

1.1 **Senator Marty from the Committee on Finance, to which was re-referred**

1.2 **S.F. No. 4643:** A bill for an act relating to retirement; accelerating the effective date
1.3 from July 1, 2025, to July 1, 2024, for the change in the normal retirement age for the
1.4 teachers retirement association from 66 to 65; reducing the employee contribution rates for
1.5 two years by 0.25 percent for St. Paul Teachers Retirement Fund Association; extending
1.6 the suspension of earnings limitation for retired teachers who return to teaching; authorizing
1.7 eligible employees of Minnesota State Colleges and Universities who are members of the
1.8 higher education individual retirement account plan to elect coverage by the Teachers
1.9 Retirement Association and purchase past service credit; implementing the recommendations
1.10 of the State Auditor's volunteer firefighter working group; adding a defined contribution
1.11 plan and making other changes to the statewide volunteer firefighter plan; modifying
1.12 requirements for electing to participate in the public employees defined contribution plan;
1.13 increasing the multiplier in the benefit formula for prospective service and increasing
1.14 employee and employer contribution rates for the local government correctional service
1.15 retirement plan; eliminating the workers' compensation offset for the Public Employees
1.16 Retirement Association general and correctional plans; clarifying eligibility for firefighters
1.17 in the public employees police and fire plan; making changes of an administrative nature
1.18 for plans administered by the Minnesota State Retirement System; authorizing employees
1.19 on a H-1B, H-1B1, or E3 visa to purchase service credit for a prior period of employment
1.20 when excluded from the general state employees retirement plan; codifying the right to
1.21 return to employment and continue receiving an annuity from the State Patrol plan; adding
1.22 additional positions to the list of positions eligible for the correctional state employees
1.23 retirement plan coverage and permitting the purchase of past service credit; establishing a
1.24 work group on correctional state employees plan eligibility; modifying the Minnesota Secure
1.25 Choice retirement program by permitting participation by home and community-based
1.26 services employees; modifying requirements for Minnesota Secure Choice retirement
1.27 program board of directors; allowing employer matching contributions on an employee's
1.28 qualified student loan payments under Secure 2.0 and modifying investment rates of return
1.29 and fee disclosure requirements and other provisions for supplemental deferred compensation
1.30 plans; resolving a conflict in the statute setting the plans' established date for full funding
1.31 and establishing an amortization work group; restructuring statutes applicable to tax-qualified
1.32 pension and retirement plans that impose requirements under the Internal Revenue Code;
1.33 modifying the authority of pension fund executive directors to correct operational and other
1.34 errors and requiring an annual report; changing the expiration date for state aids by requiring
1.35 three years at 100 percent funded rather than one year before the state aid expires; making
1.36 other administrative and conforming changes; appropriating money to the IRAP to TRA
1.37 transfer account, the Teachers Retirement Association, and St. Paul Teachers Retirement
1.38 Association; amending Minnesota Statutes 2022, sections 352.01, subdivision 13; 352.03,
1.39 subdivision 5; 352.113, subdivision 1; 352.1155, subdivision 3; 352.12, subdivisions 1, 2,
1.40 2b, 7, 8; 352.95, subdivision 4; 353.028, subdivisions 1, 2, 3, 5; 353.03, subdivision 3a;
1.41 353.27, subdivision 4; 353.33, subdivisions 7, 7a; 353.64, subdivisions 1, 2, 4, 5a; 353.65,
1.42 subdivision 3b; 353.87, subdivision 1; 353D.02, as amended; 353E.03; 353E.04, subdivision
1.43 3; 353E.06, subdivision 6; 353G.01, subdivisions 9, 9a, 11, by adding subdivisions; 353G.05,
1.44 as amended; 353G.08, subdivision 2; 354.435, subdivision 4; 354.436, subdivision 3;
1.45 354A.011, subdivision 7; 354A.021, subdivisions 2, 3, 6, 7, 8, 9; 354A.05; 354A.091;
1.46 354A.094; 354A.12, subdivisions 3a, 3c, 5; 354A.31, subdivision 3a; 354A.32, subdivision
1.47 1a; 354B.20, subdivision 18, by adding subdivisions; 356.215, subdivisions 2, 3; 356.24,
1.48 subdivision 3; 356.611, subdivision 2, by adding a subdivision; 356.62; 356.635, subdivisions
1.49 1, 2, by adding subdivisions; 356A.06, subdivision 5; 423A.02, subdivision 5; 423A.022,
1.50 subdivision 5; 424A.001, subdivisions 4, 5, 8, 9, 10, by adding subdivisions; 424A.003;
1.51 424A.01, subdivisions 1, 2, 5; 424A.015, subdivisions 1, 5, 7; 424A.016, subdivisions 2,
1.52 6; 424A.02, subdivisions 1, 3, 7, 9; 424A.021; 424A.092, subdivision 6; 424A.093,
1.53 subdivision 6; 424A.094, subdivision 1; 424A.095, subdivision 2; 424A.10; 424B.22,
1.54 subdivisions 2, 10; Minnesota Statutes 2023 Supplement, sections 187.03, by adding a
1.55 subdivision; 187.05, subdivision 7; 187.08, subdivisions 1, 7, 8; 352.91, subdivision 3f, as
1.56 amended; 353.335, subdivision 1; 353D.01, subdivision 2; 353G.01, subdivisions 7b, 8b,
1.57 12, 12a, 14a, 15; 353G.02, subdivisions 1, 3, 4; 353G.03, subdivision 3; 353G.07; 353G.08,

