H.F. 1329
(Thissen)

S.F. 929
(Betzold)

Executive Summary of Commission Staff Materials

Affected Pension Plan(s):	Public Employees Police and Fire Retirement Plan (PERA-P&F)
Relevant Provisions of Law:	Proposed special law
General Nature of Proposal:	Exempt certain former Midwest Pathology, Inc., employees from reemployed annuitant offset
Date of Summary:	March 26, 2007

Specific Proposed Changes

- Exempts field investigators who were Midwest Pathology, Incorporated, employees on the date the organization's duties were assumed by Anoka County from the reemployed annuitant offset provision.

- **Policy Issues Raised by the Proposed Legislation**

1. Sufficient special circumstance to justify special treatment.
2. Unclear need for action; proposal may stem from employee misunderstanding of the nature of the reemployed annuitant provision.
3. Whether this is appropriate model to follow, given that this treatment may serve as a model for treatment in future reverse privatizations.

Potential Amendments

H1329-1A includes all former Midwest Pathology, Inc., employees, rather than just the field investigators, from PERA P&F reemployed annuitant provision.

H1329-2A adds an expiration date to be determined by the Commission.

H1329-3A makes the exemption apply only to those who are reemployed less than full-time.

H1329-4A makes the exemption apply only to those who are reemployed less than full-time, with the percent of time to be determined by the Commission, and would restrict the amount of income that can be excluded.

TO: Members of the Legislative Commission on Pensions and Retirement

FROM: Ed Burek, Deputy Director EB

RE: H.F. 1329 (Thissen); S.F. 929 (Betzold): PERA-P&F; Reemployed Annuitant Exemption for Former Midwest Pathology, Inc., Employees Hired as Field Investigators by Anoka County

DATE: March 23, 2007

Summary of H.F. 1329 (Thissen); S.F. 929 (Betzold)

H.F. 1329 (Thissen); S.F. 929 (Betzold) would provide an exemption from the Public Employees Retirement Association Police and Fire (PERA-P&F) reemployed annuitant provision for PERA-P&F retirees who were field investigators employed by Midwest Pathology, Incorporated (MPI), and who became Anoka County employees on January 1, 2007, when MPI functions were transferred from the company to Anoka County. The provision is effective retroactively to January 1, 2007.

Background Information on reemployed annuitant earnings limitations is contained in Attachment A.

Discussion and Analysis

Midwest Pathology, Incorporated (MPI), provided coroner/medical examiner services to Anoka County and several other counties in the state. According to representatives from Anoka County, MPI was in serious financial difficulty. To ensure the continuation of coroner/medical examiner functions, Anoka County decided to retain all or most MPI employees when that organization was dissolved on January 1, 2007. Anoka County officials intend to serve the counties previously served by MPI, billing those counties for the service provided. The coroner/medical examiner function includes the use of field investigators. When a death occurs, a field investigator may examine the scene where the death occurred to determine whether the death was other than by natural causes, warranting police involvement.

In recent years the Legislature has dealt with privatizations, when a public facility is sold or leased to a private or nonprofit organization. When a privatization occurs and the employees transfer to the new organization, the public employees lose their public employee status. Some members of the General State Employees Retirement Plan of the Minnesota State Retirement System (MSRS-General) were privatized several years ago when Fairview Hospital and the University of Minnesota (U of M) Hospital merged. Those privatized employees were not permitted to retain active MSRS-General membership, but they were given certain continuing rights (enhanced deferred annuities augmentation rights, the right to use service in the new organization for purposes of qualifying for the "Rule of 90"), detailed in Minnesota Statutes, Chapter 352F. Numerous privatizations of General Employees Retirement Plan of the Public Employees Retirement Association (PERA-General) employees have also occurred, generally with similar treatment as the privatized U of M employees. The rights of the privatized PERA-General employees are detained in Chapter 353F.

