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State of Minnesota
HOUSE OF REPRESENTATIVES

**EIGHTY-FIFTH
SESSION**

HOUSE FILE No. 3715

March 3, 2008

Authored by Nelson

The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections

1.1 A bill for an act
1.2 relating to retirement; volunteer firefighter relief associations; allowing for an
1.3 increase in the maximum service pension amounts; amending Minnesota Statutes
1.4 2006, section 424A.02, subdivision 3.

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

1.6 Section 1. Minnesota Statutes 2006, section 424A.02, subdivision 3, is amended to
1.7 read:

1.8 **Subd. 3. Flexible service pension maximums.** (a) Annually on or before August
1.9 1 as part of the certification of the financial requirements and minimum municipal
1.10 obligation determined under section 69.772, subdivision 4, or 69.773, subdivision 5, as
1.11 applicable, the secretary or some other official of the relief association designated in
1.12 the bylaws of each relief association shall calculate and certify to the governing body
1.13 of the applicable qualified municipality the average amount of available financing per
1.14 active covered firefighter for the most recent three-year period. The amount of available
1.15 financing shall include any amounts of fire state aid received or receivable by the relief
1.16 association, any amounts of municipal contributions to the relief association raised from
1.17 levies on real estate or from other available revenue sources exclusive of fire state aid,
1.18 and one-tenth of the amount of assets in excess of the accrued liabilities of the relief
1.19 association calculated under section 69.772, subdivision 2; 69.773, subdivisions 2 and 4;
1.20 or 69.774, subdivision 2, if any.

1.21 (b) The maximum service pension which the relief association has authority to
1.22 provide for in its bylaws for payment to a member retiring after the calculation date when
1.23 the minimum age and service requirements specified in subdivision 1 are met must be
1.24 determined using the table in paragraph (c) or (d), whichever applies.

2.1 (c) For a relief association where the governing bylaws provide for a monthly
 2.2 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
 2.4 the greater of the service pension amount provided for in the bylaws on the date of the
 2.5 calculation of the average amount of the available financing per active covered firefighter
 2.6 or the maximum service pension figure corresponding to the average amount of available
 2.7 financing per active covered firefighter:

2.8	Minimum Average Amount of Available	Maximum Service Pension
2.9	Financing per Firefighter	Amount Payable per Month for
2.10		Each Year of 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
2.39	1823	22.50
2.40	1863	23.00
2.41	1944	24.00
2.42	2025	25.00

3.1	2106	26.00
3.2	2187	27.00
3.3	2268	28.00
3.4	2349	29.00
3.5	2430	30.00
3.6	2511	31.00
3.7	2592	32.00
3.8	2673	33.00
3.9	2754	34.00
3.10	2834	35.00
3.11	2916	36.00
3.12	2997	37.00
3.13	3078	38.00
3.14	3159	39.00
3.15	3240	40.00
3.16	3321	41.00
3.17	3402	42.00
3.18	3483	43.00
3.19	3564	44.00
3.20	3645	45.00
3.21	3726	46.00
3.22	3807	47.00
3.23	3888	48.00
3.24	3969	49.00
3.25	4050	50.00
3.26	4131	51.00
3.27	4212	52.00
3.28	4293	53.00
3.29	4374	54.00
3.30	4455	55.00
3.31	4536	56.00
3.32	<u>4617</u>	<u>57.00</u>
3.33	<u>4698</u>	<u>58.00</u>
3.34	<u>4779</u>	<u>59.00</u>
3.35	<u>4860</u>	<u>60.00</u>
3.36	<u>4941</u>	<u>61.00</u>
3.37	<u>5022</u>	<u>62.00</u>
3.38	<u>5103</u>	<u>63.00</u>
3.39	<u>5184</u>	<u>64.00</u>
3.40	<u>5265</u>	<u>65.00</u>
3.41	<u>5346</u>	<u>66.00</u>
3.42	<u>5427</u>	<u>67.00</u>
3.43	<u>5508</u>	<u>68.00</u>

4.1	<u>5589</u>	<u>69.00</u>
4.2	<u>5670</u>	<u>70.00</u>
4.3	<u>5751</u>	<u>71.00</u>
4.4	<u>5832</u>	<u>72.00</u>
4.5	<u>5913</u>	<u>73.00</u>
4.6	<u>5994</u>	<u>74.00</u>
4.7	<u>6075</u>	<u>75.00</u>
4.8	<u>6156</u>	<u>76.00</u>
4.9	<u>6237</u>	<u>77.00</u>
4.10	<u>6318</u>	<u>78.00</u>
4.11	<u>6399</u>	<u>79.00</u>
4.12	<u>6480</u>	<u>80.00</u>
4.13	<u>6561</u>	<u>81.00</u>
4.14	<u>6642</u>	<u>82.00</u>
4.15	<u>6723</u>	<u>83.00</u>
4.16	<u>6804</u>	<u>84.00</u>
4.17	<u>6885</u>	<u>85.00</u>
4.18	<u>6966</u>	<u>86.00</u>
4.19	<u>7047</u>	<u>87.00</u>
4.20	<u>7128</u>	<u>88.00</u>
4.21	<u>7209</u>	<u>89.00</u>
4.22	<u>7290</u>	<u>90.00</u>
4.23	<u>7371</u>	<u>91.00</u>
4.24	<u>7452</u>	<u>92.00</u>
4.25	<u>7533</u>	<u>93.00</u>
4.26	<u>7614</u>	<u>94.00</u>
4.27	<u>7695</u>	<u>95.00</u>
4.28	<u>7776</u>	<u>96.00</u>
4.29	<u>7857</u>	<u>97.00</u>
4.30	<u>7938</u>	<u>98.00</u>
4.31	<u>8019</u>	<u>99.00</u>
4.32	<u>8100</u>	<u>100.00</u>

