible person would have made
57.13 if covered by the Teachers Retirement Association from January 3, 1995. These additional
57.14 contribution amounts shall include the applicable annual compound interest at the rate or
57.15 rates specified in Minnesota Statutes, section 356.59, subdivision 4, computed from the
57.16 date the contribution would have been made if deducted from salary until paid. The total
57.17 amount to be paid under this paragraph shall be determined by the executive director of the
57.18 Teachers Retirement Association and written notification of the amount required under this
57.19 paragraph must be transmitted to the eligible person.

57.20 (e) If payment is made under paragraph (d), the value of the eligible person's higher
57.21 education individual retirement account plan account shall be transferred to the Teachers
57.22 Retirement Association.

57.23 (f) The Teachers Retirement Association shall determine the required purchase payment
57.24 amount calculated under Minnesota Statutes, section 356.551, imposed upon the Teachers
57.25 Retirement Association under this section due to the salary and service credit purchase.

57.26 (g) From the total amount computed under paragraph (f), the executive director of the
57.27 Teachers Retirement Association shall subtract the amounts received under paragraphs (d)
57.28 and (e). The Minnesota State system must transmit the remaining amount, if any, to the
57.29 executive director of the Teachers Retirement Association within 60 days following the
57.30 receipt of payments under paragraphs (d) and (e).

57.31 (h) The authority to make a retirement coverage election under this section expires one
57.32 year from the effective date of this section.

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

ARTICLE 8

FORMER MERF DIVISION
EMPLOYER AND STATE CONTRIBUTION REVISIONS

58.1
58.2
58.3

58.4 Section 1. Minnesota Statutes 2018, section 353.27, subdivision 3c, is amended to read:

58.5 Subd. 3c. **Former MERF members; member and employer contributions.** (a) For
58.6 the period July 1, ~~2015~~ 2019, through December 31, 2031, the member contributions for
58.7 former members of the Minneapolis Employees Retirement Fund and by the former
58.8 Minneapolis Employees Retirement Fund-covered employing units are governed by this
58.9 subdivision.

58.10 (b) The member contribution for a public employee who was a member of the former
58.11 Minneapolis Employees Retirement Fund on June 29, 2010, is 9.75 percent of the salary of
58.12 the employee.

58.13 (c) The employer regular contribution with respect to a public employee who was a
58.14 member of the former Minneapolis Employees Retirement Fund on June 29, 2010, is 9.75
58.15 percent of the salary of the employee.

58.16 (d) The annual employer supplemental contribution is the employing unit's share of
58.17 ~~\$31,000,000. For calendar years 2017 and 2018, the employer supplemental contribution~~
58.18 ~~is the employing unit's share of \$21,000,000.~~

58.19 (e) Each employing unit's share under paragraph (d) is the amount determined from an
58.20 allocation between each employing unit in the portion equal to the unit's employer
58.21 supplemental contribution paid or payable under Minnesota Statutes 2012, section 353.50,
58.22 during calendar year 2014.

58.23 (f) The employer supplemental contribution amount under paragraph (d) for calendar
58.24 year ~~2015~~ 2019 must be invoiced by the executive director of the Public Employees
58.25 Retirement Association by July 1, ~~2015~~. ~~The calendar year 2015 payment is payable in a~~
58.26 ~~single amount on or before September 30, 2015~~ 2019. For subsequent calendar years, the
58.27 employer supplemental contribution under paragraph (d) must be invoiced on January 31
58.28 of each year ~~and~~. The employer supplemental contribution is payable in two parts, with the
58.29 first half payable on or before July 31 and with the second half payable on or before
58.30 December 15. Late payments are payable with interest, compounded annually, at the
58.31 applicable rate or rates specified in section 356.59, subdivision 3, per month for each month
58.32 or portion of a month that has elapsed after the due date.

58.33 (g) The employer supplemental contribution under paragraph (d) terminates on December
58.34 31, 2031.

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

59.2 Sec. 2. Minnesota Statutes 2018, section 353.505, is amended to read:

59.3 **353.505 STATE CONTRIBUTIONS; FORMER MERF DIVISION.**

59.4 (a) On September 15, 2019, and annually thereafter, the state shall pay to the general
59.5 employees retirement plan of the Public Employees Retirement Association, with respect
59.6 to the former MERF division, ~~\$6,000,000~~ \$16,000,000.

59.7 ~~(b) On September 15, 2017, and September 15, 2018, the state shall pay to the general~~
59.8 ~~employees retirement plan of the Public Employees Retirement Association, with respect~~
59.9 ~~to the former MERF division, \$16,000,000.~~

59.10 ~~(e)~~ (b) State contributions under this section end on September 15, 2031.

59.11 (c) The commissioner of management and budget shall pay the contribution specified
59.12 in this section. The amount required is appropriated annually from the general fund to the
59.13 commissioner of management and budget.

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

59.15 **ARTICLE 9**

59.16 **STATE AID TO LOCAL GOVERNMENTS FOR** 59.17 **EMPLOYER CONTRIBUTIONS TO PERA**

59.18 Section 1. Minnesota Statutes 2018, section 273.1385, subdivision 4, is amended to read:

59.19 Subd. 4. **Aid termination.** The aid provided under this section ~~terminates on June 30,~~
59.20 ~~2020.~~ continues until the earlier of:

59.21 (1) the last day of the fiscal year immediately following the fiscal year in which the
59.22 actuarial value of assets of the general employees retirement plan of the Public Employees
59.23 Retirement Association first equals or exceeds the actuarial accrued liabilities of the plan
59.24 as reported in the annual actuarial valuation prepared under section 356.215; or

59.25 (2) June 30, 2048.

