CHAPTER 34--S.F.No. 2957

An act relating to retirement; Minnesota State Retirement System; Public Employees Retirement Association; permitting payment of retirement annuities during employment as a health care worker; amending Laws 2020, chapter 79, article 5, section 1.

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

Section 1. Laws 2020, chapter 79, article 5, section 1, is amended to read:

Section 1. **PERMITTING PAYMENT OF RETIREMENT ANNUITY DURING PERIOD OF EMPLOYMENT AS A HEALTH CARE WORKER ~~DURING A PEACETIME EMERGENCY~~.**

Subdivision 1. **Definitions.** For purposes of this section:

(1) "health care worker" means a person, whether licensed or unlicensed, employed by a public employer ~~during a peacetime emergency~~ to provide health care, health-care-related services, or long-term care, including any person who provides operational support to a direct patient care environment;

~~(2) "peacetime emergency" means any peacetime emergency declared by the governor in an executive order that relates to the infectious disease known as COVID-19;~~

(2) "phased retirement agreement" means an agreement described in Minnesota Statutes, section 353.371, between an employee, who is at least age 62, and the employee's public employer;

(3) "postretirement option position" means the position filled by a terminated state employee who returns to employment with a public employer under Minnesota Statutes, section 43A.346;

~~(3)~~ (4) "public employer" means any political subdivision or executive branch agency of the state, including any county, municipality, ~~and~~ Hennepin Healthcare System, Inc., and any other employer participating in a pension plan administered by the Minnesota State Retirement System or the Public Employees Retirement Association; and

~~(4) "reemployment year" means the 12-month period that a person is covered by a phased retirement agreement under Minnesota Statutes, section 353.371, or in a postretirement option position under Minnesota Statutes, section 43A.346.~~

(5) "retiree" means a person who is retired or was considered retired under a pension plan administered by the Public Employees Retirement Association or the Minnesota State Retirement System and is receiving or is about to begin receiving a retirement annuity from such a pension plan. A person who has terminated public service covered by the pension plan and has satisfied the conditions to begin receiving a retirement annuity is considered a retiree.

Subd. 1a. **Health care workers to continue receiving retirement annuity.** Notwithstanding any state law to the contrary, a person who is receiving a retirement annuity and is employed by a public employer as a health care worker on or after March 13, 2020, must continue to receive the retirement annuity as provided in subdivision 2 or 3, as applicable, and the person's annuity must not be suspended or reduced due to employment as a health care worker. A person is considered employed as a health care worker on or

after March 13, 2020, if the person was hired by a public employer before March 13, 2020, and the person was a health care worker on or after March 13, 2020.

Subd. 2. **~~Health care workers to continue receiving retirement annuities~~ No earnings limitations or annuity reduction or suspension for retirees.** ~~(a) Notwithstanding any law to the contrary, a person is entitled to continue to receive a retirement annuity if the person:~~

~~(1) is receiving a retirement annuity and has not been employed in public service for at least 30 days or has been retired for at least 30 days and is about to begin receiving a retirement annuity from any of the pension plans administered by the Public Employees Retirement Association or from any of the pension plans administered by the Minnesota State Retirement System; and~~

~~(2) is hired or rehired by a public employer as a health care worker on or after the effective date of a declaration of a peacetime emergency~~.

(a) A retiree must continue or begin to receive a retirement annuity if the retiree would otherwise be entitled to continue or begin to receive a retirement annuity had the person not become employed by a public employer as a health care worker.

(b) A ~~person described in paragraph (a)~~ retiree is not subject to the provisions of Minnesota Statutes, section 352.115, subdivision 10, or 353.37, including any provisions that limit the number of hours or percentage of time worked, salary earned, or any other pay of any kind, and the monthly amount of the ~~person's~~ retiree's retirement annuity ~~shall~~ must not ~~change~~ be reduced or suspended as a result of employment ~~during a peacetime emergency~~ covered by this section, notwithstanding ~~the~~ additional hours and higher percentage of time worked, salary earned, or any other pay of any kind received by the ~~person~~ retiree.

(c) ~~Notwithstanding any law to the contrary,~~ A public employer may hire or rehire a ~~person~~ retiree under this ~~subdivision~~ section without ~~either~~ the public employer or the ~~person~~ retiree having to enter into or comply with the requirements of Minnesota Statutes, section 43A.346 or 353.371.

Subd. 3. **No limitation on hours or percentage of time worked or duration of employment under a postretirement option.** (a) A ~~health care worker~~ person described in subdivision 1a who ~~entered~~ enters into a phased retirement agreement under Minnesota Statutes, section 353.371, before ~~the effective date of this section~~, on, or after May 13, 2020, or ~~has been~~ is employed in a postretirement option position under Minnesota Statutes, section 43A.346, ~~since~~ before ~~the effective date of this section~~, on, or after May 13, 2020, shall not be subject to any limitation on the number of hours or percentage of time worked, salary earned, any other pay of any kind, or duration of employment imposed by Minnesota Statutes, section 43A.346 or 353.371, as applicable~~, during any reemployment year that includes the date on which this section expires~~.

(b) ~~Upon the expiration of a peacetime emergency,~~ The health care worker ~~shall~~ must continue to be covered by the phased retirement agreement or continue employment in the postretirement option position, as applicable, if the health care worker elects to continue employment, subject to the consent of the public employer, except that the limitation on the number of hours or percentage of time worked shall not apply until the ~~reemployment~~ year that begins ~~after the reemployment year that includes the date on which this section expires~~ after the expiration date in subdivision 4.

(c) The period of employment ~~during a peacetime emergency shall~~ covered by this section may be added to and ~~shall~~ extend the period of employment governed by the phased retirement agreement under Minnesota Statutes, section 353.371, subdivision 4, or in a postretirement option position under Minnesota Statutes,

section 43A.346, subdivision 6, as applicable, if elected by the health care worker, with the consent of the public employer.

(d) The requirements of Minnesota Statutes, sections 43A.346 and 353.371, prohibiting the crediting of additional service toward the health care worker's annuity and prohibiting the making of employee or employer contributions during employment covered by a phased retirement agreement or in a postretirement option position, as applicable, shall apply during ~~a peacetime emergency~~ employment covered by this section. The monthly amount of the health care worker's retirement annuity shall not ~~change~~ be reduced or suspended as a result of such employment ~~during a peacetime emergency~~, notwithstanding any increase in the hours and percentage of time worked by the health care worker.

(e) Nothing in this section shall be considered as terminating (1) a phased retirement agreement under Minnesota Statutes, section 353.371, or (2) the employment of a health care worker in a postretirement option position under Minnesota Statutes, section 43A.346.

Subd. 4. **Expiration date.** This section expires on December 31 ~~of the year in which the peacetime emergency expires or is terminated or rescinded by proper authority~~, 2023.

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