This Anoka County situation is, in a sense, the opposite of a privatization. The function of a private company is being taken over by a public employer, Anoka County. The MPI employees who were retained became public rather than private employees. Materials provided to Commission staff indicate that the office has approximately 50 field investigators in 11 counties. An unknown number are retired Public Employees Police and Fire Plan (PERA-P&F) members. While working for a private company or organization they were not subject to the PERA reemployed annuitant provision. But as PERA-P&F reemployed annuitants now employed by Anoka County, they are subject to the reemployed annuitant provision. Anoka County is seeking an exemption from the PERA-P&F reemployed annuitant provision for the former MPI employees who are working for Anoka County as field investigators. County officials contend that several of the individuals would quit if they are subject to this reemployed annuitant provision.

The proposed legislation raises the following pension and related public policy issues:

1. Reverse Privatization Argument. An argument for the proposed treatment in the bill is that PERA-P&F annuitants who were employees of MPI may have been attracted to that employment because they were not subject to reemployed annuitant provisions. Now, due to circumstances beyond the direct control of these employees, the functions and staff of MPI are transferring to Anoka County and the employees have become public employees. The current situation is not due to an action of free will on the part of the employees.

2. Sufficient Special Circumstance. The issue is whether this situation is sufficiently different from most reemployed annuitant situations to justify special treatment.

3. Local Employment Policy or State Pension Policy. The issue is whether this is best viewed as an Anoka County employment matter, for which the county is seeking an indirect subsidy, rather than as a pension matter. The county is concerned that several of its field investigator employees will quit if not given an exemption from the PERA-P&F reemployed annuitant provision. If that concern is credible, the problem might be overcome by providing a marginally higher salary, among other alternatives. Anoka County may be seeking this exemption in order to lower its own costs. The Commission may wish to hear testimony from Anoka County on its decision to take over the functions of MPI, which county staff described as a failing business. Did the county fully study the situation to determine why the business was failing? Why take over these functions, rather than contracting with another private company for these services? What changes has Anoka County made to allow coroner/ medical examiner and field investigator services to be provided in a cost-effective manner? If one of MPI's problems was that it had too many employees who could not be well utilized, it would be appropriate to downsize the staff. If that is the case, then the treatment proposed by the bill would be counterproductive.

4. Unclear Need for Action; Potential Misunderstanding of Current Reemployed Annuitant Limits. The issue is whether any action is needed other than fully educating the employees about the current reemployed annuitant provision. Years ago, reemployed annuitant provisions were punitive. Individuals lost all or a portion of their annual annuity if they became reemployed. More recently, however, these provisions have been transformed into forced savings plans. The benefit reduction has been replaced by a partial deferral to the future, and with interest. The deferral to the future may actually be beneficial from a tax standpoint, reducing current income and deferring receipt to a future date when taxable income and the effective tax rate might be less. The interest compensates for the time value of money.

5. Existence of Self-Help Remedies. The policy issue is whether or not self-help remedies exist that make the enactment of the proposed legislation unnecessary. The proposed treatment in the bill is a likely substitute for a salary adjustment, or for use of more employees working part time, or replacing some staff, or simply providing Anoka County staff with better information on the implications of the current law PERA-P&F reemployed annuity provision.

6. Precedent. The policy issue is whether or not there are any precedents for additional exemptions from the reemployed annuitant earnings limitations. Three precedents appear to exist for the proposed reemployed annuitant earnings limitation exemption, as follows:

   a. In 1989 (Laws 1989, Chapter 319, Article 2, Section 15), a 90-day exemption from the reemployed annuitant earnings limitation was permitted for a retired teacher of the Teachers Retirement Association (TRA) who served as an interim school district superintendent. The exemption was argued as necessary because of the narrowness of the existing pool for superintendents and the need for some districts to replace superintendents on a short-notice basis.

