

SF9053 - 0 - Probation & Telecommunicator Retire. Subplan Est.

Chief Author: **Nick Frentz**
 Committee: **State and Local Government**
 Date Completed: **4/27/2026 11:24:08 AM**
 Lead Agency: **Minn State Retirement System**
 Other Agencies:
 Corrections Dept Legislature
 Metropolitan Council Military Affairs Dept
 Minn Management and Budget Public Safety Dept
 Transportation Dept

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Corrections Dept						
General Fund	-	-	272	545	545	
Metropolitan Council						
General Fund	-	-	90	92	97	
Minn State Retirement System						
State Employees Retirement	-	-	-	-	-	
Public Safety Dept						
General Fund	-	-	56	112	112	
Trunk Highway	-	-	385	769	769	
State Total						
General Fund	-	-	418	749	754	
State Employees Retirement	-	-	-	-	-	
Trunk Highway	-	-	385	769	769	
	Total	-	-	803	1,518	1,523
	Biennial Total			803		3,041

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Corrections Dept					
General Fund	-	-	-	-	-
Metropolitan Council					
General Fund	-	-	-	-	-
Minn State Retirement System					
State Employees Retirement	-	-	-	-	-
Public Safety Dept					
General Fund	-	-	-	-	-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Trunk Highway	-	-	-	-	-
Total	-	-	-	-	-

Lead LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 4/27/2026 11:24:08 AM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2	Biennium			Biennium	
Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Corrections Dept					
General Fund	-	-	272	545	545
Metropolitan Council					
General Fund	-	-	90	92	97
Minn State Retirement System					
State Employees Retirement	-	-	-	-	-
Public Safety Dept					
General Fund	-	-	56	112	112
Trunk Highway	-	-	385	769	769
Total	-	-	803	1,518	1,523
Biennial Total			803		3,041
1 - Expenditures, Absorbed Costs*, Transfers Out*					
Corrections Dept					
General Fund	-	-	272	545	545
Metropolitan Council					
General Fund	-	-	90	92	97
Minn State Retirement System					
State Employees Retirement	-	-	-	-	-
Expenditures	-	-	28	28	-
Absorbed Costs	-	-	(28)	(28)	-
Public Safety Dept					
General Fund	-	-	56	112	112
Trunk Highway	-	-	385	769	769
Total	-	-	803	1,518	1,523
Biennial Total			803		3,041
2 - Revenues, Transfers In*					
Corrections Dept					
General Fund	-	-	-	-	-
Metropolitan Council					
General Fund	-	-	-	-	-
Minn State Retirement System					
State Employees Retirement	-	-	-	-	-
Public Safety Dept					
General Fund	-	-	-	-	-
Trunk Highway	-	-	-	-	-
Total	-	-	-	-	-
Biennial Total			-		-

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Chief Author: **Nick Frentz**
 Committee: **State and Local Government**
 Date Completed: **4/27/2026 11:24:08 AM**
 Agency: **Minn State Retirement System**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology	X	
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
State Employees Retirement	-	-	-	-	-	-
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
State Employees Retirement	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 4/10/2026 12:02:30 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2025	FY2026	FY2027	FY2028	FY2029
State Employees Retirement		-	-	-	-	-
Total		-	-	-	-	-
Biennial Total				-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
State Employees Retirement						
Expenditures		-	-	28	28	-
Absorbed Costs		-	-	(28)	(28)	-
Total		-	-	-	-	-
Biennial Total				-		-
2 - Revenues, Transfers In*						
State Employees Retirement						
Total		-	-	-	-	-
Biennial Total				-		-

Bill Description

The 2025 Omnibus Pension and Retirement Bill established the Probation Officers and 911 Telecommunicators Pension Plans Work Group. The Work Group was to recommend legislation that would create new pension plans for probation officers and 911 telecommunicators. Any legislation recommended by the Work Group must require the Minnesota State Retirement System (MSRS) and the Public Employees Retirement Association (PERA) to have the new plan or component plan operational by January 1, 2027.

LCPR26-013 (SF9053-0) establishes the probation and telecommunicator retirement subplan to be administered by the Minnesota State Retirement System, details how the subplan is to be administered, and revises various retirement statutes to include references to the probation and telecommunicator retirement subplan.

