

1.1 moves to amend H.F. No. 5040; S.F. No. 4643, the delete-everything amendment,
1.2 as follows:

1.3 Page ..., after line ..., insert:

1.4 "ARTICLE ...

1.5 PERA SURVIVOR BENEFITS RESTRUCTURE

1.6 Section 1. [353.311] SURVIVOR BENEFITS; BASIC MEMBER.

1.7 Subdivision 1. Member eligibility. If a basic member or former basic member of the
1.8 general employees retirement plan dies before retirement or while receiving disability
1.9 benefits under section 535.33 and has at least 18 months of credited allowable service, the
1.10 surviving spouse, dependent child, designated beneficiary, estate, or the former spouse, as
1.11 applicable, is entitled to survivor benefits, as provided by this section.

1.12 Subd. 2. Survivor eligibility and benefits; surviving spouse. (a) 50 percent of salary.
1.13 The surviving spouse of a member under subdivision 1 is entitled to receive 50 percent of
1.14 the member's monthly average salary in effect over the last full six months of allowable
1.15 service preceding the month in which death occurred.

1.16 (b) 100 percent joint and survivor annuity. The surviving spouse of a member or former
1.17 member under subdivision 1 is entitled to receive a joint and survivor annuity as follows:

1.18 (1) The surviving spouse of a member or former member, notwithstanding any designation
1.19 of beneficiary to the contrary, may elect to receive, instead of a refund with interest under
1.20 subdivision 6 or surviving spouse benefits otherwise payable under this section, an annuity
1.21 equal to a 100 percent joint and survivor annuity computed consistent with section 353.30,
1.22 subdivision 1a, 1c, or 5, whichever is applicable.

1.23 (2) If a member or former member first became a public employee or a member of a
1.24 pension fund listed in section 356.30, subdivision 3, before July 1, 1989, and has credit for

2.1 at least 30 years of allowable service on the date of death, the surviving spouse may elect
2.2 to receive a 100 percent joint and survivor annuity computed using section 353.30,
2.3 subdivision 1b, except that the early retirement reduction under that provision will be applied
2.4 from 62 years of age back to 55 years of age and one-half of the early retirement reduction
2.5 from 55 years of age back to the age payment begins.

2.6 (3) If a member or former member who was under 55 years of age and who is vested
2.7 under section 353.01, subdivision 47, dies, but did not qualify for retirement on the date of
2.8 death, the surviving spouse may elect to receive a 100 percent joint and survivor annuity
2.9 computed using section 353.30, subdivision 1c or 5, as applicable, except that the early
2.10 retirement reduction specified in the applicable subdivision will be applied to 55 years of
2.11 age and one-half of the early retirement reduction from 55 years of age back to the age
2.12 payment begins.

2.13 (4) If the member or former member first became a public employee or a member of a
2.14 public pension plan listed in section 356.30, subdivision 3, on or after July 1, 1989, a survivor
2.15 annuity computed under clause (1) or (3) must be computed as specified in section 353.30,
2.16 subdivision 5, except for the revised early retirement reduction specified in clause (3), if
2.17 clause (3) is the applicable provision.

2.18 (5) For any survivor annuity determined under this paragraph, the payment is to be based
2.19 on the total allowable service that the member or former member had accrued as of the date
2.20 of death and the age of the member or former member and surviving spouse on that date.
2.21 Section 353.34, subdivision 3, applies to a deferred annuity or surviving spouse benefit
2.22 payable under this paragraph.

2.23 (c) Term certain annuity benefits. The surviving spouse of a member, in lieu of the 100
2.24 percent joint and survivor annuity under paragraph (a), or a refund under subdivision 6,
2.25 may elect to receive survivor coverage for a term certain annuity period of ten, 15, or 20
2.26 years, but monthly payments must not exceed 75 percent of the average high-five monthly
2.27 salary of the member. The benefit terminates at the end of the specified term certain period.
2.28 Except as otherwise specified in this paragraph, the monthly term certain annuity must be
2.29 actuarially equivalent to the 100 percent joint and survivor annuity under paragraph (a). If
2.30 a surviving spouse elects a term certain annuity and dies before the expiration of the specified
2.31 term certain period, the value of the remaining annuity payments must be paid in a lump
2.32 sum to the survivor's estate.

2.33 Subd. 3. **Survivor eligibility and benefits; dependent child.** (a) 10 percent of salary.
2.34 Each dependent child of a member under subdivision 1 is entitled to receive 10 percent of

3.1 the member's monthly average salary in effect over the last full six months of allowable
3.2 service preceding the month in which death occurred.

3.3 (b) Payment to dependent child. Payments for the benefit of a dependent child or children,
3.4 as defined in section 353.01, subdivision 15, must be made to the surviving parent, or to
3.5 the legal guardian of the child.

