

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-NINTH SESSION**

**S.F. No. 1774**

(SENATE AUTHORS: HAYDEN)

| DATE       | D-PG | OFFICIAL STATUS  |
|------------|------|--|
| 03/16/2015 | 901  | Introduction and first reading<br>Referred to State and Local Government |

A bill for an act

relating to pensions; adjusting benefits for certain former members of a local salaried police and fire relief association; amending Minnesota Statutes 2014, section 353.65, by adding a subdivision.

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

Section 1. Minnesota Statutes 2014, section 353.65, is amended by adding a subdivision to read:

Subd. 8. **Police and fire adjustment.** (a) The executive director of the Public Employees Retirement Association shall adjust the service, disability, and surviving spouse pensions or benefits for any person who was a former member of a local salaried police or firefighters relief association governed by chapter 423A that consolidated with the Public Employees Retirement Association Police and Fire Fund under Minnesota Statutes 2012, chapters 353A and 353B, who retained the benefits under the local police or firefighters relief association laws. Benefits must be adjusted according to paragraph (b).

(b) Effective July 1, 2015, the pension, disability, and survivor benefits of persons described in paragraph (a) must be adjusted as follows: all persons receiving a service pension based on 20 years or more of service or a disability pension must have their benefits increased to \$38,000 annually or by 20 percent, whichever amount is less. All surviving spouses who receive a benefit must have their benefits increased to \$30,000 annually or by 20 percent, whichever amount is less.

(c) Benefits as adjusted by paragraph (b) must continue to be adjusted on January 1, 2016, according to postretirement adjustments by the Public Employees Retirement Association Police and Fire Fund.

2.1            (d) The estimated cost of the benefit improvements in this subdivision is \$5,300,000.  
2.2            In order to fund the benefits provided in this subdivision, the supplemental state aid  
2.3            authorized in section 423A.022 that would otherwise terminate under section 423A.022,  
2.4            subdivision 5, must continue for an additional one year and must be payable solely to the  
2.5            public employees police and fire retirement plan.

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