Assumptions

Proposed MSRS Subplan Based on Workgroup Discussions

	General Plan	Proposed Subplan
Summary of Benefits	1.9% Multiplier 1.75% COLA Age 66 FRA Age 55 Early Retirement	1.9% Multiplier 1.75% COLA Age 60 FRA Age 55 Early Retirement
Normal Cost + Expenses	10.03%	16.96%
Amortization of Unfunded Liability	1.08%	NA
Total ADC	11.11%	16.96%
EE Contribution Amount	6.00%	NA

ER Contribution Amount	6.25%	NA
Sufficiency	1.14%	NA
Estimated Difference in contributions between Plans	NA	4.71%
Less 1.75% PERA Contribution Difference***	NA	2.96%

Results from MSRS actuary, GRS Consulting.

***PERA General Contributions, 6.5% EE, 7.5% ER, Total 14% (Difference 1.75), compared to MSRS General Total 12.25%

Additional Information:

Estimated Populations of Employees: 429

Total Projected Earnings for Group: \$35,377,000

Estimated Cost of 4.71% Payroll: \$1,666,256

Expenditure and/or Revenue Formula

Expenditures include MSRS costs for required subplan information system changes and actuarial costs.

The FY27 and FY28 expenditures are for required information system enhancements to allow MSRS administer the new subplan. We estimate the enhancement project to be 400 hours in each fiscal year 2027 and 2028. At an hourly rate of \$70/hour (staff wages and benefits), that is \$28,000 per year.

MSRS will absorb these costs as part of administering the General Employees Retirement Plan. MSRS administrative costs are paid by MSRS plan members, and allocated via a cost allocation plan to the applicable retirement fund.

Long-Term Fiscal Considerations

Not applicable.

Local Fiscal Impact

Not applicable.

References/Sources

Gabriel, Roeder, Smith & Company - MSRS Actuary

Agency Contact:

Agency Fiscal Note Coordinator Signature: Tim Rekow

Phone: 651-284-7730

Date: 4/10/2026 11:49:55 AM

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SF9053 - 0 - Probation & Telecommunicator Retire. Subplan Est.

Chief Author: **Nick Frentz**
 Committee: **State and Local Government**
 Date Completed: **4/27/2026 11:24:08 AM**
 Agency: **Corrections Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	-	272	545	545	
Total	-	-	272	545	545	
Biennial Total			272		1,090	

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Jim Carlson **Date:** 4/14/2026 2:26:24 PM
Phone: 651-284-6540 **Email:** jim.carlson@lbo.mn.gov

State Cost (Savings) Calculation Details

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*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029	
General Fund	-	-	272	545	545	
Total	-	-	272	545	545	
Biennial Total			272		1,090	
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	-	272	545	545	
Total	-	-	272	545	545	
Biennial Total			272		1,090	
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	
Total	-	-	-	-	-	
Biennial Total			-		-	

Bill Description

This legislation would create a new retirement subplan for probation officers and public safety telecommunicators. It defines "Probation Officer" and "Public Safety Telecommunicator", as well as other relevant terms. It sets the terms of eligibility for this new plan, and it requires employers to contribute an additional two percent to this new plan.

It creates a State Probation and Telecommunicator Past Service account in the special revenue fund, requires impacted agencies to create standing review committees, creates new rules, regulations, and procedures governing plan operations, and establishes an effective date of January 1, 2027. Finally, it establishes several appropriations and fund transfers.

Assumptions

The department notes, as included in the legislation, that positions Corrections Agent, Corrections Agent Career, Corrections Agent Senior, Corrections Field Service District Supervisor, Corrections Community Services Regional Director, Corrections Field Services Director, and Corrections Field Services Program Director are all included in the definition of "probation officer" in the new plan.

The department projects that there are 300 FTEs in the discussed job classifications that would qualify under this plan, based on the plan's parameters and intent. The breakdown is as follows:

- 48 Corrections Agents
- 153 Corrections Agents Career
- 74 Corrections Agents Senior
- 18 Corrections Field Service District Supervisors
- 4 Corrections Field Services Program Directors
- 2 Corrections Community Services Regional Directors
- 1 Corrections Field Services Director

The department notes that these are the job classifications that would be eligible for this new subplan. The department notes that the four incumbents that currently occupy the Corrections Field Services Program Director classification are included in this projection because of their work in the Field Services Unit. They qualify for the new subplan based upon the identified parameters and intent identified in the current proposed legislation. While the Department of Corrections has other classifications that include the title of Program Director, these four identified positions are the only ones that qualify for this specific proposed retirement subplan.