3.6 (c) Dependent child survivor coverage. If a member or former member has no surviving
3.7 spouse entitled to benefits under subdivision 2, the member's or former member's dependent
3.8 child as defined in section 353.01, subdivision 15, is entitled to monthly payments. Payments
3.9 to a dependent child must be paid from the date of the member's or former member's death
3.10 to the date the dependent child attains 23 years of age. The payment to a dependent child
3.11 is an amount actuarially equivalent to the value of a 100 percent joint and survivor annuity
3.12 under subdivision 2, paragraph (b), using the age of the member or former member and the
3.13 age of the dependent child at the date of the member's or former member's death in lieu of
3.14 the age of the surviving spouse. If there is more than one dependent child, each dependent
3.15 child must receive a proportionate share of the actuarial value of the 100 percent joint and
3.16 survivor annuity.

3.17 Subd. 4. **Survivor eligibility and benefits; designated beneficiary or estate.** If a former
3.18 member selected a survivor's annuity, the annuity was paid to the survivor of the former
3.19 member after the former member's death, and the survivor dies, the former member's
3.20 designated beneficiary is entitled to a refund of accumulated deductions, less the total
3.21 payments made by the fund to the former member or to the survivor. If the designated
3.22 beneficiary dies before applying for a refund, the estate of the former member is entitled to
3.23 the refund.

3.24 Subd. 5. **Survivor eligibility and benefits; former spouse.** Notwithstanding the
3.25 definition of surviving spouse in section 353.01, subdivision 20, a former spouse of the
3.26 member or former member, if any, is entitled to a portion of the monthly surviving spouse
3.27 annuity if stipulated under the terms of a marriage dissolution decree filed with the
3.28 association. If there is no surviving spouse or child, a former spouse may be entitled to a
3.29 lump-sum refund payment under subdivision 6 if provided for in a marriage dissolution
3.30 decree, but not a monthly surviving spouse annuity, despite the terms of a marriage
3.31 dissolution decree filed with the association.

3.32 Subd. 6. **Refund.** If a member or former member dies before receiving any retirement
3.33 annuity and no other payment of any kind is or may become payable to any person, a refund
3.34 is payable to the designated beneficiary or, if none, to the surviving spouse, or, if none, to

4.1 the dependent child, or, if none, to the legal representative of the decedent's estate. The
4.2 refund must be in an amount equal to accumulated deductions, less the sum of any disability
4.3 or survivor benefits that have been paid by the fund, plus annual compound interest at the
4.4 rate specified in section 353.34, subdivision 2, provided that a survivor who has a right to
4.5 benefits under this section may waive such benefits in writing, except such benefits for a
4.6 dependent child under 18 years of age may only be waived under an order of the district
4.7 court.

4.8 Subd. 7. **Other refund requirements.** (a) Refund after retirement. If a former member
4.9 dies after retirement and no payment of any kind is or may become payable to any person,
4.10 including any deferred benefit or annuity, a refund of accumulated deductions must be paid
4.11 to the same succession of payees set forth in subdivision 6 less the total payments made to
4.12 the former member or to a survivor, without interest.

4.13 (b) Lack, or death, of beneficiary. If a member or former member dies without designating
4.14 a beneficiary or if the beneficiary dies before applying for a refund, there is no surviving
4.15 spouse, and the legal representative of the member or former member does not apply for
4.16 refund within five years from the date of death of the member or former member, the
4.17 accumulated deductions to the member or former member's credit at the time of death must
4.18 be disposed of in the manner provided in section 356.65, unless paragraph (c) applies.

4.19 (c) Refund of \$1,500 or less. If a member or former member dies without designating
4.20 a beneficiary, or if the beneficiary dies before applying for a refund, and the amount of the
4.21 refund is \$1,500 or less, the board of trustees, in the absence of probate proceedings, may
4.22 pay the amount of the refund the designated beneficiary or, if none, to the surviving spouse,
4.23 or, if none, to the dependent child, or, if none, to the legal representative of the decedent's
4.24 estate. If the refund amount is paid under this clause, no other person or persons may recover
4.25 the refund amount. A retirement annuity, disability benefit, or survivor benefit that has
4.26 accrued at the time of death of the member or former member may be paid in the same
4.27 manner.

4.28 Subd. 8. **Maximum and minimum family benefits.** (a) The maximum monthly benefit
4.29 for a family must not exceed an amount equal to 70 percent of the member's specified
4.30 average monthly salary, and the minimum benefit for a family, including a 100 percent joint
4.31 and survivor annuity under subdivision 2, must not be less than 50 percent of the member's
4.32 specified average monthly salary.

4.33 (b) If there is a dependent child or children, and the 100 percent joint and survivor annuity
4.34 for the surviving spouse, when added to the dependent children's benefit under subdivision

5.1 3, exceeds an amount equal to 70 percent of the member's or former member's specified
5.2 average monthly salary, the 100 percent joint and survivor annuity under subdivision 2,
5.3 must be reduced by the amount necessary so that the total family benefit does not exceed
5.4 the 70 percent maximum family benefit amount under paragraph (a).

