

January 30, 2025

**Via Email Only**

Legislative Commission on Pensions and Retirement (LCPR)  
Centennial Office Building, 1<sup>st</sup> Floor  
658 Cedar St.  
Saint Paul, MN 55155  
[lcpr@lcpr.mn.gov](mailto:lcpr@lcpr.mn.gov)

**Re: Annual Report on Correction of Plan Errors, Pursuant to Minnesota Statutes, Section 356.636, Subd. 3**

Dear Executive Director Lenczewski and Chair of the LCPR:

The 2024 Omnibus Pension Bill expanded the authority of public pension plans to correct plan errors. The 2024 legislation also established a reporting requirement under Minn. Stat. § 356.636, subd. 3, that corrections made under the section be reported to the Executive Director and Chair of the Legislative Commission on Pensions and Retirement annually before February 1st.

**REPORT**

From May 16, 2024, to December 31, 2024, MSRS corrected one plan error outside of the ordinary course of business.

**Error.** The error was an operational error that occurred when, in 1998, MSRS failed to notify the spouse of a State Patrol Retirement Plan member as required by the 1998 law after the member elected a single life annuity.

**Affected plan.** The only plan affected by the correction was the State Patrol Retirement Plan.

**Method of correction.** MSRS prospectively awarded an annuity to the spouse of the now-deceased member of the State Patrol Retirement Plan. The monthly amount of the annuity is equal to the monthly amount the spouse would have received if the member had elected a 50% joint and survivor annuity.

**Cost.** The cost to the State Patrol Retirement Plan is approximately \$36,000 per year for the remainder of the spouse's life.

MSRS relies on section 356.636 for authority to correct dozens of minor errors each year, most commonly by adjusting an annuity amount to account for an underpayment or overpayment. Such corrections made in the ordinary course of business are not included in the report above. MSRS intends to propose legislation during the 2025 legislative session to clarify the scope of the reporting requirement.

Please let me know if you have any questions.

Thank you,

A handwritten signature in black ink, appearing to read "Erin Leonard". The signature is written in a cursive, flowing style.

Erin Leonard  
Executive Director  
Minnesota State Retirement System