

2023 Pension bill summary

[Senate File 1938](#) and [House File 2222](#) were introduced at the legislature in order to improve the pension benefits of Minnesota educators. The state of Minnesota needs to make a strong investment in educators' pensions as one step to a long-term solution to our current educator shortage.

SF1938 is led by chief author Senator Nick Frentz, vice chair of the LCPR, with additional authors Senators Mary Kunesh, Steve Cwodzinski, Heather Gustafson and Erin Murphy.

HF2222 is led by chief author and LCPR member Representative Dan Wolgamott with additional house authors Representatives Rick Hansen, Leon Lillie, Kaela Berg (also on LCPR), Dean Urdahl and Greg Davids.

[H.F. 2222](#)/[S.F. 1938](#) bill components:

Normal Retirement Age (NRA) of 62 years for TRA and SPTRFA

A change in Normal Retirement Age reduces the penalties for every age under 66. This aspect of the bill would positively affect the benefit when accessed prior to age 66.

35 years of service credit threshold years for TRA and SPTRFA

This would create a level of service credit that when attained, would provide the member an unreduced benefit.

COVID additional service credit for any school employees in PERA, MSRS, STPRFA and TRA

The bill would double service credits earned in years 2020, 2021 and 2022. This makes it more affordable for school employees to retire earlier if they choose and recognizes the difficult, essential and vital work that took place during COVID-19.

Adjustable COLA from 1-3% in TRA

Tying post-retirement adjustments to inflation rates would provide a benefit that better keeps up with actual increases in costs of living.

Restoration of Augmentation in TRA

For those who have deferred benefits it would provide an appropriate balance between the increase in the investment contributions of members and the value of the benefit when inflation deteriorates its value.

TRA – Teachers Retirement Association

SPTRFA – St. Paul Teachers Retirement Association

PERA – Public Employees Retirement Association

MSRS – Minnesota State Retirement Association

Information as of 2.28.23