5.5 (c) The 100 percent joint and survivor annuity must be restored to the surviving spouse,
5.6 plus applicable postretirement adjustments under Minnesota Statutes 2008, section 356.41,
5.7 through January 1, 2009, and thereafter under section 356.415, as the dependent child or
5.8 children become no longer dependent under section 353.01, subdivision 15.

5.9 Subd. 9. **Annuity starting date; retroactive payment; benefit delay.** (a) The annuity
5.10 starting date for survivor benefits provided by this section is the death of death of the member
5.11 or former member.

5.12 (b) No payment may be made retroactively more than five months before the first of the
5.13 month in which a complete application is received by the executive director, and no benefit
5.14 shall accrue beyond the end of the month in which entitlement to such benefits has terminated.

5.15 (c) If the former member was not at retirement-eligible age at death, a surviving spouse
5.16 benefit under subdivision 2 is delayed until the date the former member would have been
5.17 eligible for retirement.

5.18 Subd. 10. **Application process.** (a) The surviving spouse, dependent child, designated
5.19 beneficiary, estate, or former spouse of the member or former member, as applicable, must
5.20 submit a written application to receive a survivor benefit in the manner and form prescribed
5.21 by the executive director, filed in the office of the association, showing compliance with
5.22 the statutory conditions qualifying the applicant for a survivor benefit.

5.23 (b) The surviving spouse of a former member entitled to surviving spouse benefits under
5.24 subdivision 2, paragraph (b), clause (1), may apply for the annuity at any time after the date
5.25 on which the former member would have attained the required age for retirement based on
5.26 the former member's allowable service. The surviving spouse entitled to surviving spouse
5.27 benefits under subdivision 2, paragraph (b), clause (2) or (3), or the surviving spouse of a
5.28 member entitled to surviving spouse benefits under subdivision 2, paragraph (b), clause (1),
5.29 may apply for an annuity any time after the member's or former member's death.

5.30 Subd. 11. **Benefit waiver.** A member may specify in writing, with the signed consent
5.31 of the spouse, that this section does not apply, and that payment must be made only to the
5.32 designated beneficiary, as otherwise provided by this chapter.

6.1 Subd. 12. **Annual increases.** A survivor benefit under this section is eligible for
6.2 postretirement adjustments under section 356.415.

6.3 Section. 2. **[353.312] SURVIVOR BENEFITS; COORDINATED MEMBER.**

6.4 Subdivision 1. **Member eligibility.** If a coordinated member or former coordinated
6.5 member of the general employees retirement plan who is vested under section 353.01,
6.6 subdivision 47, dies before the annuity or disability benefit becomes payable under section
6.7 353.29, subdivision 7, or 353.33, subdivision 2, the surviving spouse, dependent child,
6.8 designated beneficiary, estate, or the former spouse, as applicable, is entitled to survivor
6.9 benefits, as provided by this section.

6.10 Subd. 2. **Survivor eligibility and benefits; surviving spouse.** (a) 100 percent joint and
6.11 survivor annuity. The surviving spouse of a member or former member under subdivision
6.12 1 is entitled to receive a joint and survivor annuity as follows:

6.13 (1) The surviving spouse of a member or former member, notwithstanding any designation
6.14 of beneficiary to the contrary, may elect to receive, instead of a refund with interest under
6.15 subdivision 6 or surviving spouse benefits otherwise payable under this section, an annuity
6.16 equal to a 100 percent joint and survivor annuity computed consistent with section 353.30,
6.17 subdivision 1a, 1c, or 5, whichever is applicable.

6.18 (2) If a member or former member first became a public employee or a member of a
6.19 pension fund listed in section 356.30, subdivision 3, before July 1, 1989, and has credit for
6.20 at least 30 years of allowable service on the date of death, the surviving spouse may elect
6.21 to receive a 100 percent joint and survivor annuity computed using section 353.30,
6.22 subdivision 1b, except that the early retirement reduction under that provision will be applied
6.23 from 62 years of age back to 55 years of age and one-half of the early retirement reduction
6.24 from 55 years of age back to the age payment begins.

6.25 (3) If a member or former member who was under 55 years of age and who is vested
6.26 under section 353.01, subdivision 47, dies, but did not qualify for retirement on the date of
6.27 death, the surviving spouse may elect to receive a 100 percent joint and survivor annuity
6.28 computed using section 353.30, subdivision 1c or 5, as applicable, except that the early
6.29 retirement reduction specified in the applicable subdivision will be applied to 55 years of
6.30 age and one-half of the early retirement reduction from 55 years of age back to the age
6.31 payment begins.

6.32 (4) If the member or former member first became a public employee or a member of a
6.33 public pension plan listed in section 356.30, subdivision 3, on or after July 1, 1989, a survivor

7.1 annuity computed under clause (1) or (3) must be computed as specified in section 353.30,
7.2 subdivision 5, except for the revised early retirement reduction specified in clause (3), if
7.3 clause (3) is the applicable provision.