The department notes that its Fiscal Year 2026, Fiscal Year 2027, and ongoing fiscal projections were put together by taking the base Fiscal Year 2026 average salaries for these job classifications, adding in the 1.5 percent pay raise for Fiscal Year 2026 (and the further 1.75 percent pay raise for Fiscal Year 2027), projecting a sum total of projected annual salary earnings for the 300 FTEs in question, and then projecting what a two percent valuation of those total projected annual salary earnings for Fiscal Year 2027 would be.

Average Fiscal Year 2026 salaries for the impacted job classifications are as follows:

- Corrections Agent - \$64,038
- Corrections Agent Career - \$95,040
- Corrections Agent Senior - \$75,175
- Corrections Field Service District Supervisor - \$127,156
- Corrections Field Services Program Director - \$111,094
- Corrections Community Services Regional Director - \$145,074
- Corrections Field Services Director - \$172,698

Average Fiscal Year 2026 salaries for the impacted job classifications with the 1.5 percent pay raise for Fiscal Year 2026 included are as follows:

- Corrections Agent - \$64,999
- Corrections Agent Career - \$96,466
- Corrections Agent Senior - \$76,303
- Corrections Field Service District Supervisor - \$129,063
- Corrections Field Services Program Director - \$112,760
- Corrections Community Services Regional Director - \$147,250
- Corrections Field Services Director - \$175,288

Projected Fiscal Year 2027 average salaries for the impacted job classifications with the 1.75 percent pay raise for Fiscal Year 2027 included are as follows:

- Corrections Agent - \$66,136
- Corrections Agent Career - \$98,154
- Corrections Agent Senior - \$77,638
- Corrections Field Service District Supervisor - \$131,322
- Corrections Field Services Program Director - \$114,734
- Corrections Community Services Regional Director - \$149,827
- Corrections Field Services Director - \$178,356

Expenditure and/or Revenue Formula

The department projects a full Fiscal Year 2027 cost by taking the Fiscal Year 2027 average salary for each job classification and multiplying it by the number of FTEs in each job classification who qualify for this subplan. The projection is included below:

Job Classification	Number of Staff	FY27 Average Salary	Total Projected Annual Earnings
Corrections Agent	48	\$66,136	\$3,174,530
Corrections Agent Career	153	\$98,154	\$15,017,523
Corrections Agent Senior	74	\$77,638	\$5,745,206
Corrections Field Service District Supervisor	18	\$131,322	\$2,363,795
Corrections Field Services Program Director	4	\$114,734	\$458,935
Corrections Community Services Regional Director	2	\$149,827	\$299,654

Corrections Field Services Director	1	\$178,356	\$178,356
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The department then adds up the total projected annual salary earnings for each job classification. This total is \$27,238,000.

Finally, the department takes two percent of the total projected annual salary earnings to arrive at the additional cost for the department, over the course of one full fiscal year, from this new retirement plan. Two percent of \$27,238,000 is \$544,760.

The department notes that this new plan would not start until January 1, 2027, or halfway through Fiscal Year 2027. Therefore, its cost for Fiscal Year 2027 would be half of the projected full fiscal year cost.

Department cost projections as a result of this new plan are as follows:

- Fiscal Year 2027 - \$272,380
- Fiscal Year 2028 - \$544,760
- Fiscal Year 2029 - \$544,760

Long-Term Fiscal Considerations

The department notes that, once new collective bargaining agreements are negotiated for this subplan, it will likely need to revise its total cost projections - including costs for salaries, insurance benefits, and other compensation - beyond the current budget horizon. The extent of these revisions will depend on the terms negotiated, and they could result in significant cost impacts for the department.

Local Fiscal Impact

Unknown

References/Sources

Department of Corrections staff

Agency Contact:

Agency Fiscal Note Coordinator Signature: Mark Besonen

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SF9053 - 0 - Probation & Telecommunicator Retire. Subplan Est.

