On January 24, 2025, the Minnesota Supreme Court held that 68 members are necessary to constitute a quorum of the House. 12/04/24 This document reflects proceedings that occurre the forest had decision was issued and are no longer active. 25-00758 See Simon v. Demuth, No. A25-0066 (Minn. Jan. 24, 2025) (consolidated with Hortman et al. v. Demuth et al., No. A25-0068).

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## State of Minnesota HOUSE OF REPRESENTATIVES H. F. No. 243

## NINETY-FOURTH SESSION

Authored by Roach, Altendorf, Witte, Duran and Repinski The bill was read for the first time and referred to the Committee on State Government Finance and Policy 01/23/2025

1.1	A bill for an act
1.2 1.3 1.4	relating to retirement; public employees police and fire retirement plan; increasing the reemployment earnings limit applicable to disability benefit payments; amending Minnesota Statutes 2024, section 353.656, subdivision 4.
1.5	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
1.6	Section 1. Minnesota Statutes 2024, section 353.656, subdivision 4, is amended to read:
1.7	Subd. 4. Limitation on disability benefit payments. (a) No member is entitled to
1.8	receive a disability benefit payment when there remains to the member's credit unused
1.9	annual leave, sick leave, or any other employer-provided salary continuation plan, or under
1.10	any other circumstances when, during the period of disability, there has been no impairment
1.11	of the person's salary as a police officer, a firefighter, or a paramedic as defined in section
1.12	353.64, subdivision 10, whichever applies.
1.13	(b) This paragraph applies to members who begin disability payments before July 1,
1.14	2023, and either are not required to reapply under section 353.031, subdivision 8, or have
1.15	not reached the end of one year or three years, as applicable, when reapplication under
1.16	section 353.031, subdivision 8, is required. If a disabled member resumes a gainful
1.17	occupation with earnings that, when added to the single life disability benefit, and workers'
1.18	compensation benefit if applicable, exceed the disability benefit recipient's reemployment
1.19	earnings limit, the amount of the disability benefit must be reduced during the months of
1.20	employment and receipt of workers' compensation benefits, if applicable, as provided in
1.21	this paragraph. The disability benefit recipient's reemployment earnings limit is the greater
1.22	of (1) the monthly salary earned at the date of disability, or (2) $\frac{125 150}{125}$ percent of the base

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2.1 monthly salary currently paid by the employing governmental subdivision for similar2.2 positions.

The disability benefit must be reduced by one dollar for each three dollars by which the
total amount of the current monthly disability benefit, any monthly workers' compensation
benefits if applicable, and actual monthly earnings exceed the greater disability benefit
recipient's reemployment earnings limit. In no event may the monthly disability benefit as
adjusted under this subdivision exceed the disability benefit originally allowed.

(c) This paragraph applies to members who begin disability payments or are required
to reapply under section 353.031, subdivision 8, on or after July 1, 2023. Beginning the
calendar year after application or reapplication, if a disabled member resumes a gainful
occupation with earnings, the amount of the member's disability benefit must be reduced
each year until normal retirement age by the sum of clauses (1) and (2), not to exceed the
amount of the member's disability benefit:

(1) for members with less than 20 years of service for a duty disability benefit or less
than 15 years of service for a regular disability benefit, one dollar for each dollar of
reemployment earnings, but not more than the lesser of (i) and (ii), and not to exceed the
employee contribution rate as defined under section 353.65, subdivision 2, multiplied by
the average salary used to determine the amount of the member's disability benefit when
granted:

(i) an amount equal to the employee contribution rate as defined under section 353.65,
subdivision 2, multiplied by the average salary used to determine the amount of the member's
disability benefit, when granted, multiplied by the difference between 20 for a duty disability
benefit or 15 for a regular disability benefit and the member's years of service, divided by
55 minus the member's age at the time of disability; or

2.25 (ii) 50 percent of the member's yearly reemployment earnings; and

2.26 (2) for all members:

2.27 (i) one dollar for every two dollars, up to 125 150 percent of the base monthly salary,
2.28 by which the sum exceeds the base monthly salary; and

2.29 (ii) one dollar for each dollar by which the sum exceeds <u>125</u><u>150</u> percent of the base
2.30 monthly salary;

2.31 where "sum" means the sum of the current disability benefit plus actual monthly

2.32 reemployment earnings and "base monthly salary" means the base monthly salary currently

2.33 paid by the employing governmental subdivision for similar positions.

Section 1.

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- 3.1 (d) Paragraphs (b) and (c) do not apply to a member receiving total and permanent
- 3.2 disability benefits under section 353.656, subdivision 1a or 3a.
- 3.3 **EFFECTIVE DATE.** This section is effective the day following final enactment.