7.4 (5) For any survivor annuity determined under this paragraph, the payment is to be based
7.5 on the total allowable service that the member or former member had accrued as of the date
7.6 of death and the age of the member or former member and surviving spouse on that date.
7.7 Section 353.34, subdivision 3, applies to a deferred annuity or surviving spouse benefit
7.8 payable under this paragraph.

7.9 (b) Term certain annuity benefits. The surviving spouse of a member, in lieu of the 100
7.10 percent joint and survivor annuity under paragraph (a), or a refund under subdivision 6,
7.11 may elect to receive survivor coverage for a term certain annuity period of ten, 15, or 20
7.12 years, but monthly payments must not exceed 75 percent of the average high-five monthly
7.13 salary of the member. The benefit terminates at the end of the specified term certain period.
7.14 Except as otherwise specified in this paragraph, the monthly term certain annuity must be
7.15 actuarially equivalent to the 100 percent joint and survivor annuity under paragraph (a). If
7.16 a surviving spouse elects a term certain annuity and dies before the expiration of the specified
7.17 term certain period, the value of the remaining annuity payments must be paid in a lump
7.18 sum to the survivor's estate.

7.19 Subd. 3. **Survivor eligibility and benefits; dependent child.** If a member or former
7.20 member has no surviving spouse entitled to benefits under subdivision 2, the member's or
7.21 former member's dependent child as defined in section 353.01, subdivision 15, is entitled
7.22 to monthly payments. Payments to a dependent child must be paid from the date of the
7.23 member's or former member's death to the date the dependent child attains 23 years of age.
7.24 The payment to a dependent child is an amount actuarially equivalent to the value of a 100
7.25 percent joint and survivor annuity under subdivision 2, paragraph (a), using the age of the
7.26 member or former member and the age of the dependent child at the date of the member's
7.27 or former member's death in lieu of the age of the surviving spouse. If there is more than
7.28 one dependent child, each dependent child must receive a proportionate share of the actuarial
7.29 value of the 100 percent joint and survivor annuity.

7.30 Subd. 4. **Survivor eligibility and benefits; designated beneficiary or estate.** If a former
7.31 member selected a survivor's annuity, the annuity was paid to the survivor of the former
7.32 member after the former member's death, and the survivor dies, the former member's
7.33 designated beneficiary is entitled to a refund of accumulated deductions, less the total
7.34 payments made by the fund to the former member or to the survivor. If the designated

8.1 beneficiary dies before applying for a refund, the estate of the former member is entitled to
8.2 the refund.

8.3 Subd. 5. **Survivor eligibility and benefits; former spouse.** Notwithstanding the
8.4 definition of surviving spouse in section 353.01, subdivision 20, a former spouse of the
8.5 member or former member, if any, is entitled to a portion of the monthly surviving spouse
8.6 annuity if stipulated under the terms of a marriage dissolution decree filed with the
8.7 association. If there is no surviving spouse or child, a former spouse may be entitled to a
8.8 lump-sum refund payment under subdivision 6 if provided for in a marriage dissolution
8.9 decree, but not a monthly surviving spouse annuity, despite the terms of a marriage
8.10 dissolution decree filed with the association.

8.11 Subd. 6. **Refund.** If a member or former member dies before receiving any retirement
8.12 annuity and no other payment of any kind is or may become payable to any person, a refund
8.13 is payable to the designated beneficiary or, if none, to the surviving spouse, or, if none, to
8.14 the dependent child, or, if none, to the legal representative of the decedent's estate. The
8.15 refund must be in an amount equal to accumulated deductions, less the sum of any disability
8.16 or survivor benefits that have been paid by the fund, plus annual compound interest at the
8.17 rate specified in section 353.34, subdivision 2, provided that a survivor who has a right to
8.18 benefits under this section may waive such benefits in writing, except such benefits for a
8.19 dependent child under 18 years of age may only be waived under an order of the district
8.20 court.

8.21 Subd. 7. **Other refund requirements.** (a) Refund after retirement. If a former member
8.22 dies after retirement and no payment of any kind is or may become payable to any person,
8.23 including any deferred benefit or annuity, a refund of accumulated deductions must be paid
8.24 to the same succession of payees set forth in subdivision 6 less the total payments made to
8.25 the former member or to a survivor, without interest.

8.26 (b) Lack, or death, of beneficiary. If a member or former member dies without designating
8.27 a beneficiary or if the beneficiary dies before applying for a refund, there is no surviving
8.28 spouse, and the legal representative of the member or former member does not apply for
8.29 refund within five years from the date of death of the member or former member, the
8.30 accumulated deductions to the member or former member's credit at the time of death must
8.31 be disposed of in the manner provided in section 356.65, unless paragraph (c) applies.

