2025 Omnibus Pension and Retirement Bill: Delete-Everything Amendment S2884-DE1 to SF 2884 (Frentz); HF 1889 (O'Driscoll/Lillie)

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Introduction

Amendment S2884-DE1, a delete everything amendment, replaces everything in SF 2884 (Frentz); HF 1889 (O'Driscoll; Lillie) with the contents of the 2025 Omnibus Pension and Retirement Bill. The DE1 includes 13 bills heard by the Legislative Commission on Pensions and Retirement (Commission) during the 2025 legislative session.

A more detailed summary of each bill is available on the Commission website.

Article- by- Article Summary

Article 1: Minnesota State Retirement System (MSRS)

Sources: SF 2884 (Frentz)/HF 1889 (O'Driscoll/Lillie)
HF 2237 (O'Driscoll/Lillie)

Section 1 amends section 352.115, subdivision 3, by increasing the multiplier used to calculate the retirement annuity for members of the MSRS General State Employees Retirement Plan (MSRS General Plan) from 1.7% to 1.9% percent. The multiplier of 1.9% applies to years of service earned after June 30, 2025. With this change, the benefit formula for employees who became members of the General Plan or another public pension plan after June 30, 1989, will be:

> *Annual retirement annuity = ((Years of service earned through June 30, 2025 x 1.7%) + (Years of service earned after June 30, 2025 x 1.9%)) x High-five average annual salary*

Sections 2 and 3 amend two statutes that inadvertently do not include the MSRS Correctional Employee Retirement Plan (MSRS Correctional Plan), along with the General Plan.

- Section 2 revises section 352.22, subdivision 2b, which states that a person who receives a refund from the plan after leaving employment may repay the refund. This section governs both the MSRS General Plan and MSRS Correctional Plan but fails to include the necessary reference to the Correctional Plan. Section 2 of the bill will bring the statute into conformity with plan operation and is effective the day following final enactment.

- Section 3 revises section 352.22, subdivision 3, which states that an employee is entitled to a deferred retirement annuity if the employee is vested when the employee terminates employment. This section fails to mention the MSRS Correctional Plan, along with the MSRS General Plan. Section 3 incorporates the MSRS Correctional Plan and, instead of stating the specific vesting requirement, the revisions refer to the relevant statute on vesting for each plan, with new clause (1) for the MSRS General Plan and new clause (2) for the MSRS Correctional Plan. Section 3 is retroactively effective from July 1, 2023, to match the effective date of the change to the vesting requirement in the 2023 Pension Budget Omnibus bill (2024 Omnibus Pension bill).

Section 4 increases the postretirement adjustment (often referred to as cost-of-living adjustment or COLA) from 1.5% to 1.75% for the MSRS General Plan, Legislators Retirement Plan (Legislators Plan), and Unclassified Employees Retirement Program (Unclassified Plan), beginning January 1, 2026.

Article 2: Public Employees Retirement Association (PERA)

Sources: SF 2980 (Seeberger)/HF 2386 (O'Driscoll/Lillie), as amended by Amendment H2386-1A
SF 3192 (Frentz)/HF 2821 (O'Driscoll/Lillie)

Sections 1 to 5, 7, and 8 amend statutes governing the pension plans administered by PERA. The changes are administrative in nature and consist of the following:

- Sections 1 and 2 revise PERA's eligibility provisions to clarify that public employees must participate in one of the three pension plans administered by PERA if the employee is expected to exceed the monthly salary threshold of $425.
- Section 3 inserts time periods after taking office during which an elected public official who wants to be covered by the PERA General Employees Retirement Plan (PERA General Plan) must sign an election form (within 30 days) and file the election form with PERA (within 60 days).
- Sections 4 to 5 insert a time period during which a city manager must file an election to be excluded from coverage by the PERA General Plan (within 60 days of commencing employment) and clarifies language.
- Section 7 clarifies that that a member's right to take a refund of accumulated employee deductions does not expire.
- Section 8 revises the statute that defines the duty disability benefit for members of the PERA Local Government Correctional Service Retirement Plan (PERA Correctional Plan) to incorporate into the calculation of the benefit amount the 2.2% multiplier that was added by legislation in 2024 and applies to years of service after June 30, 2025.

