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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 859

01/25/2023

Authored by Frazier

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; Teachers Retirement Association; removing a restriction  
1.3 on compensation that counts as covered salary for teachers working for a labor  
1.4 organization; amending Minnesota Statutes 2022, section 354.41, subdivision 4a.

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

1.6 Section 1. Minnesota Statutes 2022, section 354.41, subdivision 4a, is amended to read:

1.7 Subd. 4a. **Limitations on salary and contributions.** The covered salary for a labor  
1.8 organization employee who qualifies for membership under this section is ~~limited to the~~  
1.9 ~~lesser of:~~

1.10 ~~(1) the employee's actual salary as defined under section 354.05, subdivision 35; or~~

1.11 ~~(2) 75 percent of the salary of the governor as set under section 15A.082.~~

1.12 The ~~limited~~ covered salary determined under this subdivision must be used in determining  
1.13 employee, employer, and employer additional contributions under section 354.42,  
1.14 subdivisions 2, 3, and 5, and in determining retirement annuities and other benefits under  
1.15 this chapter and chapter 356.

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