8.32 (c) Refund of \$1,500 or less. If a member or former member dies without designating
8.33 a beneficiary, or if the beneficiary dies before applying for a refund, and the amount of the
8.34 refund is \$1,500 or less, the board of trustees, in the absence of probate proceedings, may

9.1 pay the amount of the refund the designated beneficiary or, if none, to the surviving spouse,
9.2 or, if none, to the dependent child, or, if none, to the legal representative of the decedent's
9.3 estate. If the refund amount is paid under this clause, no other person or persons may recover
9.4 the refund amount. A retirement annuity, disability benefit, or survivor benefit that has
9.5 accrued at the time of death of the member or former member may be paid in the same
9.6 manner.

9.7 Subd. 8. **Payment to a minor.** (a) If the dependent child or designated beneficiary of
9.8 the member or former member is a minor at the time the dependent child or designated
9.9 beneficiary applies for a refund under subdivision 6, the board may make the payment to
9.10 (1) the minor, (2) the minor's legal guardian, (3) the surviving parent of the minor, or (4)
9.11 an adult the minor is living with.

9.12 (b) Before the board makes the payment to the individual under paragraph (a), the
9.13 individual must advise the board in writing that the amount will be held or used in trust for
9.14 the benefit of the beneficiary, unless the board makes the payment to the beneficiary. If the
9.15 refund amount is paid under this clause, no other person or persons may recover the refund
9.16 amount. If the minor is entitled to an annuity or disability benefit, the annuity or disability
9.17 benefit may be paid in the same manner.

9.18 Subd. 9. **Annuity starting date; retroactive payment; benefit delay.** (a) The annuity
9.19 starting date for survivor benefits provided by this section is the first day of the month
9.20 following the death of the member or former member.

9.21 (b) No payment may be made retroactively more than five months before the first of the
9.22 month in which a complete application is received by the executive director, and no benefit
9.23 shall accrue beyond the end of the month in which entitlement to such benefits has terminated.

9.24 (c) If the former member was not at retirement-eligible age at death, a surviving spouse
9.25 benefit under subdivision 2 is delayed until the date the former member would have been
9.26 eligible for retirement.

9.27 Subd. 10. **Application process.** (a) The surviving spouse, dependent child, designated
9.28 beneficiary, estate, or former spouse of the member or former member, as applicable, must
9.29 submit a written application to receive a survivor benefit in the manner and form prescribed
9.30 by the executive director, filed in the office of the association, showing compliance with
9.31 the statutory conditions qualifying the applicant for a survivor benefit.

9.32 (b) The surviving spouse of a former member entitled to surviving spouse benefits under
9.33 subdivision 2, paragraph (a), clause (1), may apply for the annuity at any time after the date
9.34 on which the former member would have attained the required age for retirement based on

10.1 the former member's allowable service. The surviving spouse entitled to surviving spouse
10.2 benefits under subdivision 2, paragraph (a), clause (2) or (3), or the surviving spouse of a
10.3 member entitled to surviving spouse benefits under subdivision 2, paragraph (a), clause (1),
10.4 may apply for an annuity any time after the member's or former member's death.

10.5 Subd. 11. **Benefit waiver.** A member may specify in writing, with the signed consent
10.6 of the spouse, that this section does not apply, and that payment must be made only to the
10.7 designated beneficiary, as otherwise provided by this chapter.

10.8 Subd. 12. **Annual increases.** A survivor benefit under this section is eligible for
10.9 postretirement adjustments under section 356.415.

10.10 **Sec. 3. [353.658] SURVIVOR BENEFITS.**

10.11 Subdivision 1. **Member eligibility.** (a) If a member or former member of the police and
10.12 fire plan who is vested under section 353.01, subdivision 47, dies before retirement or before
10.13 receiving disability benefits, the surviving spouse, dependent child, designated beneficiary,
10.14 estate, or former spouse, as applicable, is entitled to survivor benefits, as provided by this
10.15 section, except if the death is not a line of duty death, the member or former member must
10.16 be partially or 100 percent vested under section 353.01, subdivision 47. This section does
10.17 not apply if the member or former member is a firefighter covered by section 353.6511, or
10.18 a police officer covered by section 353.6512.

10.19 (b) For a member who is employed as a full-time firefighter by the Department of Military
10.20 Affairs of the state of Minnesota, allowable service as a full-time state Military Affairs
10.21 Department firefighter credited by the Minnesota State Retirement System may be used in
10.22 meeting the minimum allowable service requirement of this section.

10.23 Subd. 2. **Survivor eligibility and benefits; surviving spouse.** (a) 50 or 60 percent of
10.24 salary. The surviving spouse of a member under subdivision 1 is entitled to receive a monthly
10.25 benefit for life equal to the following percentage of the member's average salary, as defined
10.26 in section 353.01, subdivision 17a, paragraph (c), as a member of the police and fire plan:

10.27 (1) if the death was a line of duty death, 60 percent of the average salary is payable; and

10.28 (2) if the death was not a line of duty death or if death occurred while receiving disability
10.29 benefits that accrued before July 1, 2007, 50 percent of the average salary is payable.

