

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

S.F. No. 3550

(SENATE AUTHORS: ROSEN, Pappas, Senjem, Jasinski and Anderson, P.)

DATE	D-PG	OFFICIAL STATUS
02/24/2020		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; volunteer firefighter relief associations; increasing the

1.3 maximum lump-sum service pension amount; amending Minnesota Statutes 2018,

1.4 section 424A.02, subdivision 3; repealing Laws 2018, chapter 211, article 14,

1.5 section 29.

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

1.7 Section 1. Minnesota Statutes 2018, section 424A.02, subdivision 3, is amended to read:

1.8 Subd. 3. **Flexible service pension maximums.** (a) Annually on or before August 1 as

1.9 part of the certification of the financial requirements and minimum municipal obligation

1.10 determined under section 424A.092, subdivision 4, or 424A.093, subdivision 5, as applicable,

1.11 the secretary or some other official of the relief association designated in the bylaws of each

1.12 defined benefit relief association shall calculate and certify to the governing body of the

1.13 applicable municipality the average amount of available financing per active covered

1.14 firefighter for the most recent three-year period. The amount of available financing includes

1.15 any amounts of fire state aid and police and firefighter retirement supplemental state aid

1.16 received or receivable by the relief association, any amounts of municipal contributions to

1.17 the relief association raised from levies on real estate or from other available revenue sources

1.18 exclusive of fire state aid, and one-tenth of the amount of assets in excess of the accrued

1.19 liabilities of the relief association calculated under section 424A.092, subdivision 2;

1.20 424A.093, subdivisions 2 and 4; or 424A.094, subdivision 2, if any.

1.21 (b) The maximum service pension which the defined benefit relief association has

1.22 authority to provide for in its bylaws for payment to a member retiring after the calculation

1.23 date when the minimum age and service requirements specified in subdivision 1 are met

1.24 must be determined using the table in paragraph (c) or (d), whichever applies.

2.1 (c) For a defined benefit relief association where the governing bylaws provide for a
 2.2 monthly service pension to a retiring member, the maximum monthly service pension amount
 2.3 per month for each year of service credited that may be provided for in the bylaws is the
 2.4 greater of the service pension amount provided for in the bylaws on the date of the calculation
 2.5 of the average amount of the available financing per active covered firefighter or the
 2.6 maximum service pension figure corresponding to the average amount of available financing
 2.7 per active covered firefighter:

2.8	Minimum Average Amount of Available	Maximum Service Pension Amount
2.9	Financing per Firefighter	Payable per Month for Each Year of
2.10		Service
2.11	\$...	\$.25
2.12	41	.50
2.13	81	1.00
2.14	122	1.50
2.15	162	2.00
2.16	203	2.50
2.17	243	3.00
2.18	284	3.50
2.19	324	4.00
2.20	365	4.50
2.21	405	5.00
2.22	486	6.00
2.23	567	7.00
2.24	648	8.00
2.25	729	9.00
2.26	810	10.00
2.27	891	11.00
2.28	972	12.00
2.29	1053	13.00
2.30	1134	14.00
2.31	1215	15.00
2.32	1296	16.00
2.33	1377	17.00
2.34	1458	18.00
2.35	1539	19.00
2.36	1620	20.00
2.37	1701	21.00
2.38	1782	22.00

3.1	1823	22.50
3.2	1863	23.00
3.3	1944	24.00
3.4	2025	25.00
3.5	2106	26.00
3.6	2187	27.00
3.7	2268	28.00
3.8	2349	29.00
3.9	2430	30.00
3.10	2511	31.00
3.11	2592	32.00
3.12	2673	33.00
3.13	2754	34.00
3.14	2834	35.00
3.15	2916	36.00
3.16	2997	37.00
3.17	3078	38.00
3.18	3159	39.00
3.19	3240	40.00
3.20	3321	41.00
3.21	3402	42.00
3.22	3483	43.00
3.23	3564	44.00
3.24	3645	45.00
3.25	3726	46.00
3.26	3807	47.00
3.27	3888	48.00
3.28	3969	49.00
3.29	4050	50.00
3.30	4131	51.00
3.31	4212	52.00
3.32	4293	53.00
3.33	4374	54.00
3.34	4455	55.00
3.35	4536	56.00
3.36	4617	57.00
3.37	4698	58.00
3.38	4779	59.00