   b. In 1994 (Laws 1994, Chapter 602, Section 2) and in 1999 (Laws 1999, Chapter 222, Article 19, Section 3), faculty members who retired from Minnesota State Colleges and Universities System (MnSCU) positions with retirement annuities from the Teachers Retirement Association (TRA) or from the General State Employees Retirement Plan of the Minnesota State Retirement System (MSRS-General) were permitted to return to MnSCU employment on a one-third to two-thirds of full-time basis, with an annual salary limited to $46,000, without being subject to the reemployed annuitant earnings limitation, at the discretion of MnSCU. The exemption was argued as being a mechanism for retaining the services of former professors in some specialties that are otherwise difficult to replace.

   c. In 2004 (Laws 2004, Chapter 267, Article 7, Section 8), a three-year exemption window from the reemployed annuitant earnings limitation of the Public Employees Police and Fire Plan (PERA-P&F) for retired police officers who are subsequently employed as police officers by the Metropolitan Airports Commission (MAC) was enacted, expiring on June 30, 2007. The exemption window was argued as being needed for national security, to retain existing retired police officers who had been reemployed by the MAC in response to the September 11, 2001, terrorist attacks subject to the minimum employment periods required by the federal Transportation Safety Agency (TSA). The current request, to exempt all or most field investigators in Anoka County, is not comparable to the MAC situation, at least not fully. While field investigators provide an important function, it is not a national security issue, and the treatment is being sought for a single county.

7. Inconsistency with the General Policy Against Double-Dipping. The policy issue is the inconsistency of providing an exemption from reemployed annuitant earnings limitations given the generalized

public policy against individuals receiving both a full retirement annuity and a full active member salary at the same time, frequently referred to as "double-dipping." If one accepts the premise that retirement benefits are intended to support individuals in retirement, then retirement benefits should not be accessible until the generally expected conclusion of a public employee's working lifetime is reached and the person's termination of regular gainful employment occurs.

A troubling aspect of the design of our public safety plans is that they encourage individuals to begin drawing retirement benefits well before many of these individuals are ready to withdraw from the labor force. This bill is a consequence of that pension plan design. With public safety plans, it is assumed that the employment is dangerous and that a young, vigorous workforce is needed to provide these services. Individuals are encouraged to terminate and commence drawing retirement benefits while in their early- to mid-50s. As currently designed, PERA-P&F and the similar State Patrol Retirement Plan provide a high accrual rate per year of service (3.0 percent per year) and have an age 55 normal retirement age, with early retirements permitted as early as age 50. An individual with 30 years of service can retire with a pension that is 90 percent of the high-five average salary, not much less than what the individual made prior to retiring under the plan. Many of these retirees commence receipt of benefits but do not withdraw from the labor force but become employed in police or security work or some other occupation. Rather than being designed to provide income in retirement, public safety plans are providing sizable additional income to those who continue working. The combined income from the retirement plan plus the post-retirement employment can be in excess, in some cases considerably in excess, of the total income before retirement. Rather than the current policy of encouraging commencement of retirement benefits while individuals are in their early- to mid-50s, a long-term policy consideration might be to encourage job transition without retirement, using preferential job placement or retraining.

8. Alternative Designs. If the Commission were to conclude that some legislative action is appropriate, the Commission may wish to consider whether this treatment should apply to a single position as in the bill (field investigators), or to all positions included when Anoka County assumed MPI functions, given that other PERA-P&F reemployed annuitants may be employed in positions other than as field investigators. It is possible that the employees Anoka County absorbed on January 1, 2007, included reemployed annuitants from other plans. Offering this treatment to only employees in a single position might be viewed by other employees as being unfair. In addition, the Commission might wish to consider an exempt income range, rather than a full exemption, and to limit the bill's coverage only to part-time rather than full-time employees. In a prior situation involving reemployed Minnesota State Colleges and Universities System (MnSCU) faculty, only reemployment income below $46,000 was exempt from reemployed annuitant provisions and the individual had to be a part-time employee working one-third to two-thirds of full-time. An appropriate maximum excluded income limit might differ in the current circumstance. A third consideration is whether the bill should be revised to have the exemption expire after a few years, as in the 2004 three-year exemption provided to Metropolitan Airports Commission police officers.