10.30 (b) If the member's status changed from full time to part time due to health reasons
10.31 during the last 12 months of employment, notwithstanding the definition of average salary
10.32 in section 353.01, subdivision 17a, paragraph (c), the average salary used to compute the
10.33 monthly survivor benefit must be based on the full-time salary rate of the position held as

11.1 a member of the police and fire plan in effect over the last six months of allowable service
11.2 preceding the month in which the death occurred.

11.3 (c) 100 percent joint and survivor annuity. If a member or former member who has
11.4 attained at least 50 years of age and either who is vested under section 353.01, subdivision
11.5 47, or who has credit for at least 30 years of allowable service, regardless of age, dies before
11.6 the annuity or disability benefit becomes payable, notwithstanding any designation of
11.7 beneficiary to the contrary, the surviving spouse may elect to receive a death while eligible
11.8 survivor benefit. The benefit may be elected instead of a refund with interest under
11.9 subdivision 6 or surviving spouse benefits otherwise payable under this subdivision. The
11.10 benefit must be an annuity equal to the 100 percent joint and survivor annuity which the
11.11 member or former member could have qualified for on the date of death, computed as
11.12 provided in sections 353.651, subdivision 3, and 353.30, subdivision 3. Section 353.34,
11.13 subdivision 3, applies to a deferred annuity payable under this section

11.14 **Subd. 3. Survivor eligibility and benefits; dependent child.** (a) Ten percent of salary.
11.15 A dependent child, as defined in section 353.01, subdivision 15, of a member under
11.16 subdivision 1 is entitled to receive a monthly benefit equal to ten percent of the member's
11.17 average salary, as defined in section 353.01, subdivision 17a, paragraph (c), as a member
11.18 of the police and fire plan.

11.19 (b) Part time status. If the member's status changed from full time to part time due to
11.20 health reasons during the last 12 months of employment, notwithstanding the definition of
11.21 average salary in section 353.01, subdivision 17a, paragraph (c), the average salary used to
11.22 compute the monthly dependent child benefit must be based on the full-time salary rate of
11.23 the position held as a member of the police and fire plan in effect over the last six months
11.24 of allowable service preceding the month in which the death occurred.

11.25 **Subd. 4. Survivor eligibility and benefits; designated beneficiary or estate.** If a former
11.26 member selected a survivor's annuity, the annuity was paid to the survivor of the former
11.27 member after the former member's death, and the survivor dies, the former member's
11.28 designated beneficiary is entitled to a refund of accumulated deductions, less the total
11.29 payments made by the fund to the former member or to the survivor. If the designated
11.30 beneficiary dies before applying for a refund, the estate of the former member is entitled to
11.31 the refund.

11.32 **Subd. 5. Survivor eligibility and benefits; former spouse.** Notwithstanding the
11.33 definition of surviving spouse in section 353.01, subdivision 20, a former spouse of the
11.34 member or former member, if any, is entitled to a portion of the death while eligible survivor

12.1 benefit if stipulated under the terms of a marriage dissolution decree filed with the
12.2 association. If there is no surviving spouse or child or children, a former spouse may be
12.3 entitled to a lump-sum refund payment under subdivision 6 if provided for in a marriage
12.4 dissolution decree but not a death while eligible survivor benefit despite the terms of a
12.5 marriage dissolution decree filed with the association.

12.6 Subd. 6. **Refund.** If a member or former member dies before receiving any retirement
12.7 annuity and no other payment of any kind is or may become payable to any person, a refund
12.8 is payable to the designated beneficiary or, if none, to the surviving spouse, or, if none, to
12.9 the dependent child, or, if none, to the legal representative of the decedent's estate. The
12.10 refund must be in an amount equal to accumulated deductions, less the sum of any disability
12.11 or survivor benefits that have been paid by the fund, plus annual compound interest at the
12.12 rate specified in section 353.34, subdivision 2, provided that a survivor who has a right to
12.13 benefits under this section may waive such benefits in writing, except such benefits for a
12.14 dependent child under 18 years of age may only be waived under an order of the district
12.15 court.

12.16 Subd. 7. **Relation to workers' compensation law.** If the member or former member
12.17 died under circumstances which entitle a surviving spouse and dependent children to receive
12.18 benefits under the workers' compensation law, the amounts received by the surviving spouse
12.19 and dependent children must not be deducted from the benefits payable under this section.

12.20 Subd. 8. **Maximum and minimum family benefits.** (a) The maximum monthly benefit
12.21 per family must not exceed the following percentages of the member's average monthly
12.22 salary as specified in subdivision 3:

12.23 (1) 80 percent, if the member's death was a line of duty death; or

12.24 (2) 70 percent, if the member's death was not a line of duty death or occurred while the
12.25 member was receiving a disability benefit that accrued before July 1, 2007.

