A bill for an act
relating to retirement; ending public pension plan coverage; proposing coding for new law in Minnesota Statutes, chapter 356.

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

Section 1. **[356.991] TERMINATION OF PUBLIC PENSION PLAN COVERAGE.**

(a) For employment on and after July 1, 2011, no public employee or elected official earns service credit in any Minnesota defined benefit public pension plan, and no employee or official may contribute to a Minnesota defined benefit or defined contribution public pension plan. A public employee who is not vested in a defined benefit public pension plan on June 30, 2011, may apply for and receive a refund of the employee contributions made to the plan, with interest, as specified in the laws governing refunds from that plan.

(b) Each public employer shall continue to contribute to each defined benefit public pension plan the same percentage of employee or official salary paid to the plan before July 1, 2011, on behalf of any current and future employee or official who would have earned service credit under laws in effect on June 30, 2011. The employer contribution to a pension plan shall continue until the most recent actuarial valuation for the plan indicates that the plan is projected to have enough assets to pay estimated liabilities without future employer contributions. A public employer may not contribute to a defined contribution pension plan after July 1, 2011.

(c) This section supersedes any conflicting law. This section does not apply to a volunteer firefighter relief association or plan.

EFFECTIVE DATE. This section is effective July 1, 2011.