

**SENATE  
STATE OF MINNESOTA  
NINETY-THIRD SESSION**

**S.F. No. 1393**

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DATE  
02/08/2023

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Introduction and first reading  
Referred to State and Local Government and Veterans

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to retirement; increasing the cap on the employer contribution to the  
1.3 international union of operating engineers pension fund; amending Minnesota  
1.4 Statutes 2022, section 356.24, subdivision 1.

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

1.6 Section 1. Minnesota Statutes 2022, section 356.24, subdivision 1, is amended to read:

1.7 Subdivision 1. **Restriction; exceptions.** It is unlawful for a school district or other  
1.8 governmental subdivision or state agency to levy taxes for or to contribute public funds to  
1.9 a supplemental pension or deferred compensation plan that is established, maintained, and  
1.10 operated in addition to a primary pension program for the benefit of the governmental  
1.11 subdivision employees other than:

1.12 (1) to a supplemental pension plan that was established, maintained, and operated before  
1.13 May 6, 1971;

1.14 (2) to a plan that provides solely for group health, hospital, disability, or death benefits;

1.15 (3) to the individual retirement account plan established by chapter 354B;

1.16 (4) to a plan that provides solely for severance pay under section 465.72 to a retiring or  
1.17 terminating employee;

1.18 (5) to a deferred compensation plan defined in subdivision 3;

1.19 (6) for personnel employed by the Board of Trustees of the Minnesota State Colleges  
1.20 and Universities and not covered by clause (5), to the supplemental retirement plan under  
1.21 chapter 354C, if the supplemental plan coverage is provided for in a personnel policy or in  
1.22 the collective bargaining agreement of the public employer with the exclusive representative

2.1 of the covered employees in an appropriate unit, in an amount matching employee  
2.2 contributions on a dollar for dollar basis, but not to exceed an employer contribution of  
2.3 \$2,700 a year for each employee;

2.4 (7) to a supplemental plan or to a governmental trust to save for postretirement health  
2.5 care expenses qualified for tax-preferred treatment under the Internal Revenue Code, if the  
2.6 supplemental plan coverage is provided for in a personnel policy or in the collective  
2.7 bargaining agreement of a public employer with the exclusive representative of the covered  
2.8 employees in an appropriate unit;

2.9 (8) to the laborers national industrial pension fund or to a laborers local pension fund  
2.10 for the employees of a governmental subdivision who are covered by a collective bargaining  
2.11 agreement that provides for coverage by that fund and that sets forth a fund contribution  
2.12 rate, but not to exceed an employer contribution of \$7,000 per year per employee;

2.13 (9) to the plumbers and pipefitters national pension fund or to a plumbers and pipefitters  
2.14 local pension fund for the employees of a governmental subdivision who are covered by a  
2.15 collective bargaining agreement that provides for coverage by that fund and that sets forth  
2.16 a fund contribution rate, but not to exceed an employer contribution of \$5,000 per year per  
2.17 employee;

2.18 (10) to the international union of operating engineers pension fund for the employees  
2.19 of a governmental subdivision who are covered by a collective bargaining agreement that  
2.20 provides for coverage by that fund and that sets forth a fund contribution rate, but not to  
2.21 exceed an employer contribution of ~~\$5,000~~ \$10,000 per year per employee;

2.22 (11) to the International Association of Machinists national pension fund for the  
2.23 employees of a governmental subdivision who are covered by a collective bargaining  
2.24 agreement that provides for coverage by that fund and that sets forth a fund contribution  
2.25 rate, but not to exceed an employer contribution of \$5,000 per year per employee;

2.26 (12) for employees of United Hospital District, Blue Earth, to the state of Minnesota  
2.27 deferred compensation program, if the employee makes a contribution, in an amount that  
2.28 does not exceed the total percentage of covered salary under section 353.27, subdivisions  
2.29 3 and 3a;

2.30 (13) to the alternative retirement plans established by the Hennepin County Medical  
2.31 Center under section 383B.914, subdivision 5; or

2.32 (14) to the International Brotherhood of Teamsters Central States pension plan for  
2.33 fixed-route bus drivers employed by the St. Cloud Metropolitan Transit Commission who

- 3.1 are members of the International Brotherhood of Teamsters Local 638 by virtue of that
- 3.2 employment.