Chief Author: **Nick Frentz**
 Committee: **State and Local Government**
 Date Completed: **4/27/2026 11:24:08 AM**
 Agency: **Legislature**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

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State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium		
		FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 4/27/2026 10:14:40 AM
Phone: 651-284-6543 **Email:** laura.cecko@lbo.mn.gov

State Cost (Savings) Calculation Details

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*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2025	FY2026	FY2027	FY2028	FY2029
	Total	-	-	-	-	-
	Biennial Total			-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
	Total	-	-	-	-	-
	Biennial Total			-		-
2 - Revenues, Transfers In*						
	Total	-	-	-	-	-
	Biennial Total			-		-

Bill Description

The bill establishes a local government probation and telecommunicator retirement plan. Once the plan is established, the Legislative Commission on Pensions and Retirement (LCPR) is required to draft amendments with regards to eligibility or non-eligibility with relevant probationary officer and telecommunicator positions.

Assumptions

1. The LCPR will be able to fulfill requirements under the bill within its current operational budget and staffing levels.

Expenditure and/or Revenue Formula

There would be no fiscal impact on the legislature regarding the bill requirements.

Long-Term Fiscal Considerations

N/A

Local Fiscal Impact

N/A

References/Sources

Susan Lenczewski, Legislative Commission on Pensions and Retirement

Michelle Yurich, Legislative Coordinating Commission

Agency Contact: Diane Henry-Wangenstein

Agency Fiscal Note Coordinator Signature: Diane Henry

Phone: 651-296-1121

Date: 4/7/2026 1:32:05 PM

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SF9053 - 0 - Probation & Telecommunicator Retire. Subplan Est.

Chief Author: **Nick Frentz**
 Committee: **State and Local Government**
 Date Completed: **4/27/2026 11:24:08 AM**
 Agency: **Metropolitan Council**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	-	90	92	97	
Total	-	-	90	92	97	
Biennial Total			90		189	

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 4/14/2026 1:28:02 PM
Phone: 651-284-6543 **Email:** laura.cecko@lbo.mn.gov

State Cost (Savings) Calculation Details

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State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029	
General Fund	-	-	90	92	97	
Total	-	-	90	92	97	
Biennial Total			90			189
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	-	90	92	97	
Total	-	-	90	92	97	
Biennial Total			90			189
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	
Total	-	-	-	-	-	
Biennial Total			-			-

Bill Description

Article 1 establishes a new retirement subplan within the Minnesota State Retirement System for probation officers and public safety telecommunicators, defining eligibility, benefits, contributions, and allowing earlier retirement with enhanced accrual rates. It also creates a process for purchasing past service credit, sets up a state account to subsidize those purchases, and establishes review committees and appeal procedures to determine which positions qualify for coverage.

Article 2 modifies rules for calculating retirement annuities across multiple public pension plans, allowing more flexibility in combining benefits (“mixed service”) and adding the new subplan to the list of covered plans.

Article 3 updates existing statutes to incorporate references to the new subplan and ensure it is treated consistently within Minnesota’s broader retirement system.

Article 4 provides one-time state funding to support the new subplan, including subsidizing past service credit purchases and offsetting increased employer contribution costs for affected agencies.

Assumptions

1. 2% cost based on current rates of pay (2% additional employer contribution). These costs will increase at the same rate as our wage increases each year.
2. Future additional adds to head counts to these positions not factored in (if any). This is an unknown number currently.
3. Supervisor Transit Control would be included.
4. Manager Transit Control would be included as well.
5. Assistant Manager Transit Control could potentially be included.
6. Those age 60 and older as of 1/1/2027 would be excluded. However, those positions would eventually be backfilled, so pricing impacts are included for all, and by the different position titles.
7. Initial programming costs estimated at \$10,000.
8. Cost for ongoing administration estimated at \$8,000/annually.

Expenditure and/or Revenue Formula

Initial set up costs are estimated at \$10,000

Ongoing administration costs are estimated at \$8,000/annually

Position Titles:	
<i>Asst. Mgr, TCC Operations: 6 positions</i>	
Add'l Pension Costs under age of 60 @ 2% employer contribution	\$11,362.6
Additional Pension Costs over age 60 @ 2% employer contribution	\$2,539.26
Total Cost Impact SY27	\$13,901.88
<i>Manager, TCC: 1 position</i>	
Add'l Pension Costs under age of 60 @ 2% employer contribution	\$ 2,735.20
Additional Pension Costs over age 60 @ 2% employer contribution	\$0.00
Total Cost Impact SY27	\$ 2,735.20
<i>Supv, Transit Control: 32 positions</i>	
Add'l Pension Costs under age of 60 @ 2% employer contribution	\$56,452.86
Additional Pension Costs over age 60 @ 2% employer contribution	\$7,072.00
Total Cost Impact SY27	\$63,524.86
Set-up costs	\$10,000.00