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

60.1

ARTICLE 10

60.2

TECHNICAL CORRECTIONS

60.3 Section 1. Minnesota Statutes 2018, section 3.85, subdivision 2, is amended to read:

60.4 Subd. 2. **Powers.** The commission shall make a continuing study and investigation of
60.5 retirement benefit plans applicable to nonfederal government employees in this state. The
60.6 powers and duties of the commission include, but are not limited to the following:

60.7 (a) studying retirement benefit plans applicable to nonfederal government employees
60.8 in Minnesota, including federal plans available to the employees;

60.9 (b) making recommendations within the scope of its study, including attention to financing
60.10 of the various pension funds and financing of accrued liabilities;

60.11 (c) considering all aspects of pension planning and operation and making
60.12 recommendations designed to establish and maintain sound pension policy for all funds;

60.13 ~~(d) filing a report at least biennially to each session of the legislature;~~

60.14 ~~(e)~~ (d) analyzing each item of proposed pension and retirement legislation, including
60.15 amendments to each, with particular reference to analysis of their cost, actuarial soundness,
60.16 and adherence to sound pension policy, and reporting its findings to the legislature;

60.17 ~~(f)~~ (e) creating and maintaining a library for reference concerning pension and retirement
60.18 matters, including information about laws and systems in other states; and

60.19 ~~(g)~~ (f) studying, analyzing, and preparing reports in regard to subjects certified to the
60.20 commission for study.

60.21 Sec. 2. Minnesota Statutes 2018, section 69.031, subdivision 5, is amended to read:

60.22 Subd. 5. **Deposit of state aid.** (a) If the municipality or the independent nonprofit
60.23 firefighting corporation is covered by the voluntary statewide lump-sum volunteer firefighter
60.24 retirement plan under chapter 353G, the executive director shall credit the fire state aid
60.25 against future municipal contribution requirements under section 353G.08 and shall notify
60.26 the municipality or independent nonprofit firefighting corporation of the fire state aid so
60.27 credited at least annually. If the municipality or the independent nonprofit firefighting
60.28 corporation is not covered by the voluntary statewide lump-sum volunteer firefighter
60.29 retirement plan, the municipal treasurer shall, within 30 days after receipt, transmit the fire
60.30 state aid to the treasurer of the duly incorporated firefighters' relief association if there is
60.31 one organized and the association has filed a financial report with the municipality. If the
60.32 relief association has not filed a financial report with the municipality, the municipal treasurer

61.1 shall delay transmission of the fire state aid to the relief association until the complete
61.2 financial report is filed. If the municipality or independent nonprofit firefighting corporation
61.3 is not covered by the voluntary statewide lump-sum volunteer firefighter retirement plan,
61.4 if there is no relief association organized, or if the association has dissolved or has been
61.5 removed as trustees of state aid, then the treasurer of the municipality shall deposit the
61.6 money in the municipal treasury and the money may be disbursed only for the purposes and
61.7 in the manner set forth in section 424A.08 or for the payment of the employer contribution
61.8 requirement with respect to firefighters covered by the public employees police and fire
61.9 retirement plan under section 353.65, subdivision 3.

61.10 (b) For a municipality in which police retirement coverage is provided by the public
61.11 employees police and fire fund and all peace officers are members of the fund, including
61.12 municipalities covered by section 353.665, the total state aid must be applied toward the
61.13 municipality's employer contribution to the public employees police and fire fund under
61.14 sections 353.65, subdivision 3, and 353.665, ~~subdivision~~ subdivisions 8 and 8a.

61.15 (c) The county treasurer, upon receipt of the police state aid for the county, shall apply
61.16 the total state aid toward the county's employer contribution to the public employees police
61.17 and fire fund under section 353.65, subdivision 3.

61.18 (d) The designated Metropolitan Airports Commission official, upon receipt of the police
61.19 state aid for the Metropolitan Airports Commission, shall apply the total police state aid
61.20 toward the commission's employer contribution for police officers to the public employees
61.21 police and fire plan under section 353.65, subdivision 3.

61.22 (e) The police state aid apportioned to the Departments of Public Safety and Natural
61.23 Resources under section 69.021, subdivision 7a, is appropriated to the commissioner of
61.24 management and budget for transfer to the funds and accounts from which the salaries of
61.25 peace officers certified under section 69.011, subdivision 2b, are paid. The commissioner
61.26 of revenue shall certify to the commissioners of public safety, natural resources, and
61.27 management and budget the amounts to be transferred from the appropriation for police
61.28 state aid. The commissioners of public safety and natural resources shall certify to the
61.29 commissioner of management and budget the amounts to be credited to each of the funds
61.30 and accounts from which the peace officers employed by their respective departments are
61.31 paid. Each commissioner shall allocate the police state aid first for employer contributions
61.32 for employees funded from the general fund and then for employer contributions for
61.33 employees funded from other funds. For peace officers whose salaries are paid from the
61.34 general fund, the amounts transferred from the appropriation for police state aid must be
61.35 canceled to the general fund.

62.1 Sec. 3. Minnesota Statutes 2018, section 69.051, subdivision 3, is amended to read:

62.2 Subd. 3. **Report by certain municipalities; exceptions.** (a) The chief administrative
62.3 officer of each municipality which has an organized fire department but which does not
62.4 have a firefighters' relief association governed by sections 424A.091 to 424A.095 or Laws
62.5 2014, chapter 275, article 2, section 23, and which is not exempted under paragraph (b) or
62.6 (c) shall annually prepare a detailed financial report of the receipts and disbursements by
62.7 the municipality for fire protection service during the preceding calendar year on a form
62.8 prescribed by the state auditor. The financial report must contain any information which
62.9 the state auditor deems necessary to disclose the sources of receipts and the purpose of
62.10 disbursements for fire protection service. The financial report must be signed by the municipal
62.11 clerk or clerk-treasurer of the municipality. The financial report must be filed by the
62.12 municipal clerk or clerk-treasurer with the state auditor on or before July 1 annually. The
62.13 municipality does not qualify initially to receive, and is not entitled subsequently to retain,
62.14 state aid under this chapter if the financial reporting requirement or the applicable
62.15 requirements of this chapter or any other statute or special law have not been complied with
62.16 or are not fulfilled.