Section 6 amends section 353.27, subdivision 3a, which requires an employer to contribute an additional 1% of salary for each coordinated member until the PERA General Plan is 100% funded. Section 6 reduces the funded ratio threshold from 100% to 98%. When assets equal or exceed 98% of the plan's actuarial accrued liability the 1% additional employer contribution is repealed. Section 6 also deletes a paragraph that is obsolete.

Section 9 increases the maximum COLA for the PERA General Plan. Under current law, the COLA for the PERA General Plan is 1% effective each January 1, unless the Social Security COLA is greater than 2%, in which case the COLA is 50% of the Social Security COLA, not to exceed 1.5%. Under the bill, the COLA for the PERA General Plan is 1% unless the Social Security COLA is greater than 1%, in which case the COLA is the same as the Social Security COLA, not to exceed 1.75%.

New paragraph (c) requires an automatic decrease to the COLA maximum in effect on January 1, from 1.75% to 1.5% if the funded status for the PERA General Plan reaches either of the following:

- 85% or less in the most recent two consecutive annual actuarial valuations; or
- 80% or less in the most recent annual actuarial valuation.

Sections 1 to 5 are effective July 1, 2025. Sections 6 to 8 are effective the day following final enactment. Section 9 is effective for postretirement adjustments beginning on or after January 1, 2026.

Article 3: Public Employees Defined Contribution Plan

Source: SF 2980 (Seeberger)/HF 2386 (O'Driscoll/Lillie), as amended by Amendment H2386-1A

Article 3 amends statutes governing the PERA Defined Contribution Plan. Local government officials, physicians, ambulance service and rescue squad personnel, city managers, and certain other categories of local government employees are eligible to elect to participate in the Defined Contribution Plan. The changes, which were proposed by PERA, are administrative in nature, clarify the time period during which an individual may elect to participate, generally, within 30 days of commencing employment, and the time period during with the related membership election forms must be received by PERA, generally, within 60 days of commencing employment.

All sections are effective July 1, 2025.

Article 4: PERA Privatization

Source: SF 3355 (Pappas)

Article 4 amends nearly the entire Chapter 353F, which provides protections to members when an employer participating in the PERA General Plan "privatizes." Privatization occurs when a governmental entity is sold or merged with another entity, resulting in the governmental entity losing its status as a governmental entity. When privatization occurs, the employees are no longer "public employees" and stop accruing additional salary and service credit. Employees will eventually receive a pension from the PERA General Plan, accrued to the date of privatization.

Chapter 353F also requires a privatizing entity to pay PERA for the liability the entity is leaving behind when it becomes a privately owned entity. Because pension benefits in the PERA General Plan are less than 100% funded, when the entity and its employees stop making contributions, the entity must pay "withdrawal liability" to defray the underfunding attributable to its employees.

Section 1 amends section 353F.01 ("Purpose and intent"), to replace references to "*medical facilities*" or "*medical facility*" with "*governmental subdivision*." This change expands the scope of Chapter 353F from applying only to medical facilities that privatize to apply to all governmental entities that privatize.

Sections 2 to 12 revise the definitions applicable to Chapter 353F and add new defined terms. Specifically, the following terms are added or redefined:

- *"Association"*
- *"Effective date of privatization"*
- *"Funding ratio"*
- *"General employees retirement fund"*
- *"General employees retirement plan"*
- *"Governmental subdivision"*
- *"Privatization"*
- *"Privatize" or "privatizing"*
- *"Privatized former public employer," which is shortened to "privatized employer"*
- *"Privatized former public employee," which is shortened to "privatized employee"*
- *"Privatizing active employee"*

Section 13 substantially re-writes section 353F.025, including replacing the current section title with "Withdrawal liability."

<u>Subdivision 1</u> ("Eligibility determination and calculation of withdrawal liability") is revised to change the process for determining whether a privatizing transaction will result in a governmental subdivision losing its status as such and the method for calculating withdrawal liability:

- An officer of a governmental subdivision that is privatizing is required to request a calculation of withdrawal liability from the executive director of PERA. The officer must make the request prior to the effective date of privatization, and the governmental subdivision must agree to pay the cost of the calculation.
- The executive director of PERA is required to request a calculation of withdrawal liability from its actuary. Instead of the calculation under current law that looks at whether the PERA General Plan will receive a net gain or a net loss from the privatization, the new method for calculating withdrawal liability requires the actuary to calculate the present value of accrued benefits attributable to the employees of the governmental subdivision and multiply that by the Plan's unfunded percentage. The formula:

  Withdrawal liability = (present value of accrued benefits) - (present value of accrued benefits x the plan's funded ratio)

<u>New subdivision 1a</u> ("Payment of withdrawal liability") requires the privatized employer to pay PERA the withdrawal liability within six months of the privatization or elect to pay the withdrawal liability with interest in installments for no longer than 10 years.