4.1	4860	60.00
4.2	4941	61.00
4.3	5022	62.00
4.4	5103	63.00
4.5	5184	64.00
4.6	5265	65.00
4.7	5346	66.00
4.8	5427	67.00
4.9	5508	68.00
4.10	5589	69.00
4.11	5670	70.00
4.12	5751	71.00
4.13	5832	72.00
4.14	5913	73.00
4.15	5994	74.00
4.16	6075	75.00
4.17	6156	76.00
4.18	6237	77.00
4.19	6318	78.00
4.20	6399	79.00
4.21	6480	80.00
4.22	6561	81.00
4.23	6642	82.00
4.24	6723	83.00
4.25	6804	84.00
4.26	6885	85.00
4.27	6966	86.00
4.28	7047	87.00
4.29	7128	88.00
4.30	7209	89.00
4.31	7290	90.00
4.32	7371	91.00
4.33	7452	92.00
4.34	7533	93.00
4.35	7614	94.00
4.36	7695	95.00
4.37	7776	96.00
4.38	7857	97.00

5.1	7938	98.00
5.2	8019	99.00
5.3	8100	100.00
5.4	any amount in excess of	
5.5	8100	100.00

5.6 (d) For a defined benefit relief association in which the governing bylaws provide for a
 5.7 lump-sum service pension to a retiring member, the maximum lump-sum service pension
 5.8 amount for each year of service credited that may be provided for in the bylaws is the greater
 5.9 of the service pension amount provided for in the bylaws on the date of the calculation of
 5.10 the average amount of the available financing per active covered firefighter or the maximum
 5.11 service pension figure corresponding to the average amount of available financing per active
 5.12 covered firefighter for the applicable specified period:

5.13	Minimum Average Amount of Available	Maximum Lump-Sum Service Pension
5.14	Financing per Firefighter	Amount Payable for Each Year of Service
5.15	\$...	\$ 10
5.16	11	20
5.17	16	30
5.18	23	40
5.19	27	50
5.20	32	60
5.21	43	80
5.22	54	100
5.23	65	120
5.24	77	140
5.25	86	160
5.26	97	180
5.27	108	200
5.28	131	240
5.29	151	280
5.30	173	320
5.31	194	360
5.32	216	400
5.33	239	440
5.34	259	480
5.35	281	520
5.36	302	560
5.37	324	600

6.1	347	640
6.2	367	680
6.3	389	720
6.4	410	760
6.5	432	800
6.6	486	900
6.7	540	1000
6.8	594	1100
6.9	648	1200
6.10	702	1300
6.11	756	1400
6.12	810	1500
6.13	864	1600
6.14	918	1700
6.15	972	1800
6.16	1026	1900
6.17	1080	2000
6.18	1134	2100
6.19	1188	2200
6.20	1242	2300
6.21	1296	2400
6.22	1350	2500
6.23	1404	2600
6.24	1458	2700
6.25	1512	2800
6.26	1566	2900
6.27	1620	3000
6.28	1672	3100
6.29	1726	3200
6.30	1753	3250
6.31	1780	3300
6.32	1820	3375
6.33	1834	3400
6.34	1888	3500
6.35	1942	3600
6.36	1996	3700
6.37	2023	3750
6.38	2050	3800

7.1	2104	3900
7.2	2158	4000
7.3	2212	4100
7.4	2265	4200
7.5	2319	4300
7.6	2373	4400
7.7	2427	4500
7.8	2481	4600
7.9	2535	4700
7.10	2589	4800
7.11	2643	4900
7.12	2697	5000
7.13	2751	5100
7.14	2805	5200
7.15	2859	5300
7.16	2913	5400
7.17	2967	5500
7.18	3021	5600
7.19	3075	5700
7.20	3129	5800
7.21	3183	5900
7.22	3237	6000
7.23	3291	6100
7.24	3345	6200
7.25	3399	6300
7.26	3453	6400
7.27	3507	6500
7.28	3561	6600
7.29	3615	6700
7.30	3669	6800
7.31	3723	6900
7.32	3777	7000
7.33	3831	7100
7.34	3885	7200
7.35	3939	7300
7.36	3993	7400
7.37	4047	7500
7.38	4101	7600

