



Date: October 12, 2023
To: PERA Board of Trustees
From: Doug Anderson, Executive Director
Amy Streng, Policy Coordinator
Subject: 2024 PERA Stakeholder Agenda

The 2024 legislative session begins February 12, 2024. This memo includes the legislative initiatives that PERA's stakeholders have brought to PERA staffs' attention. PERA staff asks that the Board review each of the stakeholder initiatives and direct PERA staff involvement. Staff anticipates bringing additional legislative initiatives at the December board meeting.

PERA Correctional Board Member

MNCORA has requested the PERA Board support the creation of a new board position dedicated to the Correctional Plan. See the attached letter from MNCORA.

Background

Minn. Statute § 353.03, Subd. 1, paragraph a, directs the membership of the PERA Board of Trustees:

The management of the Public Employees Retirement Association is vested in an 11-member board of trustees consisting of ten members and the state auditor. The state auditor may designate a deputy auditor with expertise in pension matters as the auditor's representative on the board. The governor shall appoint five trustees to four-year terms, one of whom shall be designated to represent school boards, one to represent cities, one to represent counties, one who is a retired annuitant, and one who is a public member knowledgeable in pension matters. The membership of the association, including recipients of retirement annuities and disability and survivor benefits, shall elect five trustees for terms of four years, one of whom must be a member of the police and fire fund and one of whom must be a former member who met the definition of public employee under section 353.01, subdivisions 2 and 2a, for at least five years prior to terminating membership and who is receiving a retirement annuity or a member who receives a disability benefit. Terms expire on January 31 of the fourth year, and positions are vacant until newly elected members are seated. Except as provided in this subdivision, trustees elected by the membership of the association must be public employees and members of the association.

As directed by statute, PERA's Board consists of 11 positions consisting of 10 individuals and the State Auditor. The governor appoints 5 of the 10 available positions who represent school boards, cities, counties, a retired annuitant, and one who is a public member knowledgeable in pension matters. PERA's plans members elect the 5 remaining members: one of which is a member of the Police & Fire Plan and one of whom is a former member who met the definition of public employee and who is receiving a retirement or disability benefit. It should be noted that there is no specific position called out for the PERA General or PERA Correctional Plans.

Staff do not have a recommendation to present to the Board, but requests the Board take a position and direct staff's involvement in the position.

Other Stakeholder Initiatives

No other stakeholder initiatives were finalized for this board meeting, however, PERA staff is aware of several items that the PERA Board may be asked to consider at the December board meeting.

The items known include:

1. Police and Fire Plan Working After Retirement Modifications: Member stakeholder groups have inquired about potential changes to how retirement benefits are distributed to P&F members if a retiree works after retirement.
2. PERA Correctional Multiplier and Contribution Increase: A member has inquired about increasing the current PERA Correctional Plan multiplier for future service to match the current MSRS Correctional Plan multiplier. The increased multiplier would be funded by an appropriate employer and employee contribution increase.
3. PERA Disability Reapplication Additional Provider Medical Signature: There has been legislative interest to add a Licensed Family Marriage Therapist (LMFT) to the medical professionals allowed to sign the report required for the reapplication process.
4. Probation Officers: A stakeholder group has inquired about the potential to change the eligibility age for an unreduced retirement benefit for probation officers covered in the General Employees Retirement Plan. Under consideration is a change from age 66 to the earlier of age 60 or 30 years of service.

08/15/25

Doug Anderson, Executive Director and PERA Board,

The Minnesota Correctional Officer Retirement Association (MNCORA) is requesting that PERA back the creation of a seat on the PERA Board to be filled by a PERA Correctional Plan Correctional Officer.

The PERA Correctional Plan was established in 1999. As of 2022 the PERA Correctional Plan had 3,564 active members and 1,717 benefit recipients. The Correctional Plan has \$959,020,000 (almost 1 billion dollars) in the fund. (Source PERA-ACFR 2022).

The PERA Correctional Plan is the best funded of all the PERA funds. It's members and retirees are affected by both PERA Board and Legislative decisions and deserve a voice. It should be noted that the State MSRS Correctional Officers have a seat on their Pension Board.

The PERA Correctional Plan has been around for 24 years and deserves a voice in its plan's management.

Thank you,

The Minnesota Correctional Officer Retirement Association
Executive Board



Wade Laszlo,
President MNCORA