<u>Subdivision 2</u> ("Reporting privatizations") is revised to require PERA to report on withdrawal liability to the Commission and state government committees and maintain a list in PERA's annual report and website of privatized employers and the amount of withdrawal liability each has paid or is paying.

Sections 14 to 24 amend the rest of Chapter 353F to replace current terms with new defined terms and remove obsolete language.

Section 25 repeals as obsolete the definition of "medical facility" in subdivision 4a of section 353F.02, the definitions section.

All sections are effective July 1, 2027.

Article 5: MSRS Correctional Plan Eligibility Work Group

Source: SF 3464 (Rasmusson)/HF 3269 (Nadeau)

The 2024 Pension and Retirement Policy and Supplemental Budget bill (2024 Omnibus Pension bill) required Commission staff to convene a work group consisting of the representatives from Department of Corrections, Department of Human Services, MSRS, and employee organizations:

> *for the purpose of recommending legislation amending Minnesota Statutes, sections 352.91 and 356.955, and other statutes applicable to eligibility for the Minnesota State Retirement System correctional state employees retirement plan (correctional plan) that will correct the deficiencies in the process under current law for adding employees and positions to coverage by the correctional plan.*

The work group met during the interim between the 2024 and 2025 legislative sessions. The legislation recommended by the work group substantially revises the lists of employment positions eligible for the MSRS Correctional Plan and the process by which employment positions are added to the lists and by which employees are determined as having the requisite 75% direct contact with incarcerated persons, patients, and clients and therefore entitled to retirement coverage by the Plan.

Sections 1 to 3 add a new definition for "executive director" of MSRS to the definitions section for Chapter 352 and makes changes to conform to new section numbers and the new definition.

Section 4 revises section 352.90, which states the policy reason for establishing the MSRS Correctional Plan. The changes update the language.

Section 5 adds new section 352.901 ("Definitions applicable to the correctional plan"), a new definitions section for terms used in the statutes governing the MSRS Correctional Plan.

Section 6 updates the lists of covered correctional service positions to match the employment position of every member of the MSRS Correctional Plan. Approximately 55 employment positions that are not currently listed in section 352.91 now appear in the list of employment positions in the new section 352.905 added by section 6. These positions are not new positions but have to be added because employees in these positions are currently covered by the MSRS Correctional Plan. The bill brings the statute that governs the membership of the MSRS Correctional Plan into conformity with its actual membership.

Section 7 replaces the two standing committees in current law, one of which is with the Department of Corrections and the other with the Department of Human Services, with one standing review committee, called the “Correctional plan membership committee.” The new committee is to be convened by the MSRS executive director at least once each quarter. The new committee will decide whether to add new employment positions to the lists in section 352.905 and whether an employee satisfies the direct contact requirement.

Section 8 adds new section 352.908, which is subdivision 6 of section 352.91 in current law. With the repeal of section 352.91, this subdivision is being moved to its own new section. This section states that section 356.637 applies if an employee is erroneously covered by the MSRS Correctional Plan when the employee should have been covered by another plan or by another plan when the employee should have been covered by the MSRS Correctional Plan. Section 356.637 provides procedures for the transfer of past service credit and related contributions.

Sections 9 and 10 replace references to repealed section 352.91 with references to new statutes, sections 352.905 and 352.907, added by the bill.

Section 11 repeals section 352.91, which has been entirely replaced by new sections 352.901, 352.905, 352.907, and 352.908.

All sections are effective January 1, 2026.

Article 6: Higher Education Supplemental Retirement Plan

Source: SF 2379 (Rasmusson)/HF 2022 (Berg)

Section 1 amends section 356.24, subdivision 1, clause (6), to increase the limit on employer matching contributions to the higher education supplemental retirement plan from $2,700 to $4,300 per year.

Section 1 is effective the day following final enactment.

Article 7: State Auditor’s Fire Relief Association Working Group

Source: SF 1341 (Pappas)/HF 1828 (Cha)

Article 7 is legislation recommended by the State Auditor’s Fire Relief Association Working Group. The article amends sections of Chapter 424A, which governs firefighter relief associations, as follows:

Sections 1 and 9 move the current March 31 reporting deadline for filing annual financial statements with the State Auditor to June 30.