9. Future Reverse Privatizations. The Commission may wish to consider that any action recommended by the Commission may influence the handling of future reverse privatization situations.

Potential Amendments for Commission Consideration

Amendment H1329-1A exempts all employees who transferred from MPI, rather than just the transferred field investigators, from PERA's reemployed annuitant provision. While this might be viewed as more fair by employees who are not field investigators, this would not address the situation of employees who are retirees of non-PERA plans.

Amendment H1329-2A adds an expiration date to be determined by the Commission. A three-year expiration date was used in the similar 2004 Metropolitan Airports Commission police officer legislation.

Amendment H1329-3A would restrict coverage under this provision to those who are employed less than full time, with the maximum percentage of full time to be set by the Commission. In the exemption provided in law to MnSCU retirees, to qualify for the exemption the individual can not work more than two-thirds of full time, among other restrictions.

Amendment H1329-4A, an alternative to S0292-3A, would restrict coverage under this provision to those who are employed less than full time, with the maximum percentage of full time to be set by the Commission, and would also restrict the amount of income that can be excluded. In setting an excluded income limit, the Commission may wish to consider that PERA-P&F retirees with lengthy service would need only a minimal amount of post-retirement income before exceeding pre-retirement earnings.

Attachment A

Background Information on Reemployed Annuitant Earnings Limitations

A. Reemployed Annuitant Earnings Limitations under Social Security. Since the creation of the Old Age and Survivors Insurance Program (Social Security) in the 1930s, Social Security benefits have been subject to an employment earnings limitation, known as the earnings test. The Social Security Administration (SSA) maximum salary earnings limitations for continued receipt of full benefit amounts under the federal Old Age, Survivors and Disability Insurance Program are used by the SSA to determine whether Social Security benefits must be reduced because the individual has salary or self-employment income in excess of the maximums permitted under federal law for continued full receipt of those benefits.

The following table summarizes the annual maximum earnings permissible by Social Security benefit recipients for each year from 1985 onward, which a benefit recipient may receive without incurring a reduction in Social Security benefits. In the table these maximums are referred to as exempt amounts, since they indicate the highest salary earnings, which are exempt from a penalty--a reduction in the Social Security benefits that otherwise would be received. Under Social Security law, the exempt amount differs with the age of the individual. If an individual is under the Social Security full retirement age, once 65 and now between age 65 and age 67, depending on the person's year of birth, but drawing Social Security Old Age Insurance benefits, the maximums are fairly low. The exempt amount for the year in which the Social Security full retirement age is reached is notably higher. After the individual exceeds the full retirement age, all income is exempt. The following table has three columns, which are the applicable year, the maximum (exempt) amount under age 65 (before 2000) or under the full normal retirement age (after 1999), and the maximum amount for age 65-69 (before 2000) or for the full normal retirement age year (after 1999):

Year	Under Age 65	Age 65-69
1985	$5,400	$7,320
1986	$5,760	$7,800
1987	$6,000	$8,160
1988	$6,120	$8,400
1989	$6,480	$8,880
1990	$6,840	$9,360
1991	$7,080	$9,720
1992	$7,440	$10,200
1993	$7,680	$10,560
1994	$8,040	$11,160
1995	$8,160	$11,280
1996	$8,280	$12,500

Year	Under Age 65	Age 65-69
1997	$8,640	$13,500
1998	$9,120	$14,500
1999	$9,600	$15,500
2000	$10,080	$17,000
2001	$10,680	$25,000
2002	$11,280	$30,000
2003	$11,520	$30,720
2004	$11,640	$31,080
2005	$12,000	$31,800
2006	$12,480	$33,240

If the Social Security benefit recipient is under the full retirement age, the reduction is one dollar of Social Security benefits for each two dollars of earnings in excess of the maximum amount earned. For the year in which the full retirement age is attained, the reduction is one dollar for each three dollars of earnings in excess of the maximum amount earned.

