

**PENSION AID  
Police State Aid Employment  
Qualifications Modified**

April 22, 2026

Department of Revenue  
Analysis of S.F. 4570 (Hauschild) as introduced

	<b>Yes</b>	<b>No</b>
DOR Administrative Costs/Savings		<b>X</b>

**Fund Impact**

	<u>F.Y. 2026</u>	<u>F.Y. 2027</u>	<u>F.Y. 2028</u>	<u>F.Y. 2029</u>
	(000's)			
General Fund	\$0	\$0	\$0	\$0

Effective beginning with aids payable in 2026.

**EXPLANATION OF THE BILL**

Under current law, police state aid is apportioned to police departments based on the total number of peace officers employed by each police department in the prior calendar year and the fractional number who were employed less than a calendar year, whereby each full month of employment is credited as 1/12 of the entire year. However, to have their months of employment qualify for aid, a peace officer must have been employed by the police department for at least six months before December 31 preceding the date of the current year's certification.

Under the proposal, for police departments of a city, town, or county with a population of less than 5,000, the minimum number of employment months to qualify for aid would be reduced from six months to two months. Peace officers of all other police departments would still need to meet the six-month minimum to have their months of employment qualify for aid.

**REVENUE ANALYSIS DETAIL**

- Under current law and under the proposal, it is estimated that 380 police departments would receive Police State Aid in calendar year 2026.
- Under the proposal, it is estimated that approximately 160 police departments would be eligible to include the employment of peace officers who worked for at least two months but less than six months.
- It is estimated that each year approximately 25% of eligible police departments would have peace officers who were employed for at least two months but less than six months.
- Beginning with aids payable in 2026, the proposal would result in aid shifting **from** police departments that did not have (or are not eligible to include) any peace officers employed for at least two months but less than six months **to** police departments that did have peace officers employed for at least two months but less than six months.
- Note: Police State Aid apportionments are capped by the employer's total prior calendar year obligation to the Public Employees Retirement Association (PERA). Under the proposal, the impact of the payment cap could result in slight changes to the total aid distributed.
- It is assumed that there would be no impact on the state general fund.

Source: Minnesota Department of Revenue  
Property Tax Division – Research Unit