Sections 2 and 11 make changes to section 424A.015 (“Generally applicable firefighters relief association pension plan regulation”), which imposes requirements applicable to all relief associations. Section 2 amends subdivision 4, to bring it into compliance with the direct rollover requirements in the federal Internal Revenue Code and Minnesota Statutes, section 356.633. The new language will allow any member, spouse, or other distributee under section 356.633 to elect a direct rollover as described in section 356.633. Section 11 repeals subdivision 5, which is covered by the new language in section 2 and is no longer needed.

Sections 3 and 4 amend section 424A.016 to permit a relief association with a defined contribution plan to amend the relief association's bylaws to pay retirement benefits as soon as practicable following a member's separation from active service rather than waiting until age 50.

Section 5 amends section 424A.05, subdivision 3, which restricts disbursements from a relief association's special fund. Four clauses are revised to permit direct rollovers as an alternative to direct payments of pension, disability, survivor, and former spouse benefits to individuals, as required by federal law and section 356.633.

Section 6 eliminates language that could be read as permitting relief associations to deposit firefighter dues into a relief association's special fund and retains language that permits deposits of firefighter dues into the general fund.

Section 7 removes obsolete language and a table used in calculating the accrued liability of active members of a lump sum defined benefit relief association for calendar years before 2022.

Sections 8 and 10 remove language in section 424A.092 (applicable to lump sum relief associations) and 424A.093 (applicable to monthly relief associations) that reduces a municipality's financial obligation to a relief association's special fund by member contributions, such as dues. These changes and the change in section 6 are necessary to comply with applicable federal and state law, which does not permit employee contributions to relief associations that are not mandatory pre-tax contributions.

Sections 1, 3, 4, 6, and 8 to 10 are effective on January 1, 2026.
Sections 2, 5, 7, and 11 are effective the day following final enactment.

Article 8: Firefighters Relief Associations

Sources: SF 2752 (Maye Quade)/HF 2395 (Huot)
SF 3454 (Frentz)/HF 3278 (Lillie/O'Driscoll)

Section 1 amends section 424A.02, subdivision 3, to increase the maximum lump sum pension amount from $15,000 to $20,000 per year for each year of service for defined benefit relief associations.

Section 2 repeals an annual reporting requirement that requires relief associations to file with the Commission executive director an "Investment Business Recipient Disclosure Form." Section 356A.06, subdivision 5, requires the chief administrative officer of a "covered pension plan" to annually disclose "the recipients of investment business placed with, or investment commissions allocated among, commercial banks, investment bankers, brokerage organizations, or other investment managers." This requirement duplicates information already collected by the Office of the State Auditor.

Section 1 is effective the day following final enactment. Section 2 is effective August 1, 2026.

Article 9: Minnesota Secure Choice Retirement Program

Sources: SF 2984 (Pappas)/HF 2943 (Nadeau), as amended by Amendment 25-04681-1A and oral amendment
SF 2985 (Pappas)/HF 2942 (Nadeau), as amended by Amendment 25-04680-1A and oral amendment

The Minnesota Secure Choice Retirement Program (Program) is a state-sponsored retirement program intended to benefit employees in the private sector who have no opportunity to save for retirement through an employer-sponsored retirement plan such as a 401(k) plan. The Program was established by legislation enacted in 2023 and funded by an appropriation of $5 million. Employers that do not sponsor a retirement plan for their employees are required to transmit a percentage of pay deducted from each employee's paycheck to a state-administered individual retirement account (IRA). Employees have the option to change the contribution percentage or opt out of the Program entirely. Employees direct the investment of their accounts into a diversified array of investment funds offered with the oversight of the State Board of Investment (SBI).

Section 1 amends section 116J.401, by adding new subdivision 4 ("Disclosure to Secure Choice board"), to require the Commissioner of the Department of Employment and Economic Development (DEED) to disclose information to the executive director of the Program within 30 days of receiving a request. Requested information includes the business' name, federal employer identification number, address, and telephone, and the name, telephone, and email address for the person of contact. The executive director must maintain the privacy of the information.

Sections 2 to 4 revise the definitions of "covered employee" and "executive director," and add a definition for "enrollment window."

