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State of Minnesota

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HOUSE OF REPRESENTATIVES
Unofficial Engrossment
House Engrossment of a Senate File

NINETY-SECOND SESSION

S. F. No. 2957

02/17/2022 Companion to House File No. 3136. (Authors: Bahner and Nelson, M.,)
Read First Time and Sent for Comparison
02/21/2022 Substituted for H. F. No. 3136
02/24/2022 Calendar for the Day, Amended
Read Third Time as Amended
Passed by the House as Amended and transmitted to the Senate to include Floor Amendments

1.1 A bill for an act
1.2 relating to retirement; Minnesota State Retirement System; Public Employees
1.3 Retirement Association; permitting payment of retirement annuities during
1.4 employment as a health care worker; amending Laws 2020, chapter 79, article 5,
1.5 section 1.

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

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

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

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

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

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

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

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

2.4 ~~(3)~~ (4) "public employer" means any political subdivision or executive branch agency
2.5 of the state, including any county, municipality, and Hennepin Healthcare System, Inc., and
2.6 any other employer participating in a pension plan administered by the Minnesota State
2.7 Retirement System or the Public Employees Retirement Association; and

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

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

2.17 Subd. 1a. **Health care workers to continue receiving retirement**
2.18 **annuity.** Notwithstanding any state law to the contrary, a person who is receiving a retirement
2.19 annuity and is employed by a public employer as a health care worker on or after March
2.20 13, 2020, must continue to receive the retirement annuity as provided in subdivision 2 or
2.21 3, as applicable, and the person's annuity must not be suspended or reduced due to
2.22 employment as a health care worker. A person is considered employed as a health care
2.23 worker on or after March 13, 2020, if the person was hired by a public employer before
2.24 March 13, 2020, and the person was a health care worker on or after March 13, 2020.

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

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

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

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

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

3.12 (c) ~~Notwithstanding any law to the contrary,~~ A public employer may hire or rehire a
3.13 ~~person~~ retiree under this ~~subdivision~~ section without either the public employer or the ~~person~~
3.14 retiree having to enter into or comply with the requirements of Minnesota Statutes, section
3.15 43A.346 or 353.371.

3.16 Subd. 3. **No limitation on hours or percentage of time worked or duration of**
3.17 **employment under a postretirement option.** (a) A ~~health care worker~~ person described
3.18 in subdivision 1a who entered enters into a phased retirement agreement under Minnesota
3.19 Statutes, section 353.371, before ~~the effective date of this section,~~ on, or after May 13, 2020,
3.20 ~~or has been~~ is employed in a postretirement option position under Minnesota Statutes, section
3.21 43A.346, ~~since before the effective date of this section,~~ on, or after May 13, 2020, shall not
3.22 be subject to any limitation on the number of hours or percentage of time worked, salary
3.23 earned, any other pay of any kind, or duration of employment imposed by Minnesota Statutes,
3.24 section 43A.346 or 353.371, as applicable, ~~during any reemployment year that includes the~~
3.25 ~~date on which this section expires.~~

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

3.33 (c) The period of employment ~~during a peacetime emergency shall~~ covered by this
3.34 section may be added to and shall extend the period of employment governed by the phased

4.1 retirement agreement under Minnesota Statutes, section 353.371, subdivision 4, or in a
4.2 postretirement option position under Minnesota Statutes, section 43A.346, subdivision 6,
4.3 as applicable, if elected by the health care worker, with the consent of the public employer.

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

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

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

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