62.17 (b) Each municipality that has an organized fire department and provides retirement
62.18 coverage to its firefighters through the voluntary statewide lump-sum volunteer firefighter
62.19 retirement plan under chapter 353G qualifies to have fire state aid transmitted to and retained
62.20 in the statewide lump-sum volunteer firefighter retirement fund without filing a detailed
62.21 financial report if the executive director of the Public Employees Retirement Association
62.22 certifies compliance by the municipality with the requirements of sections 353G.04 and
62.23 353G.08, paragraph (e), and certifies ~~conformity~~ compliance by the applicable fire chief
62.24 with the requirements of section 353G.07.

62.25 (c) Each municipality qualifies to receive fire state aid under this chapter without filing
62.26 a financial report under paragraph (a) if the municipality:

62.27 (1) has an organized fire department;

62.28 (2) does not have a volunteer firefighters relief association directly associated with its
62.29 fire department;

62.30 (3) does not participate in the statewide lump-sum volunteer firefighter retirement plan
62.31 under chapter 353G;

62.32 (4) provides retirement coverage to its firefighters through the public employees police
62.33 and fire retirement plan under sections 353.63 to 353.68; and

63.1 (5) is certified by the executive director of the Public Employees Retirement Association
63.2 to the state auditor to have had an employer contribution under section 353.65, subdivision
63.3 3, for its firefighters for the immediately prior calendar year equal to or greater than its fire
63.4 state aid for the immediately prior calendar year.

63.5 Sec. 4. Minnesota Statutes 2018, section 352.22, is amended by adding a subdivision to
63.6 read:

63.7 Subd. 3b. **Segmented annuity.** (a) If a person otherwise entitled to an annuity has more
63.8 than one period of uninterrupted service, the person is entitled to augmentation under
63.9 subdivision 3a for each period of uninterrupted service. "Uninterrupted service" for the
63.10 purpose of this subdivision means periods of covered employment during which the employee
63.11 has not been separated from state service for more than two years. The formula percentages
63.12 used for each period of uninterrupted service must be those applicable to a new employee.
63.13 The mortality and investment rate of return assumptions used to compute the annuity must
63.14 be those in effect when the employee files an application for annuity.

63.15 (b) If a person repays a refund, the service restored by the repayment must be considered
63.16 continuous with the next period of service for which the employee has credit with this
63.17 system.

63.18 (c) The requirements and provisions for retirement before normal retirement age in
63.19 sections 352.115, subdivision 1, and 352.116 also apply to an employee fulfilling the
63.20 requirements with a combination of service as provided in this subdivision.

63.21 (d) This subdivision does not reduce the annuity otherwise payable under this chapter.

63.22 Sec. 5. Minnesota Statutes 2018, section 352.22, is amended by adding a subdivision to
63.23 read:

63.24 Subd. 3c. **Adjustment for certain deferred annuities.** The retirement annuity or
63.25 disability benefit of, or the survivor benefit payable on behalf of, a former state employee
63.26 who terminated service before July 1, 1997, which is not first payable until after June 30,
63.27 1997, must be increased on an actuarial equivalent basis to reflect the change in the
63.28 postretirement interest rate actuarial assumption under Laws 1997, chapter 233, section 58,
63.29 from five percent to six percent under a calculation procedure and the tables adopted by the
63.30 board and approved by the actuary retained under section 356.214.

64.1 Sec. 6. Minnesota Statutes 2018, section 352D.04, subdivision 2, is amended to read:

64.2 Subd. 2. **Contribution rates.** (a) The money used to purchase shares under this section
64.3 is the employee and employer contributions provided in this subdivision.

64.4 (b) The employee contribution is an amount equal to the percent of salary specified in
64.5 section 352.04, subdivision 2, ~~or 352.045, subdivision 3a.~~

64.6 (c) The employer contribution is an amount equal to the following percentage of salary:

64.7 from July 1, 2018, through June 30, 2019 6 percent

64.8 after June 30, 2019 6.25 percent

64.9 (d) For members of the legislature, the contributions under this subdivision also must
64.10 be made on per diem payments received during a regular or special legislative session, but
64.11 may not be made on per diem payments received outside of a regular or special legislative
64.12 session, on the additional compensation attributable to a leadership position under section
64.13 3.099, subdivision 3, living expense payments under section 3.101, or special session living
64.14 expense payments under section 3.103.

64.15 (e) For a judge who is a member of the unclassified plan under section 352D.02,
64.16 subdivision 1, paragraph (c), clause ~~(16)~~ (15), the employee contribution rate is eight percent
64.17 of salary, and there is no employer contribution.

64.18 (f) These contributions must be made in the manner provided in section 352.04,
64.19 subdivisions 4, 5, and 6.

64.20 Sec. 7. Minnesota Statutes 2018, section 353.01, subdivision 2b, is amended to read:

64.21 Subd. 2b. **Excluded employees.** (a) The following public employees are not eligible to
64.22 participate as members of the association with retirement coverage by the general employees
64.23 retirement plan, the local government correctional employees retirement plan under chapter
64.24 353E, or the public employees police and fire retirement plan:

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

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

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

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

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

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

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

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

65.30 (9) persons who are:

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

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

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

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

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

66.11 (11) for the first three years of employment, foreign citizens who are employed by a
66.12 governmental subdivision, ~~other than~~ except that the following foreign citizens are included
66.13 employees under subdivision 2a:

66.14 (i) employees of Hennepin County or Hennepin Healthcare System, Inc.;

66.15 (ii) employees legally authorized to work in the United States for ~~under one or more~~
66.16 ~~work permits or initially issued or extended for a combined period of less than three years~~
66.17 ~~of employment but upon extension of the work visas~~ or more; and