8.1	4155	7700
8.2	4209	7800
8.3	4263	7900
8.4	4317	8000
8.5	4371	8100
8.6	4425	8200
8.7	4479	8300
8.8	4533	8400
8.9	4587	8500
8.10	4641	8600
8.11	4695	8700
8.12	4749	8800
8.13	4803	8900
8.14	4857	9000
8.15	4911	9100
8.16	4965	9200
8.17	5019	9300
8.18	5073	9400
8.19	5127	9500
8.20	5181	9600
8.21	5235	9700
8.22	5289	9800
8.23	5343	9900
8.24	5397	10,000
8.25	<u>5451</u>	<u>10,100</u>
8.26	<u>5505</u>	<u>10,200</u>
8.27	<u>5559</u>	<u>10,300</u>
8.28	<u>5613</u>	<u>10,400</u>
8.29	<u>5667</u>	<u>10,500</u>
8.30	<u>5721</u>	<u>10,600</u>
8.31	<u>5775</u>	<u>10,700</u>
8.32	<u>5829</u>	<u>10,800</u>
8.33	<u>5883</u>	<u>10,900</u>
8.34	<u>5937</u>	<u>11,000</u>
8.35	<u>5991</u>	<u>11,100</u>
8.36	<u>6045</u>	<u>11,200</u>
8.37	<u>6099</u>	<u>11,300</u>
8.38	<u>6153</u>	<u>11,400</u>

9.1	<u>6207</u>	<u>11,500</u>
9.2	<u>6261</u>	<u>11,600</u>
9.3	<u>6315</u>	<u>11,700</u>
9.4	<u>6369</u>	<u>11,800</u>
9.5	<u>6423</u>	<u>11,900</u>
9.6	<u>6477</u>	<u>12,000</u>
9.7	<u>6531</u>	<u>12,100</u>
9.8	<u>6585</u>	<u>12,200</u>
9.9	<u>6639</u>	<u>12,300</u>
9.10	<u>6693</u>	<u>12,400</u>
9.11	<u>6747</u>	<u>12,500</u>
9.12	<u>6801</u>	<u>12,600</u>
9.13	<u>6855</u>	<u>12,700</u>
9.14	<u>6909</u>	<u>12,800</u>
9.15	<u>6963</u>	<u>12,900</u>
9.16	<u>7017</u>	<u>13,000</u>
9.17	<u>7071</u>	<u>13,100</u>
9.18	<u>7125</u>	<u>13,200</u>
9.19	<u>7179</u>	<u>13,300</u>
9.20	<u>7233</u>	<u>13,400</u>
9.21	<u>7287</u>	<u>13,500</u>
9.22	<u>7341</u>	<u>13,600</u>
9.23	<u>7395</u>	<u>13,700</u>
9.24	<u>7449</u>	<u>13,800</u>
9.25	<u>7503</u>	<u>13,900</u>
9.26	<u>7557</u>	<u>14,000</u>
9.27	<u>7311</u>	<u>14,100</u>
9.28	<u>7665</u>	<u>14,200</u>
9.29	<u>7719</u>	<u>14,300</u>
9.30	<u>7773</u>	<u>14,400</u>
9.31	<u>7827</u>	<u>14,500</u>
9.32	<u>7881</u>	<u>14,600</u>
9.33	<u>7935</u>	<u>14,700</u>
9.34	<u>7989</u>	<u>14,800</u>
9.35	<u>8043</u>	<u>14,900</u>
9.36	<u>8097</u>	<u>15,000</u>

10.1 any amount in excess of

10.2 ~~5397~~

~~10,000~~

10.3 8097

15,000

10.4 (e) For a defined benefit relief association in which the governing bylaws provide for a
10.5 monthly benefit service pension as an alternative form of service pension payment to a
10.6 lump-sum service pension, the maximum service pension amount for each pension payment
10.7 type must be determined using the applicable table contained in this subdivision.

10.8 (f) If a defined benefit relief association establishes a service pension in compliance
10.9 with the applicable maximum contained in paragraph (c) or (d) and the minimum average
10.10 amount of available financing per active covered firefighter is subsequently reduced because
10.11 of a reduction in fire state aid or because of an increase in the number of active firefighters,
10.12 the relief association may continue to provide the prior service pension amount specified
10.13 in its bylaws, but may not increase the service pension amount until the minimum average
10.14 amount of available financing per firefighter under the table in paragraph (c) or (d), whichever
10.15 applies, permits.

10.16 (g) No defined benefit relief association is authorized to provide a service pension in an
10.17 amount greater than the largest applicable flexible service pension maximum amount even
10.18 if the amount of available financing per firefighter is greater than the financing amount
10.19 associated with the largest applicable flexible service pension maximum.

