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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 2780

03/09/2023

Authored by Garofalo

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; increasing
1.3 the reemployment earnings limit applicable to disability benefit payments; amending
1.4 Minnesota Statutes 2022, section 353.656, subdivision 4.

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

1.6 Section 1. Minnesota Statutes 2022, 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) If a disabled member resumes a gainful occupation with earnings that, when added
1.14 to the single life disability benefit, and workers' compensation benefit if applicable, exceed
1.15 the disability benefit recipient's reemployment earnings limit, the amount of the disability
1.16 benefit must be reduced during the months of employment and receipt of workers'
1.17 compensation benefits, if applicable, as provided in this paragraph. The disability benefit
1.18 recipient's reemployment earnings limit is the greater of:

1.19 (1) the monthly salary earned at the date of disability; or

1.20 (2) ~~125~~ 150 percent of the base monthly salary currently paid by the employing
1.21 governmental subdivision for similar positions.

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

2.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.