TOTAL for SY27	\$90,161.94
TOTAL for SY28 (5% increase on staff costs)	\$92,170.04
TOTAL for SY29 (5% increase on staff costs, and 3.15% increase on administrative cost)	\$96,630.54

Long-Term Fiscal Considerations

Cost for ongoing administration estimated at \$8,000/annually with 3.15% inflation and 5% salary increases.

Local Fiscal Impact

N/A

References/Sources

Kristin Prescott (612) 373-6812

Agency Contact: Kristin Prescott (612) 373-6812

Agency Fiscal Note Coordinator Signature: Stewart McMullan

Phone: 651-602-1374

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SF9053 - 0 - Probation & Telecommunicator Retire. Subplan Est.

Chief Author: **Nick Frentz**
 Committee: **State and Local Government**
 Date Completed: **4/27/2026 11:24:08 AM**
 Agency: **Military Affairs Dept**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Adam Bolling **Date:** 4/7/2026 3:01:12 PM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

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State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2025	FY2026	FY2027	FY2028	FY2029
	Total	-	-	-	-	-
	Biennial Total			-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
	Total	-	-	-	-	-
	Biennial Total			-		-
2 - Revenues, Transfers In*						
	Total	-	-	-	-	-
	Biennial Total			-		-

Bill Description

Establishing The Probation And Telecommunicator Retirement 1.12 Subplan

Assumptions

This bill does not have an anticipated or material impact on the Minnesota Department of Military Affairs.

Expenditure and/or Revenue Formula

N/A

Long-Term Fiscal Considerations

N/A

Local Fiscal Impact

N/A

References/Sources

N/A

Agency Contact:

Agency Fiscal Note Coordinator Signature: Eric Athman

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SF9053 - 0 - Probation & Telecommunicator Retire. Subplan Est.

Chief Author: **Nick Frentz**
 Committee: **State and Local Government**
 Date Completed: **4/27/2026 11:24:08 AM**
 Agency: **Minn Management and Budget**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Chloe Burns **Date:** 4/27/2026 11:11:33 AM
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State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2025	FY2026	FY2027	FY2028	FY2029
	Total	-	-	-	-	-
	Biennial Total			-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
	Total	-	-	-	-	-
	Biennial Total			-		-
2 - Revenues, Transfers In*						
	Total	-	-	-	-	-
	Biennial Total			-		-

Bill Description

This legislation would create a new retirement subplan for probation officers and public safety telecommunicators. It defines “Probation Officer” and “Public Safety Telecommunicator”, as well as other relevant terms. It sets the terms of eligibility for this new plan, and it requires employers to contribute an additional two percent to this new plan.

It creates a State Probation and Telecommunicator Past Service account in the special revenue fund, requires impacted agencies to create standing review committees, creates new rules, regulations, and procedures governing plan operations, and establishes an effective date of January 1, 2027. Finally, it establishes several appropriations and fund transfers.

Assumptions

Setting up a new retirement plan in the system is limited to table changes. MMB has a system edit between an employee’s FICA status and their retirement plan, which will need to be updated. The change is small. The implementation and testing of the change would be limited to a couple of hours and would be completed with existing resources and no additional funding required.

Expenditure and/or Revenue Formula

Not Applicable

Long-Term Fiscal Considerations

Not Applicable

Local Fiscal Impact

Not applicable

References/Sources

Agency Contact: Ronika Rampadarat 651-201-8115

Agency Fiscal Note Coordinator Signature: Ronika Rampadarat

Date: 4/24/2026 4:42:04 PM

Phone: 651-201-8115

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SF9053 - 0 - Probation & Telecommunicator Retire. Subplan Est.