4.33 (d) For a relief association in which the governing bylaws provide for a lump sum
4.34 service pension to a retiring member, the maximum lump sum service pension amount for
4.35 each year of service credited that may be provided for in the bylaws is the greater of the
4.36 service pension amount provided for in the bylaws on the date of the calculation of the
4.37 average amount of the available financing per active covered firefighter or the maximum
4.38 service pension figure corresponding to the average amount of available financing per
4.39 active covered firefighter for the applicable specified period:

5.1 5.2 5.3 5.4 5.5 5.6 5.7 5.8 5.9 5.10 5.11 5.12 5.13 5.14 5.15 5.16 5.17 5.18 5.19 5.20 5.21 5.22 5.23 5.24 5.25 5.26 5.27 5.28 5.29 5.30 5.31 5.32 5.33 5.34 5.35 5.36 5.37 5.38 5.39 5.40 5.41 5.42 5.43 5.44	Minimum Average Amount of Available Financing per Firefighter	Maximum Lump Sum Service Pension Amount Payable for Each Year of Service
	\$...	\$ 10
	11	20
	16	30
	23	40
	27	50
	32	60
	43	80
	54	100
	65	120
	77	140
	86	160
	97	180
	108	200
	131	240
	151	280
	173	320
	194	360
	216	400
	239	440
	259	480
	281	520
	302	560
	324	600
	347	640
	367	680
	389	720
	410	760
	432	800
	486	900
	540	1000
	594	1100
	648	1200
	702	1300
	756	1400
	810	1500
	864	1600
	918	1700
	972	1800
	1026	1900
	1080	2000
	1134	2100

6.1	1188	2200
6.2	1242	2300
6.3	1296	2400
6.4	1350	2500
6.5	1404	2600
6.6	1458	2700
6.7	1512	2800
6.8	1566	2900
6.9	1620	3000
6.10	1672	3100
6.11	1726	3200
6.12	1753	3250
6.13	1780	3300
6.14	1820	3375
6.15	1834	3400
6.16	1888	3500
6.17	1942	3600
6.18	1996	3700
6.19	2023	3750
6.20	2050	3800
6.21	2104	3900
6.22	2158	4000
6.23	2212	4100
6.24	2265	4200
6.25	2319	4300
6.26	2373	4400
6.27	2427	4500
6.28	2481	4600
6.29	2535	4700
6.30	2589	4800
6.31	2643	4900
6.32	2697	5000
6.33	2751	5100
6.34	2805	5200
6.35	2859	5300
6.36	2913	5400
6.37	2967	5500
6.38	3021	5600
6.39	3075	5700
6.40	3129	5800
6.41	3183	5900
6.42	3237	6000
6.43	3291	6100

7.1	3345	6200
7.2	3399	6300
7.3	3453	6400
7.4	3507	6500
7.5	3561	6600
7.6	3615	6700
7.7	3669	6800
7.8	3723	6900
7.9	3777	7000
7.10	3831	7100
7.11	3885	7200
7.12	3939	7300
7.13	3993	7400
7.14	4047	7500
7.15	<u>4101</u>	<u>7600</u>
7.16	<u>4155</u>	<u>7700</u>
7.17	<u>4209</u>	<u>7800</u>
7.18	<u>4263</u>	<u>7900</u>
7.19	<u>4317</u>	<u>8000</u>
7.20	<u>4371</u>	<u>8100</u>
7.21	<u>4425</u>	<u>8200</u>
7.22	<u>4479</u>	<u>8300</u>
7.23	<u>4533</u>	<u>8400</u>
7.24	<u>4587</u>	<u>8500</u>
7.25	<u>4641</u>	<u>8600</u>
7.26	<u>4695</u>	<u>8700</u>
7.27	<u>4749</u>	<u>8800</u>
7.28	<u>4803</u>	<u>8900</u>
7.29	<u>4857</u>	<u>9000</u>
7.30	<u>4911</u>	<u>9100</u>
7.31	<u>4965</u>	<u>9200</u>
7.32	<u>5019</u>	<u>9300</u>
7.33	<u>5073</u>	<u>9400</u>
7.34	<u>5127</u>	<u>9500</u>
7.35	<u>5181</u>	<u>9600</u>
7.36	<u>5235</u>	<u>9700</u>
7.37	<u>5289</u>	<u>9800</u>
7.38	<u>5343</u>	<u>9900</u>
7.39	<u>5397</u>	<u>10,000</u>

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

8.1 (f) If a relief association establishes a service pension in compliance with the
8.2 applicable maximum contained in paragraph (c) or (d) and the minimum average amount
8.3 of available financing per active covered firefighter is subsequently reduced because of a
8.4 reduction in fire state aid or because of an increase in the number of active firefighters, the
8.5 relief association may continue to provide the prior service pension amount specified in
8.6 its bylaws, but may not increase the service pension amount until the minimum average
8.7 amount of available financing per firefighter under the table in paragraph (c) or (d),
8.8 whichever applies, permits.

8.9 (g) No relief association is authorized to provide a service pension in an amount
8.10 greater than the largest applicable flexible service pension maximum amount even if
8.11 the amount of available financing per firefighter is greater than the financing amount
8.12 associated with the largest applicable flexible service pension maximum.

8.13 **Sec. 2. EFFECTIVE DATE.**

8.14 Section 1 is effective January 1, 2009.