66.18 (iii) employees otherwise required to participate under federal law;

66.19 (12) public hospital employees who elected not to participate as members of the
66.20 association before 1972 and who did not elect to participate from July 1, 1988, to October
66.21 1, 1988;

66.22 (13) except as provided in section 353.86, volunteer ambulance service personnel, as
66.23 defined in subdivision 35, but persons who serve as volunteer ambulance service personnel
66.24 may still qualify as public employees under subdivision 2 and may be members of the Public
66.25 Employees Retirement Association and participants in the general employees retirement
66.26 plan or the public employees police and fire plan, whichever applies, on the basis of
66.27 compensation received from public employment service other than service as volunteer
66.28 ambulance service personnel;

66.29 (14) except as provided in section 353.87, volunteer firefighters, as defined in subdivision
66.30 36, engaging in activities undertaken as part of volunteer firefighter duties, but a person
66.31 who is a volunteer firefighter may still qualify as a public employee under subdivision 2
66.32 and may be a member of the Public Employees Retirement Association and a participant
66.33 in the general employees retirement plan or the public employees police and fire plan,

67.1 whichever applies, on the basis of compensation received from public employment activities
67.2 other than those as a volunteer firefighter;

67.3 (15) pipefitters and associated trades personnel employed by Independent School District
67.4 No. 625, St. Paul, with coverage under a collective bargaining agreement by the Pipefitters
67.5 Local 455 pension plan who were either first employed after May 1, 1997, or, if first
67.6 employed before May 2, 1997, elected to be excluded under Laws 1997, chapter 241, article
67.7 2, section 12;

67.8 (16) electrical workers, plumbers, carpenters, and associated trades personnel who are
67.9 employed by Independent School District No. 625, St. Paul, or the city of St. Paul, who
67.10 have retirement coverage under a collective bargaining agreement by the Electrical Workers
67.11 Local 110 pension plan, the United Association Plumbers Local 34 pension plan, or the
67.12 pension plan applicable to Carpenters Local 322 who were either first employed after May
67.13 1, 2000, or, if first employed before May 2, 2000, elected to be excluded under Laws 2000,
67.14 chapter 461, article 7, section 5;

67.15 (17) bricklayers, allied craftworkers, cement masons, glaziers, glassworkers, painters,
67.16 allied tradesworkers, and plasterers who are employed by the city of St. Paul or Independent
67.17 School District No. 625, St. Paul, with coverage under a collective bargaining agreement
67.18 by the Bricklayers and Allied Craftworkers Local 1 pension plan, the Cement Masons Local
67.19 633 pension plan, the Glaziers and Glassworkers Local L-1324 pension plan, the Painters
67.20 and Allied Trades Local 61 pension plan, or the Twin Cities Plasterers Local 265 pension
67.21 plan who were either first employed after May 1, 2001, or if first employed before May 2,
67.22 2001, elected to be excluded under Laws 2001, First Special Session chapter 10, article 10,
67.23 section 6;

67.24 (18) plumbers who are employed by the Metropolitan Airports Commission, with
67.25 coverage under a collective bargaining agreement by the Plumbers Local 34 pension plan,
67.26 who either were first employed after May 1, 2001, or if first employed before May 2, 2001,
67.27 elected to be excluded under Laws 2001, First Special Session chapter 10, article 10, section
67.28 6;

67.29 (19) employees who are hired after June 30, 2002, solely to fill seasonal positions under
67.30 subdivision 12b which are limited in duration by the employer to 185 consecutive calendar
67.31 days or less in each year of employment with the governmental subdivision;

67.32 (20) persons who are provided supported employment or work-study positions by a
67.33 governmental subdivision and who participate in an employment or industries program
67.34 maintained for the benefit of these persons where the governmental subdivision limits the

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

68.5 (21) independent contractors and the employees of independent contractors;

68.6 (22) reemployed annuitants of the association during the course of that reemployment;

68.7 (23) persons appointed to serve on a board or commission of a governmental subdivision
68.8 or an instrumentality thereof;

68.9 (24) persons employed as full-time fixed-route bus drivers by the St. Cloud Metropolitan
68.10 Transit Commission who are members of the International Brotherhood of Teamsters Local
68.11 638 and who are, by virtue of that employment, members of the International Brotherhood
68.12 of Teamsters Central States pension plan;

68.13 (25) electricians or pipefitters employed by the Minneapolis Park and Recreation Board,
68.14 with coverage under a collective bargaining agreement by the IBEW local 292, or pipefitters
68.15 local 539 pension plan, who were first employed before May 2, 2015, and who elected to
68.16 be excluded under Laws 2015, chapter 68, article 11, section 5; and

68.17 (26) laborers and associated trades personnel employed by the city of St. Paul or
68.18 Independent School District No. 625, St. Paul, who are designated as temporary employees
68.19 under a collective bargaining agreement and have retirement coverage by the Minnesota
68.20 Laborers Pension Fund who were either first employed on or after June 1, 2018, or, if first
68.21 employed before June 1, 2018, who elected to be excluded under Laws 2018, chapter 211,
68.22 article 16, section 13.

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

68.26 Sec. 8. Minnesota Statutes 2018, section 353.34, subdivision 2, is amended to read:

68.27 Subd. 2. **Refund with interest.** (a) Except as provided in subdivision 1, any person who
68.28 ceases to be a member is entitled to receive a refund in an amount equal to accumulated
68.29 deductions, less the sum of any disability benefits that have been paid by the fund, plus
68.30 annual compound interest to the first day of the month in which the refund is processed.

68.31 (b) Annual compound interest rates on a refund under paragraph (a) shall be as follows:

68.32 (1) six percent to June 30, 2011;

69.1 (2) four percent after June 30, 2011, to June 30, 2018; and

69.2 (3) three percent after June 30, 2018.

69.3 (c) If a person repays a refund and subsequently applies for another refund, the repayment
69.4 amount, including interest, is added to the fiscal year balance in which the repayment was
69.5 made.