10.20 (h) The method of calculating service pensions must be applied uniformly for all years
10.21 of active service. Credit must be given for all years of active service except for caps on
10.22 service credit if so provided in the bylaws of the relief association.

10.23 **EFFECTIVE DATE.** This section is effective January 1, 2021.

10.24 **Sec. 2. REPEALER.**

10.25 Laws 2018, chapter 211, article 14, section 29, is repealed.

10.26 **EFFECTIVE DATE.** This section is effective January 1, 2021.

Laws 2018, chapter 211, article 14, section 29

Sec. 29. CERTAIN VOLUNTEER FIREFIGHTERS RELIEF ASSOCIATION SERVICE PENSIONS.

(a) As used in this section, "qualifying volunteer firefighters relief association" means a volunteer firefighters relief association with a funding ratio of greater than 100 percent as of the most recent fiscal year end, and which provides a lump sum pension benefit based on a lump sum pension amount equal to \$9,500 or more, as of the effective date of this section. For purposes of this section, "qualifying volunteer firefighters relief association" does not include an association whose maximum lump-sum pension amount is specifically established by other provisions of this bill.

(b) Notwithstanding any provision of Minnesota Statutes, section 424A.02, subdivision 3, paragraph (d), to the contrary, the maximum lump-sum pension amount for each year of service credited that may be provided for in the bylaws of a qualifying volunteer firefighters relief association is the maximum service pension figure corresponding to the average amount of available financing per active covered firefighter for the applicable specified period:

<u>Minimum Average Amount of Available Financing per Firefighter</u>	<u>Maximum Lump-Sum Service Pension Amount Payable for Each Year of Service</u>
\$...	\$ 10
<u>11</u>	<u>20</u>
<u>16</u>	<u>30</u>
<u>23</u>	<u>40</u>
<u>27</u>	<u>50</u>
<u>32</u>	<u>60</u>
<u>43</u>	<u>80</u>
<u>54</u>	<u>100</u>
<u>65</u>	<u>120</u>
<u>77</u>	<u>140</u>
<u>86</u>	<u>160</u>
<u>97</u>	<u>180</u>
<u>108</u>	<u>200</u>
<u>131</u>	<u>240</u>
<u>151</u>	<u>280</u>
<u>173</u>	<u>320</u>
<u>194</u>	<u>360</u>
<u>216</u>	<u>400</u>
<u>239</u>	<u>440</u>
<u>259</u>	<u>480</u>
<u>281</u>	<u>520</u>
<u>302</u>	<u>560</u>
<u>324</u>	<u>600</u>
<u>347</u>	<u>640</u>
<u>367</u>	<u>680</u>
<u>389</u>	<u>720</u>

APPENDIX
Repealed Minnesota Session Laws: 20-7185

<u>410</u>	<u>760</u>
<u>432</u>	<u>800</u>
<u>486</u>	<u>900</u>
<u>540</u>	<u>1000</u>
<u>594</u>	<u>1100</u>
<u>648</u>	<u>1200</u>
<u>702</u>	<u>1300</u>
<u>756</u>	<u>1400</u>
<u>810</u>	<u>1500</u>
<u>864</u>	<u>1600</u>
<u>918</u>	<u>1700</u>
<u>972</u>	<u>1800</u>
<u>1026</u>	<u>1900</u>
<u>1080</u>	<u>2000</u>
<u>1134</u>	<u>2100</u>
<u>1188</u>	<u>2200</u>
<u>1242</u>	<u>2300</u>
<u>1296</u>	<u>2400</u>
<u>1350</u>	<u>2500</u>
<u>1404</u>	<u>2600</u>
<u>1458</u>	<u>2700</u>
<u>1512</u>	<u>2800</u>
<u>1566</u>	<u>2900</u>
<u>1620</u>	<u>3000</u>
<u>1672</u>	<u>3100</u>
<u>1726</u>	<u>3200</u>
<u>1753</u>	<u>3250</u>
<u>1780</u>	<u>3300</u>
<u>1820</u>	<u>3375</u>
<u>1834</u>	<u>3400</u>
<u>1888</u>	<u>3500</u>
<u>1942</u>	<u>3600</u>
<u>1996</u>	<u>3700</u>
<u>2023</u>	<u>3750</u>
<u>2050</u>	<u>3800</u>
<u>2104</u>	<u>3900</u>
<u>2158</u>	<u>4000</u>
<u>2212</u>	<u>4100</u>
<u>2265</u>	<u>4200</u>