subdivision 1; 353G.09, subdivisions 1, 1a, 2; 353G.10; 353G.11, subdivision 2, by adding a subdivision; 353G.115; 353G.12, subdivision 2, by adding a subdivision; 353G.14; 354.05, subdivision 38; 354.06, subdivision 2; 354A.12, subdivision 1; 356.215, subdivision 11; 356.24, subdivision 1; 477B.02, subdivision 3; Laws 2021, chapter 22, article 2, section 3; Laws 2022, chapter 65, article 3, section 1, subdivisions 2, 3; Laws 2023, chapter 46, section 11; proposing coding for new law in Minnesota Statutes, chapters 352B; 353G; 354B; 356; repealing Minnesota Statutes 2022, sections 353.33, subdivision 5; 353.86; 353.87, subdivisions 2, 3, 4; 353D.071; 353G.01, subdivision 10; 356.635, subdivisions 3, 4, 5, 6, 7, 8, 9a, 10, 11, 12, 13; 424A.01, subdivision 5a; Minnesota Statutes 2023 Supplement, sections 353.335, subdivision 2; 353G.01, subdivisions 7a, 8a; 353G.02, subdivision 6; 353G.08, subdivision 3; 353G.11, subdivisions 1, 1a, 3, 4; 353G.112; 353G.121.

Reports the same back with the recommendation that the bill be amended as follows:

Page 3, line 3, delete "July 1, 2023" and insert "May 24, 2023, and applies to members and any former teacher if the former teacher is not receiving a retirement annuity under section 354.44, has returned to covered service, and has earned at least one-half year of credited service following the return to covered service, notwithstanding section 354.44, subdivision 9"

Page 3, after line 3, insert:

"Sec. 2. Minnesota Statutes 2022, section 354.44, subdivision 9, is amended to read:

Subd. 9. **Determining applicable law.** An annuity under this chapter must be computed under the law in effect as of the date of termination of teaching service. A former teacher who returns to covered service following a termination and who is not receiving a retirement annuity under this section must have earned at least one-half year of credited service following the return to covered service to be eligible for improved benefits resulting from any law change enacted subsequent to that termination.

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

Page 122, line 26, delete "the day following final enactment" and insert "beginning with aids payable in 2025"

Page 142, line 2, delete "\$28,462,200" and insert "\$28,462,000"

Page 142, line 5, delete "\$1,537,800" and insert "\$1,538,000"

Renumber the sections in sequence

Amend the title numbers accordingly

And when so amended the bill do pass. Amendments adopted. Report adopted.


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(Committee Chair)

3.1

3.2

April 29, 2024.....
(Date of Committee recommendation)