Chief Author: **Nick Frentz**
 Committee: **State and Local Government**
 Date Completed: **4/27/2026 11:24:08 AM**
 Agency: **Public Safety Dept**

State Fiscal Impact	Yes	No
Expenditures	X	
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	-	56	112	112	
Trunk Highway	-	-	385	769	769	
Total	-	-	441	881	881	
Biennial Total			441			1,762

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	-	-	-	-
Trunk Highway	-	-	-	-	-
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 4/23/2026 7:22:16 PM
Phone: 651-284-6543 **Email:** laura.cecko@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2025	FY2026	FY2027	FY2028	FY2029
General Fund	-	-	56	112	112	
Trunk Highway	-	-	385	769	769	
Total		-	-	441	881	881
Biennial Total				441		1,762
1 - Expenditures, Absorbed Costs*, Transfers Out*						
General Fund	-	-	56	112	112	
Trunk Highway	-	-	385	769	769	
Total		-	-	441	881	881
Biennial Total				441		1,762
2 - Revenues, Transfers In*						
General Fund	-	-	-	-	-	
Trunk Highway	-	-	-	-	-	
Total		-	-	-	-	-
Biennial Total				-		-

Bill Description

The bill establishes a Probation Officers and Public Safety Telecommunicators retirement subplan within the general state employees retirement plan administered by the Minnesota State Retirement System (MSRS).

State employee participants in the subplan must contribute 2.71% of their salary annually and their agency employer must contribute 2% of the employee’s salary annually. These amounts are in addition to employee and employer retirement contribution rates set in law.

Department of Public Safety (DPS) employees eligible to participate in this new retirement subplan are “public safety telecommunicators” who are

- A radio communications operator
- A radio communications supervisor
- A public safety answering point (PSAP) manager
- Certified by the Commissioner of Public Safety (or the Commissioner’s delegate) as having substantial responsibility for receiving, processing, transmitting, or dispatching emergency and nonemergency calls for law enforcement and other public safety services

[An employee is *ineligible* to join the retirement subplan if, on January 1, 2027, he/she is *both* over age 60 and has at least three years of service credit in the state general retirement plan.]

The Commissioner of Public Safety must appoint a standing review committee to review and determine positions or employees of DPS that are eligible to participate in the new retirement subplan, including assessing new or changed employment position titles. A DPS employee, the employee’s bargaining unit, or the employee’s manager can petition the review committee to have a particular employee or employment title deemed eligible. Decisions of the review committee can be appealed to the Commissioner of Public Safety.

Assumptions

Commissioner's Office

The Commissioner will appoint members of the standing review committee that represent divisions impacted by this change and with expertise in making determinations about which employment position titles are eligible. Service on this standing review committee is expected to be minimal and will be absorbed as part of their regular duties.

Bureau of Criminal Apprehension

The Commissioner of Public Safety will make an initial determination of DPS employees and employment position titles eligible for participation in the Probation Officers and Public Safety Telecommunicators retirement subplan. The Commissioner will appoint a standing review committee to make such determinations in the future and, as necessary, hear and decide appeals of decisions made by that review committee.

DPS will make the required, increased employer contributions (2% of salary annually) on behalf of DPS employees who are members of the retirement subplan.

The Bureau of Criminal Apprehension (BCA) calculates that it has sixteen (16) public safety telecommunicator employment positions that would be eligible to join the Probation Officers and Public Safety Telecommunicators subplan of the general state employee retirement plan. All the positions have the classification of Criminal Intelligence Analyst 1 (CIA 1). BCA assumes that all sixteen of its eligible employees will join the new subplan.

Minnesota State Patrol

It is assumed that the purchase, including any administrative fees, of past service for this subplan as outlined in Minn. Stat. 352.88, Subd. 6 would be solely the responsibility of the employee and no costs would be incurred by the employer.

Within Article 4 of this proposal, it outlines how the appropriations associated with increases to the pension contributions would be from the general fund. Since the majority of the Minnesota State Patrol Public Safety Telecommunicators are funding from the Trunk Highway fund, it is assumed that this transfer would be allowed. If this is not correct, the language of the bill should be adjusted to include trunk highway appropriations.

Trunk Highway Fund

The agency is currently moving through hiring processes for all dispatch locations and if all open Public Safety Telecommunicator positions were filled, there would be a total of 82 FTEs eligible for enrollment in this retirement subplan.

- Two (2) PSAP Managers
- Ten (10) Radio Communication Supervisors
- Seventy (70) Radio Communication Operators

With a 2% increase in employer contributions to the proposed retirement subplan, the increase would be approximately \$9,383.04 per employee.

