

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

**S.F. No. 3601**

(SENATE AUTHORS: ROSEN and Howe)

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OFFICIAL STATUS  
Introduction and first reading  
Referred to State Government Finance and Policy and Elections

1.1 A bill for an act  
1.2 relating to retirement; public employees police and fire plan; modifying contribution  
1.3 rates; amending Minnesota Statutes 2020, sections 353.63; 353.65, subdivisions  
1.4 2, 3.

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

1.6 Section 1. Minnesota Statutes 2020, section 353.63, is amended to read:

1.7 **353.63 POLICY.**

1.8 It is the recognized policy of the state that special consideration should be given to  
1.9 employees of governmental subdivisions who devote their time and skills to protecting the  
1.10 property and personal safety of others. Since this work is hazardous, special provisions are  
1.11 hereby made for retirement pensions, disability benefits and survivors benefits based on the  
1.12 particular dangers inherent in these occupations. The benefits provided in sections 353.63  
1.13 to 353.68 are more costly than similar benefits for other public employees since they are  
1.14 computed on the basis of a shorter working lifetime taking into account experience which  
1.15 has been universally recognized. This extra cost should be borne by the employee and  
1.16 employer ~~alike at the~~ in a ratio of no greater than 40 percent employee contributions and  
1.17 no less than 60 percent employer contributions, as determined by the legislature.

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

1.19 Sec. 2. Minnesota Statutes 2020, section 353.65, subdivision 2, is amended to read:

1.20 Subd. 2. **Employee contribution.** (a) For members other than members who were active  
1.21 members of the former Minneapolis Firefighters Relief Association on December 29, 2011,  
1.22 or for members other than members who were active members of the former Minneapolis

2.1 Police Relief Association on December 29, 2011, the employee contribution is an amount  
2.2 equal to the following percentage of the total salary of each member, as follows:

|     |   |                  |
|-----|---|------------------|
| 2.3 | before January 1, 2019  | 10.8 percent     |
| 2.4 | from January 1, 2019, through December 31, 2019                         | 11.3 percent     |
| 2.5 | from January 1, 2020, <del>and thereafter</del> <u>through June 30,</u> |                  |
| 2.6 | <u>2022</u>   | 11.8 percent     |
| 2.7 | <u>from July 1, 2022, and thereafter</u>                                | <u>7 percent</u> |

2.8 (b) For members who were active members of the former Minneapolis Firefighters Relief  
2.9 Association on December 29, 2011, the employee contribution is an amount equal to eight  
2.10 percent of the monthly unit value under section 353.01, subdivision 10a, multiplied by 80  
2.11 and expressed as a biweekly amount for each member. The employee contribution made  
2.12 by a member with at least 25 years of service credit as an active member of the former  
2.13 Minneapolis Firefighters Relief Association must be deposited in the postretirement health  
2.14 care savings account established under section 352.98.

2.15 (c) For members who were active members of the former Minneapolis Police Relief  
2.16 Association on December 29, 2011, the employee contribution is an amount equal to eight  
2.17 percent of the monthly unit value under section 353.01, subdivision 10b, multiplied by 80  
2.18 and expressed as a biweekly amount for each member. The employee contribution made  
2.19 by a member with at least 25 years of service credit as an active member of the former  
2.20 Minneapolis Police Relief Association must be deposited in the postretirement health care  
2.21 savings account established under section 352.98.

2.22 (d) Contributions under this section must be made by deduction from salary in the manner  
2.23 provided in subdivision 4. Where any portion of a member's salary is paid from other than  
2.24 public funds, the member's employee contribution is based on the total salary received from  
2.25 all sources.

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

2.27 Sec. 3. Minnesota Statutes 2020, section 353.65, subdivision 3, is amended to read:

2.28 Subd. 3. **Employer contribution.** (a) With respect to members other than members who  
2.29 were active members of the former Minneapolis Firefighters Relief Association on December  
2.30 29, 2011, or for members other than members who were active members of the former  
2.31 Minneapolis Police Relief Association on December 29, 2011, the employer contribution  
2.32 is an amount equal to the following percentage of the total salary of each member, as follows:

|      |   |               |
|------|---|---------------|
| 2.33 | before January 1, 2019                          | 16.2 percent  |
| 2.34 | from January 1, 2019, through December 31, 2019 | 16.95 percent |

3.1 from January 1, 2020, ~~and thereafter~~ through June 30,  
3.2 2022 17.7 percent  
3.3 from July 1, 2022, and thereafter 22.5 percent

3.4 (b) With respect to members who were active members of the former Minneapolis  
3.5 Firefighters Relief Association on December 29, 2011, the employer contribution is an  
3.6 amount equal to the amount of the member contributions under subdivision 2, paragraph  
3.7 (b).

3.8 (c) With respect to members who were active members of the former Minneapolis Police  
3.9 Relief Association on December 29, 2011, the employer contribution is an amount equal  
3.10 to the amount of the member contributions under subdivision 2, paragraph (c).

3.11 (d) Contributions under this subdivision must be made from funds available to the  
3.12 employing subdivision by the means and in the manner provided in section 353.28.

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