Section 5 amends section 187.05, by adding new subdivision 1a ("Certification by employers that are not covered employers"), to provide a process by which employers who are not "covered employers" may certify to the executive director of the Program that the employer is not a covered employer.

Section 6 amends section 187.05, subdivision 4 ("Contribution rate"), to refer to the contribution rates in section 187.07, subdivision 1, and state that the Program's board of directors may change the rates and the escalation schedule and must give covered employers at least six months advance notice before the effective date of any change in contribution rates.

Section 7 amends section 187.05, subdivision 6 ("Withdrawals and distributions"), to add a date, July 1, 2028, by which the Board must include lifetime income options as an alternative for distributing a covered employee's IRA. This gives the Board more time to put this distribution option in place.

Section 8 amends section 187.07, subdivision 1 ("Requirement to enroll employees"), to require covered employers to enroll a covered employee no later than 30 days after the employee's first day of employment.

New paragraph (b) adds the following contribution rates, which apply unless the covered employee has elected a different contribution rate or not to contribute:

- 5% for the first year of participation;
- 6% for the second year;
- 7% for the third year;
- 8% for the fourth year and each year thereafter.

New paragraph (c) states that the requirement to enroll covered employees does not apply to a covered employer until the enrollment window has opened. When the window opens, the covered employer must enroll all covered employees no later than 30 days after the end of the enrollment window.

Section 9 amends section 187.07, subdivision 2 (“Remitting contributions”), to require covered employers to remit payroll deduction contributions to the Program as soon as practicable and no later than 30 days after the date of each paycheck.

Section 10 amends section 187.07, subdivision 3 (“Distribution of information”), to require covered employers to distribute information to each covered employee no later than 14 days after the covered employee’s first day of employment.

New paragraph (b) states that the requirement to distribute information does not apply to a covered employer until the covered employer’s enrollment window has opened. The covered employer must provide the information no later than 14 days before the date of the first paycheck from which employee contributions could be deducted for transmittal to the Program.

Section 11 amends section 187.07, subdivision 6 (“Enforcement”), gives the Board discretion to impose statutory criminal penalties against any covered employer that fails to comply with the remittal of contributions requirement. The Board still has discretion to impose civil penalties for failure to comply with the enrollment, distribution of information, and remittal of contributions requirements.

Paragraph (c) is amended to require the Board to give covered employers who fail to comply with the enrollment or distribution of information requirements written warnings for two years before assessing penalties. Notably, remittal of contributions withheld from paychecks is not included in the requirement to give written warnings for two years before assessing penalties.

Section 12 amends section 187.08, subdivision 3 (“Membership terms”), to add a new clause (2), which states that the initial term for two of the Board members is three years, rather than the current two years. The Board members specified are the Commission-appointed retirement plan investments professional and the Governor-appointed human resources executive. This will allow for staggered terms.

Section 13 amends section 187.08, subdivision 7 (“Executive director; staff”), to add the following requirements for the executive director:

- New paragraph (b) permits the executive director to participate but not vote on any matter before the Board and prohibits participation by the executive director in any matter before the Board that is likely to result in direct measurable economic gain to the executive director or family.

- New paragraph (c) requires the executive director to file an economic interest statement with the Campaign Finance and Public Disclosure Board.

Section 14 amends section 187.11 (“Other state agencies to provide assistance”), to add the Commissioner of DEED to the specifically noted state agencies with which the Board may enter into an intergovernmental agreement.

Section 15 adds new section 187.12 (“Penalties for noncompliance”), which is divided into four subdivisions.

<u>New subdivision 1</u> (“Failure to enroll covered employees or distribute information”), states that the Board may assess penalties against a covered employer that fails to comply with the requirement to enroll covered employers and transmit payroll deduction contributions (section 187.07, subdivision 1) or fails to distribute required information to covered employers (section 187.07, subdivision 3) or fails to do both. Penalties start on the second anniversary of the date on which the covered employer was first required to comply with these requirements:

- on the second anniversary, $100 per covered employee, not to exceed $4,000;
- on the third anniversary, $200 per covered employee, not to exceed $6,000;
- on the fourth anniversary, $300 per covered employee, with no maximum; and
- on each anniversary after the fourth anniversary, $500 per covered employee, with no maximum.

If the covered employer fails to comply with both requirements, the penalty is doubled. The date a covered employer is first required to comply is defined in subdivision 1, paragraphs (d) and (e).