$\$9,383 \times 82 \text{ employees} = \$769,406$ per fiscal year within the Trunk Highway Fund

General Fund

The agency is currently transitioning the dispatch center within the Capitol Security Complex to a full complement of Radio Communication Operators. Once this process is complete, there would be a total of 9 FTEs eligible for enrollment in this retirement subplan.

- One (1) Radio Communication Supervisor
- Eight (8) Radio Communication Operators

With a 2% increase in employer contributions to the proposed retirement subplan, the increase would be approximately \$9,383.04 per employee.

\$9,383 X 9 employees = \$84,447 per fiscal year within the General Fund

Expenditure and/or Revenue Formula

BCA

Increased employer retirement contributions:

Two-percent (2%) of the annual salary of the sixteen BCA employees with classification CIA 1 who are eligible for this enhanced retirement benefit. The employer contributions begin at the midpoint of FY2027 (January 1, 2027) and are ongoing.

16 (eligible CIA 1 FTEs) x \$85,607 (annual salary) x .02 (2%) = \$27,394 annual employer contributions beginning at midpoint of FY2027.

MSP

Description	2% individual Increase	Number of employees	FY27	FY28	FY29	FY30
Trunk Highway Public Safety Telecommunicators	\$9,383	82	\$384,703	\$769,406	\$769,406	\$769,406
General Fund Public Safety Telecommunicators	\$9,383	9	\$42,224	\$84,447	\$84,447	\$84,447
Total			\$426,927	\$853,853	\$853,853	\$853,853
Total (in thousands)			427	854	854	854

Total Expenditures

	FY27	FY28	FY29
BCA (General Fund)	\$13,697	\$27,394	\$27,394
MSP (General Fund)	\$42,224	\$84,447	\$84,447
MSP (Trunk Highway)	\$384,703	\$769,406	\$769,406
Total	\$440,624	\$881,247	\$881,247

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Long-Term Fiscal Considerations

The employer retirement contributions continue so long as the eligible employee works for the BCA in a position covered by the specialized subplan.

Local Fiscal Impact

References/Sources

Agency Contact:

Agency Fiscal Note Coordinator Signature: Nicole Mickelson

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SF9053 - 0 - Probation & Telecommunicator Retire. Subplan Est.

Chief Author: **Nick Frentz**
 Committee: **State and Local Government**
 Date Completed: **4/27/2026 11:24:08 AM**
 Agency: **Transportation Dept**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

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State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-	-
Biennial Total			-			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2025	FY2026	FY2027	FY2028	FY2029
Total	-	-	-	-	-

LBO Analyst's Comment

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

LBO Signature: Laura Cecko **Date:** 4/22/2026 10:37:26 AM
Phone: 651-284-6543 **Email:** laura.cecko@lbo.mn.gov

State Cost (Savings) Calculation Details

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

*Transfers In/Out and Absorbed Costs are only displayed when reported.

State Cost (Savings) = 1-2		Biennium			Biennium	
Dollars in Thousands		FY2025	FY2026	FY2027	FY2028	FY2029
	Total	-	-	-	-	-
	Biennial Total			-		-
1 - Expenditures, Absorbed Costs*, Transfers Out*						
	Total	-	-	-	-	-
	Biennial Total			-		-
2 - Revenues, Transfers In*						
	Total	-	-	-	-	-
	Biennial Total			-		-

Bill Description

The bill establishes a retirement plan for telecommunicators and probation officers.

Assumptions

“Public safety telecommunicators” are defined as employees of the Department of Public Safety and Metropolitan Council. While some MnDOT employees perform similar job functions at the Regional Transportation Management Center (RTMC), MnDOT assumes that this bill does not apply to any MnDOT telecommunicator employees.

In addition, the bill adds MnDOT pilots to Minnesota Statute 356.30 relating to Combined Service Annuities. As there are a very small number of pilots employed by MnDOT and it is currently unknown whether an employee will have a combined service credit upon retirement, MnDOT assumes any fiscal impact would be negligible.

Expenditure and/or Revenue Formula

No MnDOT fiscal impact.

Long-Term Fiscal Considerations

None

Local Fiscal Impact

None

References/Sources

MnDOT Office of Finance

MnDOT Office of Human Resources

Agency Contact:

Agency Fiscal Note Coordinator Signature: Catherine Greene

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