69.6 (d) If the refund payable to a member is based on employee deductions that are
69.7 determined to be invalid under section 353.27, subdivision 7, the interest payable on the
69.8 invalid employee deductions is ~~four~~ three percent.

69.9 Sec. 9. Minnesota Statutes 2018, section 353E.05, is amended to read:

69.10 **353E.05 AUGMENTATION IN CERTAIN CASES.**

69.11 Unless prior service has been transferred or unless a combined service annuity under
69.12 section 356.30 has been elected, an employee who becomes a local government correctional
69.13 employee after being a member of the Public Employees Retirement Association or the
69.14 public employees police and fire fund is covered under section ~~353.71~~ 353.34, subdivision
69.15 ~~2~~ 3, with respect to that prior service. An employee who becomes a member of the Public
69.16 Employees Retirement Association or the public employees police and fire plan after being
69.17 a local government correctional employee is also covered under section ~~353.71~~ 353.34,
69.18 subdivision ~~2~~ 3, with respect to that prior service, unless calculated under section 356.30.

69.19 Sec. 10. Minnesota Statutes 2018, section 354B.23, subdivision 5, is amended to read:

69.20 Subd. 5. **Omitted member deductions.** (a) If the employing unit that employs a plan
69.21 participant fails to deduct the member contribution from the participant's salary and a period
69.22 of less than 60 days from the date on which the deduction should have been made has
69.23 elapsed, the employing unit must obtain the omitted member deduction by an additional
69.24 payroll deduction during the pay period next following the discovery of the omission.

69.25 (b) If the employing unit of a plan participant fails to deduct the member contribution
69.26 from the participant's salary and that omission continues for at least 60 days from the date
69.27 on which the deduction should have been made, the employing unit must pay the amount
69.28 representing the omitted member contribution, and the full required employer contribution,
69.29 plus ~~compound~~ interest at ~~an~~ the applicable annual rate of 8.5 percent or rates specified in
69.30 section 356.29, subdivision 4, compounded annually. The contributions and any interest
69.31 must be made within one year of the date on which the omission was discovered.

70.1 Sec. 11. Minnesota Statutes 2018, section 354C.12, subdivision 2, is amended to read:

70.2 Subd. 2. **Omitted deductions.** If the employer of personnel covered by the supplemental
70.3 retirement plan as provided in section 354C.11 fails to deduct the member basic contribution
70.4 from the covered employee's salary and a period of less than 60 days from the date on which
70.5 the deduction should have been made has elapsed, the employer must obtain the omitted
70.6 member deduction by an additional payroll deduction during the pay period next following
70.7 the discovery of the omission. If the employer fails to deduct the member basic contribution
70.8 from the covered employee's salary and that omission continues for at least 60 days from
70.9 the date on which the member basic contribution deduction should have been made, the
70.10 employer must pay the amount representing the omitted member basic contribution, and
70.11 the full required omitted employer basic contribution, plus ~~compound~~ interest at an the
70.12 applicable annual rate ~~of 8.5 percent~~ or rates specified in section 356.29, subdivision 4,
70.13 compounded annually. The contributions must be made within one year of the date on which
70.14 the omission was discovered.

70.15 Sec. 12. Minnesota Statutes 2018, section 356.215, subdivision 11, is amended to read:

70.16 Subd. 11. **Amortization contributions.** (a) In addition to the exhibit indicating the level
70.17 normal cost, the actuarial valuation of the retirement plan must contain an exhibit for financial
70.18 reporting purposes indicating the additional annual contribution sufficient to amortize the
70.19 unfunded actuarial accrued liability and must contain an exhibit ~~for contribution~~
70.20 ~~determination purposes~~ indicating the additional contribution sufficient to amortize the
70.21 unfunded actuarial accrued liability. For the retirement plans listed in subdivision 8, paragraph
70.22 ~~(e)~~ (a), but excluding the legislators retirement plan, the Bloomington Fire Department
70.23 Relief Association, and the local monthly benefit volunteer firefighter relief associations,
70.24 the additional contribution must be calculated on a level percentage of covered payroll basis
70.25 by the established date for full funding in effect when the valuation is prepared, assuming
70.26 annual payroll growth at the applicable percentage rate set forth in the appendix described
70.27 in subdivision 8, paragraph (d) (c). For ~~all other retirement plans and for~~ the legislators
70.28 retirement plan, the additional annual contribution must be calculated on a level annual
70.29 dollar amount basis.

70.30 (b) For any retirement plan other than a retirement plan governed by paragraph (d), (e),
70.31 (f), (g), (h), (i), or (j), if there has not been a change in the actuarial assumptions used for
70.32 calculating the actuarial accrued liability of the fund, a change in the benefit plan governing
70.33 annuities and benefits payable from the fund, a change in the actuarial cost method used in
70.34 calculating the actuarial accrued liability of all or a portion of the fund, or a combination

71.1 of the three, which change or changes by itself or by themselves without inclusion of any
71.2 other items of increase or decrease produce a net increase in the unfunded actuarial accrued
71.3 liability of the fund, the established date for full funding is the first actuarial valuation date
71.4 occurring after June 1, 2020.