APPENDIX
Repealed Minnesota Session Laws: 20-7185

<u>2319</u>	<u>4300</u>
<u>2373</u>	<u>4400</u>
<u>2427</u>	<u>4500</u>
<u>2481</u>	<u>4600</u>
<u>2535</u>	<u>4700</u>
<u>2589</u>	<u>4800</u>
<u>2643</u>	<u>4900</u>
<u>2697</u>	<u>5000</u>
<u>2751</u>	<u>5100</u>
<u>2805</u>	<u>5200</u>
<u>2859</u>	<u>5300</u>
<u>2913</u>	<u>5400</u>
<u>2967</u>	<u>5500</u>
<u>3021</u>	<u>5600</u>
<u>3075</u>	<u>5700</u>
<u>3129</u>	<u>5800</u>
<u>3183</u>	<u>5900</u>
<u>3237</u>	<u>6000</u>
<u>3291</u>	<u>6100</u>
<u>3345</u>	<u>6200</u>
<u>3399</u>	<u>6300</u>
<u>3453</u>	<u>6400</u>
<u>3507</u>	<u>6500</u>
<u>3561</u>	<u>6600</u>
<u>3615</u>	<u>6700</u>
<u>3669</u>	<u>6800</u>
<u>3723</u>	<u>6900</u>
<u>3777</u>	<u>7000</u>
<u>3831</u>	<u>7100</u>
<u>3885</u>	<u>7200</u>
<u>3939</u>	<u>7300</u>
<u>3993</u>	<u>7400</u>
<u>4047</u>	<u>7500</u>
<u>4101</u>	<u>7600</u>
<u>4155</u>	<u>7700</u>
<u>4209</u>	<u>7800</u>
<u>4263</u>	<u>7900</u>
<u>4317</u>	<u>8000</u>
<u>4371</u>	<u>8100</u>

APPENDIX
Repealed Minnesota Session Laws: 20-7185

<u>4425</u>	<u>8200</u>
<u>4479</u>	<u>8300</u>
<u>4533</u>	<u>8400</u>
<u>4587</u>	<u>8500</u>
<u>4641</u>	<u>8600</u>
<u>4695</u>	<u>8700</u>
<u>4749</u>	<u>8800</u>
<u>4803</u>	<u>8900</u>
<u>4857</u>	<u>9000</u>
<u>4911</u>	<u>9100</u>
<u>4965</u>	<u>9200</u>
<u>5019</u>	<u>9300</u>
<u>5073</u>	<u>9400</u>
<u>5127</u>	<u>9500</u>
<u>5181</u>	<u>9600</u>
<u>5235</u>	<u>9700</u>
<u>5289</u>	<u>9800</u>
<u>5343</u>	<u>9900</u>
<u>5397</u>	<u>10,000</u>
<u>5451</u>	<u>10,100</u>
<u>5505</u>	<u>10,200</u>
<u>5559</u>	<u>10,300</u>
<u>5613</u>	<u>10,400</u>
<u>5667</u>	<u>10,500</u>
<u>5721</u>	<u>10,600</u>
<u>5775</u>	<u>10,700</u>
<u>5729</u>	<u>10,800</u>
<u>5883</u>	<u>10,900</u>
<u>5937</u>	<u>11,000</u>
<u>5991</u>	<u>11,100</u>
<u>6045</u>	<u>11,200</u>
<u>6099</u>	<u>11,300</u>
<u>6153</u>	<u>11,400</u>
<u>6207</u>	<u>11,500</u>
<u>6261</u>	<u>11,600</u>
<u>6315</u>	<u>11,700</u>
<u>6369</u>	<u>11,800</u>
<u>6423</u>	<u>11,900</u>
<u>6477</u>	<u>12,000</u>

APPENDIX
Repealed Minnesota Session Laws: 20-7185

<u>6531</u>	<u>12,100</u>
<u>6585</u>	<u>12,200</u>
<u>6639</u>	<u>12,300</u>
<u>6693</u>	<u>12,400</u>
<u>6747</u>	<u>12,500</u>
<u>any amount in excess of 6747</u>	<u>12,500</u>

(c) The maximum monthly service pension amount per month for each year of service credited that may be provided for in the bylaws of the volunteer firefighters relief association must be set pursuant to Minnesota Statutes, section 424A.02, subdivision 3, paragraph (c).

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