

# HF 300 (LISLEGARD) PENSION SUBTRACTION FOR "BASIC PLAN" MEMBERS WHO WERE NOT COVERED BY SOCIAL SECURITY

Many public pension plans were established before Social Security was created in 1935. Police and Fire Pension Plans in Minnesota date back the 1870's. First class Teacher Plans were established in 1909 as was the Minneapolis Employees Retirement Fund. By 1978, new employees in all but public safety plans were coordinated with Social Security. Certain Federal employees were also not covered by Social Security until 1984. There are over 25,000 Minnesota retirees in these public pension plans that have not been given the state tax exemption on their pensions that all Social Security recipients have. For all these employees their Surviving Spouses are not given a benefit subtraction either.

**Police and Fire members still today ARE NOT COVERED BY SOCIAL SECURITY.**

## RETIREES IN THIS CATEGORY:

<b>PERA Police &amp; Fire Fund, Retirees and Surviving Spouses:</b>	<b>12,107</b>
<b>PERA Basic Plan Retirees (2,477 MERF/ 3,700 Other) and Surviving Spouses:</b>	<b>6,177</b>
<b>TRA Basic Plan Retirees and Surviving Spouses:</b>	<b>2,644</b>
<b>St. Paul Teachers Basic Plan Retirees and Surviving Spouses:</b>	<b>1,544</b>
<b>State Highway Patrol Troopers, DNR and BCA Agents:</b>	<b>1,021</b>
<b>Total Basic Plan Retirees and Surviving Spouses:</b>	<b>23,493</b>
<b>Retired Federal Employees (estimated):</b>	<b>3,000</b>
<b>Current Active Basic Plan Members in PERA Police &amp; Fire and Troopers:</b>	<b>12,541</b>

Prepared by Brian Rice, March 7, 2023

Sources: 2022 Pension Plan Actuarial Reports; US Dept. of Labor; Social Security Administration; and National Association of State Retirement Administrators