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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 5137

03/21/2024 Authored by Wolgamott The bill was read for the first time and referred to the Committee on State and Local Government Finance and Policy

1.1 A bill for an act
1.2 relating to retirement; public employees police and fire retirement plan; permitting
1.3 payment of a normal retirement annuity without reduction or suspension upon
1.4 employment or reemployment on or after 55 years of age; amending Minnesota
1.5 Statutes 2022, sections 353.01, by adding a subdivision; 353.37, subdivisions 1b,
1.6 2; proposing coding for new law in Minnesota Statutes, chapter 353.

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

1.8 Section 1. Minnesota Statutes 2022, section 353.01, is amended by adding a subdivision
1.9 to read:

1.10 Subd. 4a. Annuity starting date. "Annuity starting date" means the first day of the first
1.11 period for which an amount is payable as an annuity.

1.12 Sec. 2. Minnesota Statutes 2022, section 353.37, subdivision 1b, is amended to read:

1.13 Subd. 1b. **Retirement age.** For purposes of this section, "retirement age" means:
1.14 (1) retirement age as defined in United States Code, title 42, section 416(1); and
1.15 (2) 55 years of age for the public employees police and fire retirement plan.

1.16 Sec. 3. Minnesota Statutes 2022, section 353.37, subdivision 2, is amended to read:

1.17 Subd. 2. **Suspension of annuity.** (a) The association shall suspend the annuity on the
1.18 first of the month after the month in which the salary of the reemployed annuitant described
1.19 in subdivision 1, paragraph (a), exceeds the maximums set in subdivision 1, paragraph (b),
1.20 based only on those months in which the annuitant is actually employed in nonelective
1.21 public service in a position covered under this chapter or employment with a labor

2.1 organization that represents public employees who are members of a retirement plan under
2.2 this chapter or chapter 353E.

2.3 (b) An annuitant who is elected to public office after retirement may hold that office
2.4 and receive an annuity otherwise payable from a retirement plan administered by the
2.5 association.

2.6 (c) The association must not suspend an annuity based on an annuitant's reemployment,
2.7 regardless of the annuitant's income, if the annuitant has reached retirement age.

2.8 Sec. 4. **[353.6515] RETIREMENT ANNUITY WITHOUT SEPARATION FROM**
2.9 **PUBLIC SERVICE.**

2.10 Subdivision 1. Retirement annuity while employed. Any member of the public
2.11 employees police and fire retirement plan who has not separated from public service, has
2.12 attained at least 55 years of age, and is partially or 100 percent vested under section 353.01,
2.13 subdivision 47, is entitled upon application to a normal retirement annuity under section
2.14 353.651. In the application, the member must designate an annuity starting date that must
2.15 not be earlier than the date on which the member attains 55 years of age.

2.16 Subd. 2. Effect on retirement annuity and contributions. Continued employment by
2.17 a member described in subdivision 1 must not increase or decrease the amount of the
2.18 member's annuity. Neither the member nor the member's employer may make any further
2.19 contributions to the public employees police and fire retirement plan by reason of the
2.20 member's continued employment.

2.21 Sec. 5. **EFFECTIVE DATE.**

2.22 Sections 1 to 4 are effective January 1, 2025.