B. Reemployed Annuitant Earnings Limitations under the Minnesota Public Pension Plans. Among Minnesota public pension plans, but unlike Social Security, the public employee must terminate from active public employment with the employing unit to initially qualify to receive the public employee retirement annuity. If the individual's public pension plan has a reemployed annuitant earnings limit provision, the individual often (but not always) will be subject to that reemployed earnings limit if the individual returns to public employment with pension coverage in the same public pension system.

These reemployed annuitant provisions in Minnesota public pension plans bear a great similarity to the Social Security System but are far less global in scope. Under Social Security, the benefit reductions would be applied to any Social Security benefit recipient who is less than full retirement age and who exceeded the maximum permissible exempt salary earnings, regardless of the employer, applicable for the individual's age. In contrast, if a Minnesota public pension plan has a reemployed annuitant earnings provision, reductions or suspension of the annuity by the plan will occur for those with salary income in excess of exempt amounts only from employment covered by the same pension plan or system. An annuitant from the General Employee Retirement Plan of the Public Employees Retirement Association (PERA-General) who becomes reemployed in a position covered by the Minnesota State Retirement System (MSRS), the Teachers Retirement Association (TRA), or any other public pension system, would not be subject to the reemployed annuitant provisions in PERA law. Also, no Minnesota public pension plan benefit reductions would occur if the annuitant becomes employed by a governmental employer in another state, by the federal government, or in the private sector.

Even within the same public pension system, reemployed annuitant reductions may not apply if the individual becomes employed in a position covered by another plan within the system. Typically, the laws have been constructed or interpreted in a way that applies reemployed annuitant earnings provisions if an annuitant from one plan in a system becomes employed by another plan in that same system providing that both plans were originally created within that system. A Public Employees Police and Fire Retirement Plan (PERA-P&F) annuitant who becomes employed in PERA-General-covered employment will be subject to PERA's reemployed annuitant provision because PERA-P&F was spun out of PERA-General in 1959. However, a retiree from the State Patrol Retirement Plan who becomes reemployed in an MSRS-General covered position faces no reemployed annuitant penalties because the State Patrol Plan was originally not administered by MSRS, but was moved into MSRS for administrative purposes in 1969. The State Patrol Retirement Plan has no reemployed annuitant earnings provision in the plan, and the provision in MSRS-General law has been interpreted as not applying to State Patrol annuitants.

Reemployed annuitant earnings limitations in Minnesota law support the requirement that a public employee must terminate the employment relationship in order to receive a retirement benefit. The limitations ensure that politically connected public employees cannot manipulate the personnel system and also maximize their income by drawing a full retirement benefit along with a full salary. In doing this, the reemployed annuitant earnings limitations follow one of the traditional purposes for a retirement plan, which is to assist the personnel system in producing an orderly and systematic out-transitioning of senior employees who have reached the end of their normal working lifetime.

However, when reemployed annuitant earnings limitations do not apply uniformly, when some plans have no limits, when the limitations impact differently when applicable, or when no limitations apply to most reemployed annuitant situations (i.e., a public plan annuitant employed by a private sector employer or by a public sector employer of a different level or branch of government), the basic fairness of the limitations can be questioned.

The following chart provides information on the reemployed annuitant earnings limitation laws in Minnesota's public plans:

Retirement Plan	Applicable Compensation	Limit Threshold	Effect After Threshold Exceeded	Reemployment Period Retirement Coverage	Exceptions
General State Employees Retirement Plan of the Minnesota State Retirement System (MSRS-General)	Salary or wages from state of from employer of MSRS-General members	Social Security exempt amount	Suspension of annuity for the balance of the calendar year or until reemployment termination, with the suspended annuity amounts deposited in a separate account, earning six percent compound annual interest, payable at the later of age 65 or one year after the reemployment ends	No retirement coverage	No application to service as temporary legislative employee. Suspension lifted during any sick leave
MSRS Correctional State Employees Retirement Plan (MSRS-Correctional)	Same as MSRS-General	Same as MSRS-General	Same as MSRS-General	Same as MSRS-General	Same as MSRS-General
State Patrol Retirement Plan	No provision	No provision	No provision	No provision	No provision
Legislators Retirement Plan*	No provision	No provision	No provision	No provision	No provision
Elective State Officers Retirement Plan	No provision	No provision	No provision	No provision	No provision
Judges Retirement Plan	No provision	No provision	No provision	No provision	No provision
Unclassified State Employees Retirement Program of the Minnesota State Retirement System (MSRS-Unclassified)	No provision	No provision	No provision	No provision	No provision

Retirement Plan	Applicable Compensation	Limit Threshold	Effect After Threshold Exceeded	Reemployment Period Retirement Coverage	Exceptions
Public Employees Retirement Association (PERA)	Salary from governmental subdivision employment or public employee labor union employment	Social Security exempt amount	Suspension or reduction, whichever produces higher annual amount. Suspension of amount is for the balance of the calendar year or until reemployment termination. Reduction is one-half of the excess over the Social Security exempt amount. The reduction or suspended amount is deposited in a separate account, earning six percent compound annual interest, payable at the later of age 65 or one year after the reemployment ends.	No retirement coverage	No application to service as a local government elected official
Public Employees Police & Fire Fund (PERA-P&F)	Same as PERA	Same as PERA	Same as PERA	Same as PERA	Same as PERA
Teachers Retirement Association (TRA)	Income from teaching for employing unit covered by TRA, income from consultant or independent contractor teaching services for employing unit covered by TRA, or income received by comparable position if greater than actual income received	Social Security exempt amount	Reduction in following calendar year annuity of one-half of the excess over the maximum, with the annuity reduction amount deposited in a separate account earning six percent compound annual interest, payable at the later of age 65 or one year after the reemployment ends	No retirement coverage	No application to interim superintendents during a lifetime limit of three 90-day exemption periods or to reemployed retired Minnesota State Colleges and Universities faculty working between 33.3 and 66.7 percent of full time with salary under $35,000 or application to higher education salary over $35,000 if total higher education salary is greater than $35,000
First Class City Teacher Retirement Fund Associations	Same as TRA, except for applicable employers	Same as TRA	Same as TRA, except reduction is one-third of excess over the maximum	Same as TRA	Same as TRA
Minneapolis Employees Retirement Fund (MERF)	No provision	No provision	No provision	No provision	No provision
Local Police or Salaried Firefighter Relief Associations	Typically no provision	Typically no provision	Typically no provision	Typically no provision	Typically no provision

C. Example of PERA-P&F Reemployed Annuitant Earnings Limitation Provision. If the Social Security exempt earnings limits are exceeded, the current PERA-P&F provision, Minnesota Statutes, Section 353.37, Subdivision 5, requires PERA to either suspend the annuity or reduce the annuity (presumably in the subsequent year), by $1 for every two dollars earned in excess of the Social Security limitation (half the excess) if the individual is under normal retirement age as defined by Social Security. If we assume a PERA-P&F retiree with 30 years of service credit and with the salaries indicated below, the individual's PERA-P&F annuity would be 90 percent of the high-five average salary, or $49,834 in 2006. If there is no reemployment (Situation #1 below), the total income would be $49,834. If the individual has $30,000 in reemployment income with a PERA employing unit (Situation #2), the individual's total income is $79,834, but is reduced in year 2 by $8,760 due to the reemployed annuitant reduction, leaving a total current income of $71,074 rather than $79,834. The reduction amount under Situation #2 is not forfeited, but is deferred, earns six percent annual compound interest, and is payable at age 65 or one year after the termination of reemployment, whichever is later. Situation #3 depicts the case where reemployed annuity earnings limits do not apply, leaving a $79,834 current income.