12.26 (b) Minimum family benefit. The minimum monthly benefit per family, including the
12.27 100 percent joint and survivor annuity under subdivision 2, and section 353.656, subdivision
12.28 1a, must not be less than the following percentage of the member's average monthly salary
12.29 as specified in subdivision 3:

12.30 (1) 60 percent, if the member's death was a line of duty death; or

12.31 (2) 50 percent, if the member's death was not a line of duty death or occurred while the
12.32 member was receiving a disability benefit that accrued before July 1, 2007.

13.1 (c) If the maximum under paragraph (a) is exceeded, the monthly benefit of the joint
13.2 annuitant, surviving spouse, and dependent children, as applicable, must each be reduced
13.3 proportionately so that the total family benefit does not exceed the applicable maximum.
13.4 The joint and survivor annuity, surviving spouse, or dependent children benefit, as applicable,
13.5 must be restored, plus applicable postretirement adjustments under Minnesota Statutes 2008,
13.6 section 356.41 or section 356.415, as the dependent child or children become no longer
13.7 dependent under section 353.01, subdivision 15, or in the event of the death of the joint and
13.8 survivor annuity recipient or the surviving spouse.

13.9 Subd. 9. **Annuity starting date; retroactive payment.** (a) The annuity starting date for
13.10 survivor benefits provided by this section is the date of death of the member or former
13.11 member.

13.12 (b) No payment may be made retroactively more than five months before the first of the
13.13 month in which a complete application is received by the executive director, and no benefit
13.14 shall accrue beyond the end of the month in which entitlement to such benefits has terminated.

13.15 Subd. 10. **Application process.** (a) The surviving spouse, dependent child, designated
13.16 beneficiary, estate, or former spouse of the member or former member, as applicable, must
13.17 submit a written application to receive a survivor benefit in the manner and form prescribed
13.18 by the executive director, filed in the office of the association, showing compliance with
13.19 the statutory conditions qualifying the applicant for a survivor benefit.

13.20 (b) The surviving spouse may apply for the annuity at any time after the date on which
13.21 the member or former member would have attained the required age for retirement based
13.22 on the member's or former member's allowable service.

13.23 Subd. 11. **Benefit waiver.** A member may specify in writing, with the signed consent
13.24 of the spouse, that this section does not apply, and that payment must be made only to the
13.25 designated beneficiary, as otherwise provided by this chapter.

13.26 Subd. 12. **Annual increases.** A survivor benefit under this section is eligible for
13.27 postretirement adjustments under section 356.415.

13.28 Sec. 4. **[353E.071] SURVIVOR BENEFITS.**

13.29 Subdivision 1. **Member eligibility.** (a) If a member or former member of the plan who
13.30 is vested under section 353.01, subdivision 47, dies before the annuity or disability benefit
13.31 becomes payable, the surviving spouse, dependent child, designated beneficiary, or estate
13.32 of the member, as applicable, is entitled to survivor benefits, as provided by this section.

14.1 Subd. 2. **Survivor eligibility and benefits; surviving spouse.** (a) 100 percent joint and
14.2 survivor annuity. The surviving spouse of a member or former member under subdivision
14.3 1 is entitled to receive a joint and survivor annuity benefit as follows:

14.4 (1) If the member or former member was at least 50 years of age on the date of death,
14.5 the surviving spouse may elect to receive, in lieu of a refund with interest provided in
14.6 subdivision 5, a surviving spouse annuity equal to the 100 percent joint and survivor annuity
14.7 for which the member or former member could have qualified had the member or former
14.8 member terminated service on the date of death.

14.9 (2) If the member or former member was under 50 years of age on the date of death, the
14.10 surviving spouse may elect to receive a 100 percent joint and survivor annuity based on the
14.11 age of the member or former member and the surviving spouse at the time of death. The
14.12 annuity is payable using the early retirement reduction under section 353E.04, subdivision
14.13 4, to 50 years of age and one-half of the early retirement reduction from 50 years of age to
14.14 the age payment begins.

14.15 (b) Term certain annuity benefits. The surviving spouse of a member, in lieu of the 100
14.16 percent joint and survivor annuity under paragraph (a), or a refund under subdivision 5,
14.17 may elect to receive survivor coverage in a term certain annuity of ten, 15, or 20 years. The
14.18 monthly term certain annuity must be actuarially equivalent to the 100 percent joint and
14.19 survivor annuity under paragraph (a) and must be based on tables approved by the actuary
14.20 retained under section 356.214. The annuity ceases upon the expiration of the term certain
14.21 period. If the surviving spouse elects a term certain annuity and dies before the expiration
14.22 of the specified term certain period, the value of the remaining annuity payments must be
14.23 paid in a lump sum to the survivor's estate.

14.24 Subd. 3. **Survivor eligibility and benefits; dependent child.** (a) If a member or former
14.25 member has no surviving spouse entitled to benefits under subdivision 2, the member's or
14.26 former member's dependent child as defined in section 353.01, subdivision 15, is entitled
14.27 to a dependent child survivor benefit. Benefits to a dependent child must be paid from the
14.28 date of the member's or former member's death to the date the dependent child attains 23
14.29 years of age.