71.5 (c) For any retirement plan, if there has been a change in any or all of the actuarial
71.6 assumptions used for calculating the actuarial accrued liability of the fund, a change in the
71.7 benefit plan governing annuities and benefits payable from the fund, a change in the actuarial
71.8 cost method used in calculating the actuarial accrued liability of all or a portion of the fund,
71.9 or a combination of the three, and the change or changes, by itself or by themselves and
71.10 without inclusion of any other items of increase or decrease, produce a net increase in the
71.11 unfunded actuarial accrued liability in the fund, the established date for full funding must
71.12 be determined using the following procedure:

71.13 (i) the unfunded actuarial accrued liability of the fund must be determined in accordance
71.14 with the plan provisions governing annuities and retirement benefits and the actuarial
71.15 assumptions in effect before an applicable change;

71.16 (ii) the level annual dollar contribution or level percentage, whichever is applicable,
71.17 needed to amortize the unfunded actuarial accrued liability amount determined under item
71.18 (i) by the established date for full funding in effect before the change must be calculated
71.19 using the ~~interest~~ investment return assumption specified in subdivision 8 in effect before
71.20 the change;

71.21 (iii) the unfunded actuarial accrued liability of the fund must be determined in accordance
71.22 with any new plan provisions governing annuities and benefits payable from the fund and
71.23 any new actuarial assumptions and the remaining plan provisions governing annuities and
71.24 benefits payable from the fund and actuarial assumptions in effect before the change;

71.25 (iv) the level annual dollar contribution or level percentage, whichever is applicable,
71.26 needed to amortize the difference between the unfunded actuarial accrued liability amount
71.27 calculated under item (i) and the unfunded actuarial accrued liability amount calculated
71.28 under item (iii) over a period of 30 years from the end of the plan year in which the applicable
71.29 change is effective must be calculated using the applicable ~~interest~~ investment return
71.30 assumption specified in subdivision 8 in effect after any applicable change;

71.31 (v) the level annual dollar or level percentage amortization contribution under item (iv)
71.32 must be added to the level annual dollar amortization contribution or level percentage
71.33 calculated under item (ii);

72.1 (vi) the period in which the unfunded actuarial accrued liability amount determined in
72.2 item (iii) is amortized by the total level annual dollar or level percentage amortization
72.3 contribution computed under item (v) must be calculated using the ~~interest~~ investment return
72.4 assumption specified in subdivision 8 in effect after any applicable change, rounded to the
72.5 nearest integral number of years, but not to exceed 30 years from the end of the plan year
72.6 in which the determination of the established date for full funding using the procedure set
72.7 forth in this clause is made and not to be less than the period of years beginning in the plan
72.8 year in which the determination of the established date for full funding using the procedure
72.9 set forth in this clause is made and ending by the date for full funding in effect before the
72.10 change; and

72.11 (vii) the period determined under item (vi) must be added to the date as of which the
72.12 actuarial valuation was prepared and the date obtained is the new established date for full
72.13 funding.

72.14 (d) For the general employees retirement plan of the Public Employees Retirement
72.15 Association, the established date for full funding is June 30, 2048.

72.16 (e) For the Teachers Retirement Association, the established date for full funding is June
72.17 30, 2048.

72.18 (f) For the correctional state employees retirement plan and the State Patrol retirement
72.19 plan of the Minnesota State Retirement System, the established date for full funding is June
72.20 30, 2048.

72.21 (g) For the judges retirement plan, the established date for full funding is June 30, 2048.

72.22 (h) For the local government correctional service retirement plan and the public employees
72.23 police and fire retirement plan, the established date for full funding is June 30, 2048.

72.24 (i) For the St. Paul Teachers Retirement Fund Association, the established date for full
72.25 funding is June 30, 2048.

72.26 (j) For the general state employees retirement plan of the Minnesota State Retirement
72.27 System, the established date for full funding is June 30, 2048.

72.28 (k) For the retirement plans for which the annual actuarial valuation indicates an excess
72.29 of valuation assets over the actuarial accrued liability, the valuation assets in excess of the
72.30 actuarial accrued liability must be recognized as a reduction in the current contribution
72.31 requirements by an amount equal to the amortization of the excess expressed as a level
72.32 percentage of pay over a 30-year period beginning anew with each annual actuarial valuation
72.33 of the plan.

73.1 Sec. 13. Minnesota Statutes 2018, section 423A.02, subdivision 1, is amended to read:

73.2 Subdivision 1. **Amortization state aid.** (a) The cities of Fairmont and Minneapolis are
73.3 entitled, subject to subdivisions 2, 4, and 5, to receive amortization state aid under this
73.4 section.

73.5 (b) The total amount of amortization state aid to all entitled municipalities must not
73.6 exceed the appropriation under subdivision 3a.

73.7 (c) The amortization state aid amounts are:

73.8	City	Aid Amount
73.9	Fairmont	\$24,172
73.10	Minneapolis	\$2,728,547

73.11 If the amortization state aid amounts determined under this paragraph exceed the amount
73.12 appropriated for this purpose under subdivision 3a, the amortization state aid for actual
73.13 allocation must be reduced pro rata.

73.14 (d) Each municipality is eligible for an amortization state aid payment in a fiscal year
73.15 if:

73.16 (1) for Fairmont, the executive director of the Public Employees Retirement Association
73.17 certifies on or before June 30 that a municipal contribution with respect to the former
73.18 Fairmont Police Relief Association is payable in the upcoming fiscal year under section
73.19 353.665, subdivision 8, paragraph (c); and

73.20 (2) for Minneapolis, the executive director of the Public Employees Retirement
73.21 Association certifies on or before June 30 that an additional employer contribution with
73.22 respect to either the former Minneapolis Firefighters Relief Association or the former
73.23 Minneapolis Police Relief Association is payable in the upcoming fiscal year under section
73.24 353.665, subdivision 8, ~~paragraph (b)~~ 8a.

73.25 Payment of amortization state aid to municipalities must be made to the municipalities
73.26 involved in three equal installments on July 15, September 15, and November 15 annually.
73.27 Upon receipt of amortization state aid, the municipal treasurer shall transmit the aid amount
73.28 to the custodian of the local trust fund or to the executive director of the public employees
73.29 police and fire retirement fund, whichever applies, for immediate deposit.

73.30 (e) The commissioner of revenue shall administer the amortization state aid program.
73.31 The commissioner shall prescribe and periodically revise, as necessary, the required content
73.32 of the certifications for amortization state aid.