PERA-P&F Annuitant Age 55
(2006 Annuitant Limits)

Final Five Years Salary	
Year 1	50,104
Year 2	52,609
Year 3	55,240
Year 4	58,002
Year 5	60,902

Highest Five Successive Years Average Salary	$55,371.40
30 Years Service with a 3.0 % accrual rate	x 0.90
PERA-P&F Annuity	$49,834 ($4,153/month)

	Situation #1: PERA-P&F Annuitant With No Reemployment		**Situation #2:** PERA-P&F Annuitant With $30,000 Reemployment Income, Current Law		**Situation #3:** PERA-P&F Annuitant With No Earnings Limit	
Year 1	PERA-P&F Annuity	$49,834	PERA-P&F Annuity	$49,834	PERA-P&F Annuity	$49,834
			Reemployed Earnings	$30,000	Reemployed Earnings	$30,000
	Total	**$49,834**	**Total**	**$79,834**	**Total**	**$79,834**
Year 2[1]	PERA-P&F Annuity	$49,834	PERA-P&F Annuity:		PERA-P&F Annuity	$49,834
			Year 1 Earnings	$30,000	Reemployed Earnings	$30,000
			Earnings Limit	$12,480		
			Excess Amount	$17,520		
			$1 for $2 Reduction	$8,760		
			PERA-P&F Base Annuity	$49,834		
			Reduction	$8,760		
			Remaining Annuity	$41,074		
			Reemployed Earnings	$30,000		
	Total	$49,834	**Total**	**$71,074**	**Total**	**$79,834**

[1] *Year 2 annuity amount assumes no Minnesota Post Retirement Investment Fund post-retirement adjustment and no increase in the Social Security earnings test amount, although both are likely. Any reduction amount under Situation #2 is deposited in a separate account, credited with six percent compound interest annually, payable at the later of age 65 or one year after termination of the reemployment, whichever is later.*

.... moves to amend H.F. No. 1329; S.F. No. 929, as follows:

Page 1, line 11, delete "police and fire plan"

Page 1, line 13, delete "as a field investigator,"

Page 1, line 16, delete "as a field investigator"

Amend the title accordingly

.... moves to amend H.F. No. 1329; S.F. No. 929, as follows:

Page 1, line 9, before "Notwithstanding" insert "(a)"

Page 1, after line 16, insert:

"(b) This section expires on January 1, ..."

.... moves to amend H.F. No. 1329; S.F. No. 929, as follows:

Page 1, line 16, before "." insert " if the employment does not exceed ... percent of full-time employment"

.... moves to amend H.F. No. 1329; S.F. No. 929, as follows:

Page 1, line 16, before "." insert " if the employment does not exceed ... percent of full-time employment and if the reemployment income does not exceed $....... Reemployed income in excess of $...... is subject to Minnesota Statutes, section 353.37"

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH SESSION

HOUSE FILE NO. 1329

February 22, 2007
Authored by Thissen, Tingelstad, Wardlow and Laine
The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections

A bill for an act

relating to retirement; Public Employees Retirement Association police and fire plan; exempting certain Anoka County field investigators from reemployed annuitant provisions.

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

Section 1. **PERA-POLICE AND FIRE PLAN; EXEMPTING CERTAIN ANOKA COUNTY FIELD INVESTIGATORS FROM REEMPLOYED ANNUITANT EARNINGS LIMITATIONS.**

Notwithstanding any provision of Minnesota Statutes, section 353.37, to the contrary, a person who is receiving a retirement annuity from the Public Employees Retirement Association police and fire plan and who was employed by Midwest Pathology, Incorporated, as of December 31, 2006, who became employed by Anoka County on January 1, 2007, as a field investigator, when the functions of Midwest Pathology, Incorporated, transferred to the county, is exempt from the limitation on reemployed annuitant earnings under Minnesota Statutes, section 353.37, for the duration of that employment as a field investigator.

Sec. 2. **EFFECTIVE DATE.**

Section 1 is effective retroactive from January 1, 2007.