14.30 (b) The payment to a dependent child is an amount actuarially equivalent to the value
14.31 of a 100 percent joint and survivor annuity using the age of the member or former member
14.32 and the age of the dependent child at the date of the member's or former member's death in
14.33 lieu of the age of the surviving spouse. If there is more than one dependent child, each
14.34 dependent child must receive a proportionate share of the actuarial value of the 100 percent

15.1 joint and survivor annuity, with the amount of the benefit payable to each child to be
15.2 determined based on the portion of the total eligibility period that each child is eligible.

15.3 (c) The process for calculating the survivor benefit must be approved by the actuary
15.4 retained under section 356.214.

15.5 Subd. 4. **Survivor eligibility and benefits; designated beneficiary or estate.** If a former
15.6 member selected a survivor's annuity, the annuity was paid to the survivor of the former
15.7 member after the former member's death, and the survivor dies, the former member's
15.8 designated beneficiary is entitled to a refund of accumulated deductions, less the total
15.9 payments made by the fund to the former member or to the survivor. If the designated
15.10 beneficiary dies before applying for a refund, the estate of the former member is entitled to
15.11 the refund.

15.12 Subd. 5. **Refund.** If a member or former member dies before receiving any retirement
15.13 annuity and no other payment of any kind is or may become payable to any person, a refund
15.14 is payable to the designated beneficiary or, if none, to the surviving spouse, or, if none, to
15.15 the dependent child, or, if none, to the legal representative of the decedent's estate. The
15.16 refund must be in an amount equal to accumulated deductions, less the sum of any disability
15.17 or survivor benefits that have been paid by the fund, plus annual compound interest at the
15.18 rate specified in section 353.34, subdivision 2, provided that a survivor who has a right to
15.19 benefits under this section may waive such benefits in writing, except such benefits for a
15.20 dependent child under 18 years of age may only be waived under an order of the district
15.21 court.

15.22 Subd. 6. **Annuity starting date; retroactive payment; benefit delay.** (a) A surviving
15.23 spouse election under subdivision 2 may be made at any time after the date of death of the
15.24 member or former member. The annuity starting date of the surviving spouse benefit begins
15.25 as of the first day of the next month following the date on which the application for the
15.26 benefit was filed.

15.27 (b) Unless paragraph (a) or subdivision 3 applies, the annuity starting date for survivor
15.28 benefits provided by this section is the first day of the month following the death of the
15.29 member or former member.

15.30 (c) No payment may be made retroactively more than five months before the first of the
15.31 month in which a complete application is received by the executive director, and no benefit
15.32 shall accrue beyond the end of the month in which entitlement to the benefits has terminated.

16.1 (d) If a former member was not at retirement-eligible age at death, the surviving spouse
16.2 benefit under subdivision 2 is delayed until the date the former member would have been
16.3 eligible for retirement.

16.4 Subd. 7. **Application process.** (a) The surviving spouse, dependent child, designated
16.5 beneficiary, or estate of the member or former member, as applicable, must submit a written
16.6 application to receive a survivor benefit in the manner and form prescribed by the executive
16.7 director, filed in the office of the association, showing compliance with the statutory
16.8 conditions qualifying the applicant for a survivor benefit.

16.9 (b) The surviving spouse of a former member entitled to surviving spouse benefits under
16.10 subdivision 2, paragraph (a), clause (2), may apply for the annuity at any time after the date
16.11 on which the former member would have attained the required age for retirement based on
16.12 the former member's allowable service. The surviving spouse entitled to surviving spouse
16.13 benefits under subdivision 2, paragraph (a), clause (1), or the surviving spouse of a member
16.14 entitled to surviving spouse benefits under subdivision 2, paragraph (a), clause (2), may
16.15 apply for an annuity any time after the member's or former member's death.

16.16 Subd. 8. **Benefit waiver.** A member may specify in writing, with the signed consent of
16.17 the spouse, that this section does not apply, and that payment must be made only to the
16.18 designated beneficiary, as otherwise provided by this chapter.

16.19 Subd. 9. **Annual increases.** A survivor benefit under this section is eligible for
16.20 postretirement adjustments under section 356.415.

16.21 Sec. 5. **REPEALER.**

16.22 Minnesota Statutes 2022, sections 353.31, subdivisions 1, 1a, 1b, 1c, 8, 9, and 12; 353.32,
16.23 subdivisions 1, 1a, 1b, 2, 3, 4, 5, and 9; 353.657; and 353E.07, subdivisions 1, 2, 6, 7, and
16.24 8, are repealed effective August 1, 2024.

16.25 Minnesota Statutes 2023 Supplement, sections 353.32, subdivision 1c; and 353E.07,
16.26 subdivisions 3, 4, and 5, are repealed effective August 1, 2024."

16.27 Amend the title accordingly