74.1 Sec. 14. Minnesota Statutes 2018, section 423A.02, subdivision 1b, is amended to read:

74.2 Subd. 1b. **Additional amortization state aid.** (a) Annually, the commissioner shall
74.3 allocate the additional amortization state aid, if any, including any state aid in excess of the
74.4 limitation in subdivision 4, on the following basis:

74.5 (1) 47.1 percent to the city of Minneapolis to defray the employer costs associated with
74.6 police and firefighter retirement coverage;

74.7 (2) 25.8 percent as additional funding to support the minimum fire state aid for volunteer
74.8 firefighter relief associations under section 69.021, subdivision 7, paragraph (d);

74.9 (3) 12.9 percent to the city of Duluth to defray employer costs associated with police
74.10 and firefighter retirement coverage;

74.11 (4) 12.9 percent to the St. Paul Teachers Retirement Fund Association if the investment
74.12 performance requirement of paragraph (c) is met; and

74.13 (5) 1.3 percent to the city of Virginia to defray the employer contribution under section
74.14 353.665, subdivision 8, paragraph (d).

74.15 If there is no additional employer contribution under section 353.665, subdivision 8,
74.16 ~~paragraph (b) 8a~~, certified under subdivision 1, paragraph (d), clause (2), with respect to
74.17 the former Minneapolis Police Relief Association and the former Minneapolis Fire
74.18 Department Relief Association, the commissioner shall allocate that 47.1 percent of the aid
74.19 as follows: 49 percent to the Teachers Retirement Association, 21 percent to the St. Paul
74.20 Teachers Retirement Fund Association, and 30 percent as additional funding to support
74.21 minimum fire state aid for volunteer firefighter relief associations under section 69.021,
74.22 subdivision 7, paragraph (d). If there is no employer contribution by the city of Virginia
74.23 under section 353.665, subdivision 8, paragraph (d), for the former Virginia Fire Department
74.24 Relief Association certified on or before June 30 by the executive director of the Public
74.25 Employees Retirement Association, the commissioner shall allocate that 1.3 percent of the
74.26 aid as follows: 49 percent to the Teachers Retirement Association, 21 percent to the St. Paul
74.27 Teachers Retirement Fund Association, and 30 percent as additional funding to support
74.28 minimum fire state aid for volunteer firefighter relief associations under section 69.021,
74.29 subdivision 7, paragraph (d).

74.30 (b) The allocation must be made by the commissioner of revenue on October 1 annually.

74.31 (c) With respect to the St. Paul Teachers Retirement Fund Association, annually, if the
74.32 teacher's association five-year average time-weighted rate of investment return does not
74.33 equal or exceed the performance of a composite portfolio assumed passively managed

75.1 (indexed) invested ten percent in cash equivalents, 60 percent in bonds and similar debt
75.2 securities, and 30 percent in domestic stock calculated using the formula under section
75.3 11A.04, clause (11), the aid allocation to the retirement fund under this section ceases until
75.4 the five-year annual rate of investment return equals or exceeds the performance of that
75.5 composite portfolio.

75.6 (d) The amounts required under this subdivision are the amounts annually appropriated
75.7 to the commissioner of revenue under section 69.021, subdivision 11, paragraph (d), if any,
75.8 and the aid amounts in excess of the limitation in subdivision 4.

75.9 Sec. 15. Minnesota Statutes 2018, section 423A.02, subdivision 2, is amended to read:

75.10 Subd. 2. **Continued eligibility.** A municipality that received amortization aid in 2011
75.11 and is required to make a municipal contribution under section 353.665, subdivision 8,
75.12 paragraph ~~(b)~~, (c), or (d), or subdivision 8a, whichever applies, continues to qualify for
75.13 amortization state aid for the duration of the applicable municipal contribution.

75.14 Sec. 16. Minnesota Statutes 2018, section 423A.02, subdivision 4, is amended to read:

75.15 Subd. 4. **Limit on certain total aid amounts.** (a) The total of amortization aid and
75.16 additional amortization aid under this section payable to a municipality to which section
75.17 353.665, subdivision 8, paragraph ~~(b)~~, (c), or (d), or subdivision 8a, applies, may not exceed
75.18 the amount of the additional municipal contribution payable by an individual municipality
75.19 under section 353.665, subdivision 8, paragraph ~~(b)~~, (c), or (d), or subdivision 8a.

75.20 (b) Any aid amount in excess of the limit under this subdivision for an individual
75.21 municipality must be redistributed to the other municipalities to which section 353.665,
75.22 subdivision 8, paragraph ~~(b)~~, (c), or (d), or subdivision 8a, applies. The excess aid must be
75.23 distributed in proportion to each municipality's additional municipal contribution under
75.24 section 353.665, subdivision 8, paragraph ~~(b)~~, (c), or (d), or subdivision 8a.

75.25 (c) When the total aid for each municipality under this section equals the limit under
75.26 paragraph (a), any aid in excess of the limit must be redistributed under subdivision 1b.

75.27 Sec. 17. **REVISOR'S INSTRUCTION.**

75.28 (a) In the applicable provisions of Minnesota Statutes 2018 and subsequent editions of
75.29 Minnesota Statutes, the revisor of statutes shall replace references to "preretirement or
75.30 postretirement interest rate" with references to "investment return". The applicable provisions
75.31 of Minnesota Statutes are sections 3A.01, subdivision 1a; 352.01, subdivision 12; 353.01,
75.32 subdivision 14; 354.05, subdivision 7; and 490.121, subdivision 2a.

76.1 (b) In the applicable provisions of Minnesota Statutes 2018 and subsequent editions of
76.2 Minnesota Statutes, the revisor of statutes shall replace references to "postretirement or
76.3 preretirement interest rate" with references to "investment return". The applicable provision
76.4 of Minnesota Statutes is section 353.665, subdivision 8.