<u>New subdivision 2</u> (“Notice and waiver”), states that the Board must provide the covered employer with a written notice that states the amount of the penalty and informs the covered employer that the covered employer has 30 days to cure the violation or may request a waiver of the penalty from the Board for “extenuating circumstances.”

<u>New subdivision 3</u> (“Failure to remit contributions”), states that if a covered employer fails to remit payroll deduction contributions withheld from employee paychecks within 30 days after the deduction is withheld, the executive director of the Program must make a written demand to the covered employer requiring the covered employer to immediately remit the withheld contributions to the Program with interest at the annual rate in section 356.59, subdivision 2, which is currently 7%. Interest starts to accrue on the tenth day after the deduction was withheld.

If the covered employer “*willfully and intentionally*” fails to remit a payroll deduction contribution within ten days after demand, the covered employer is guilty of a misdemeanor. If the executive director of the Program issues a second written demand, the executive director must assess a penalty of $250 per employee deduction withheld.

<u>New subdivision 4</u> (“Action; damages”), consists of four paragraphs:

(a) A covered employee or the Attorney General is authorized to bring a civil action against a covered employer for any of the compliance failures. If the covered employer is found to have committed a violation, the covered employer is liable to the Program for the penalties noted above, plus compensatory damages and other appropriate relief.

(b) The Attorney General is authorized to bring a criminal action, upon referral from the Board, against a covered employer for the willful and intentional failure to remit contributions.

(c) An action under this subdivision may be filed in the district court of the county where the violation was committed, where the covered employer has a principal place of business, or any other court of competent jurisdiction.

(d) In an action under this subdivision, the court must order a covered employer who is found to have committed a violation to pay the Program or covered employee court costs and attorney fees.

All sections are effective the day following final enactment.

Article 10: Public Pension Plans: Amortization of Liabilities; Correction of Errors

Sources: SF 3453 (Pappas)/HF 3249 (Lillie)
SF 2884 (Frentz)/HF 1889 (O'Driscoll/Lillie)
SF 2980 (Seeberger)/HF 2386 (O'Driscoll/Lillie), as amended by Amendment H2386-1A

Sections 1 to 5 are the legislation recommended by the Amortization Work Group established by the 2024 Omnibus Pension bill. The purpose of the Amortization Work Group was to recommend legislation amending Minnesota Statutes, section 356.215, subdivision 11, to conform to current actuarial best practices for amortizing liabilities. The work group met during the interim between the 2024 and 2025 legislative sessions and produced a report and recommended legislation.

Sections 1 to 5 amend section 356.215, which governs all the public pension plans. Sections 1 to 3 and 5 update definitions, clarify language, and remove unnecessary language.

Section 4 re-writes subdivision 11 ("Amortization contributions") by deleting most of the language in this subdivision and inserting new amortization periods that apply to changes in unfunded actuarial accrued liabilities, depending on the reason for the change. The change and the applicable amortization period are as follows:

- experience gain or loss: 15 years
- assumption or method changes: 20 years
- active member benefit changes: 15 years
- long-term inactive member benefit changes: 15 years
- short-term inactive member benefit changes: match the period during which the benefit change is in effect
- annual contribution that is more or less than the actuarially determined contribution: 15 years

Unfunded actuarial accrued liability as of July 1, 2024, must be amortized over a period that ends June 30, 2048, which is the current statutory amortization end date.

Sections 6 to 7 amend section 356.636 ("Correction of errors"), which applies to the pension and retirement plans administered by MSRS, PERA, Teachers Retirement Association, and St. Paul Teachers Retirement Fund Association. This section authorizes the executive directors of the pension funds to correct errors if necessary to preserve the tax-qualified status of a pension plan, in accordance with the IRS' EPCRS correction program.

Section 6 amends subdivision 2 to remove references to particular types of errors and clarifies that an error may be corrected if the error was made by the pension fund.

Section 7 brings the reporting requirement into conformity with the changes made in section 6, by not specifically listing the types of errors that can be corrected by the executive director. Section 7 also revises the requirement to report errors corrected during the prior calendar year to the Commission by stating that the annual report does not need to include:

- errors corrected in the ordinary course of business, which is defined in new paragraph (c); and
- correction authorized by current law.

Sections 1 to 3 and 5 to 7 are effective the day following final enactment.
Section 4 is effective beginning with the July 1, 2025, actuarial valuations.