76.5 (c) In the applicable provisions of Minnesota Statutes 2018 and subsequent editions of
76.6 Minnesota Statutes, the revisor of statutes shall replace references to "postretirement interest
76.7 rate" with references to "investment return". The applicable provisions of Minnesota Statutes
76.8 are sections 3A.01, subdivision 1a; 3A.02, subdivision 1; 352.01, subdivision 12; 352.22,
76.9 subdivision 3a; 352B.08, subdivision 3; 353.01, subdivision 14; 353.30, subdivision 3;
76.10 353.34, subdivision 3; 354.05, subdivision 7; 354.44, subdivision 2; 354.45, subdivision 2;
76.11 354.55, subdivision 11; 490.121, subdivision 2a; and 490.124, subdivision 5.

76.12 (d) In the applicable provisions of Minnesota Statutes 2018 and subsequent editions of
76.13 Minnesota Statutes, the revisor of statutes shall replace references to "preretirement interest
76.14 rate" with references to "investment return". The applicable provisions of Minnesota Statutes
76.15 are sections 353.665, subdivision 8; 356.215, subdivision 1; 356.551, subdivision 2; and
76.16 353F.025, subdivision 2.

76.17 (e) In the applicable provisions of Minnesota Statutes 2018 and subsequent editions of
76.18 Minnesota Statutes, the revisor of statutes shall replace references to "postretirement interest"
76.19 with references to "investment return". The applicable provisions of Minnesota Statutes are
76.20 sections 354.07, subdivision 1; and 356.461, subdivision 1.

76.21 (f) In the applicable provisions of Minnesota Statutes 2018 and subsequent editions of
76.22 Minnesota Statutes, the revisor of statutes shall replace references to "interest rate" with
76.23 references to "investment return". The applicable provisions of Minnesota Statutes are
76.24 sections 353G.05, subdivision 3; and 353G.08, subdivision 1a.

76.25 (g) In the applicable provisions of Minnesota Statutes 2018 and subsequent editions of
76.26 Minnesota Statutes, the revisor of statutes shall replace references to "interest" with references
76.27 to "investment return". The applicable provision of Minnesota Statutes is section 352B.08,
76.28 subdivision 2b.

76.29 **Sec. 18. EFFECTIVE DATE.**

76.30 Sections 1 to 17 are effective the day following final enactment."

76.31 Delete the title and insert:

77.1 "A bill for an act

77.2 relating to retirement; making administrative changes to the Minnesota State

77.3 Retirement System; revising the requirements and eliminating the expiration date

77.4 for the Public Employees Retirement Association phased retirement program;

77.5 modifying provisions allowing for the purchase of service credit for periods of

77.6 military service for the Public Employees Retirement Association; revising the

77.7 municipal contribution to the public employees police and fire retirement plan

77.8 related to the former Minneapolis firefighters and police relief associations;

77.9 increasing member and employer contributions for the higher education individual

77.10 retirement account plan; eliminating the expiration of a Minnesota state colleges

77.11 and universities early retirement incentive and making nonsubstantive style and

77.12 form changes; authorizing the termination of plan participation in the statewide

77.13 volunteer firefighter retirement plan and providing for the distribution of benefits

77.14 and allocation of any surplus assets; adopting the recommendations of the volunteer

77.15 firefighter relief association working group; extending the alternative allocation

77.16 of fire state aid for the city of Austin; authorizing a temporary supplemental pension

77.17 plan contribution restriction exemption; authorizing a coverage election for a

77.18 certain Minnesota State employee; revising the employer and state contributions

77.19 related to the former MERF Division; extending the state aid to local governments

77.20 related to employer contributions to the PERA general employees plan; making

77.21 miscellaneous technical corrections to laws and statutes; correcting erroneous,

77.22 obsolete, and omitted text and references; amending Minnesota Statutes 2018,

77.23 sections 3.85, subdivision 2; 3A.02, by adding a subdivision; 69.031, subdivision

77.24 5; 69.051, subdivisions 1, 3; 136F.47; 136F.481; 273.1385, subdivision 4; 352.03,

77.25 subdivisions 1, 1b; 352.113, subdivision 2; 352.115, subdivision 7, by adding a

77.26 subdivision; 352.22, by adding subdivisions; 352.23; 352.85, subdivision 4; 352.87,

77.27 subdivision 8; 352B.08, by adding a subdivision; 352D.04, subdivision 2; 352D.05,

77.28 subdivision 3; 352F.04, subdivision 1; 353.01, subdivisions 2b, 16; 353.27,

77.29 subdivision 3c; 353.34, subdivision 2; 353.371, subdivisions 1, 2, 3, 4, 5, 6, 7;

77.30 353.505; 353.665, subdivision 8, by adding a subdivision; 353E.05; 354.05,

77.31 subdivision 2a; 354.51, subdivision 5; 354A.011, subdivision 27; 354B.20,

77.32 subdivisions 4, 7, 12, by adding a subdivision; 354B.22, subdivision 2; 354B.23,

77.33 subdivisions 1, 3, 5; 354C.12, subdivision 2; 355.01, subdivision 3c; 355.091;

77.34 356.215, subdivision 11; 356.219, subdivision 3; 356.551, subdivision 2; 423A.02,

77.35 subdivisions 1, 1b, 2, 4; 424A.001, by adding a subdivision; 424A.01, subdivision

77.36 6; 424A.015, subdivision 6; 424A.016, subdivisions 3, 6; 424A.02, subdivisions

77.37 2, 7, 9, 10; 424A.10, subdivision 1; 490.126, subdivision 3; Laws 2018, chapter

77.38 211, article 14, section 26; proposing coding for new law in Minnesota Statutes,

77.39 chapters 353; 353G; 354B; 356; repealing Minnesota Statutes 2018, sections

77.40 352F.06; 353.371, subdivision 8; 353G.15; 354B.20, subdivision 8; 354B.21,

77.41 subdivisions 1, 1a, 2, 3, 3a, 3b, 4, 5, 6, 7."