

MINNESOTA DUTY DISABLED ASSOCIATION



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MNDDA Files Lawsuit to Block Harmful Pension Law

The Minnesota Duty Disabled Association (MNDDA) has filed a lawsuit against the State of Minnesota Public Employees Retirement Association (PERA), requesting the restraining and enjoining the enforcement of the reapplication and offset requirements of the recently passed HF 1234.

HF 1234 was passed in May of 2023, which negatively impact Minnesota's duty disabled first responder community by dramatically reducing agreed upon pension benefits and changing eligibility requirements. The suit was filed in Ramsey County District Court today.

While widely touted by it's proponents as extending a helping hand to first responders, HF 1234 contained sweeping changes to the pension benefits that existing duty disabled first responders receive, specifically pension payment offsets for re-employment earnings. Re-employment earnings are critical to duty disabled first responders as they help take the place of income lost when the first responder was forced to leave their chosen profession and allows the first responder to return to employment outside of law enforcement, fire fighting, EMS, or corrections.

Rather than helping duty disabled first responders, HF 1234 discourages re-employment by effectively reducing the amount a duty disabled first responder will get paid for their re-employment work. All re-employed duty disabled first responders in Minnesota are harmed by this law, many will find their re-employment work will only be worth pennies on the dollar. This punishes the duty disabled first responder for taking the initiative to help themselves and move on from their disability and threatens the financial welfare of their families.

The author of HF 1234 has said that the law does not retroactively apply to current duty disabled first responders. This is disingenuous as HF1234 requires an annual re-application for current duty disabled first responders at which time the re-employment offsets of HF1234 will apply. She has also stated the

provisions of HF1234 are necessary to preserve the financial health of the Police & Fire plan and to provide parity with active duty first responders, the financial benefits that PERA will realize by penalizing re-employment earnings are negligible in terms of the size of that plan.

HF 1234 changes the terms of the duty disabled pension benefits that were extended by PERA to Minnesota's duty disabled first responders. In short, HF1234 breaks the promise that is a pension. The lawsuit claims that the increased offsets, which substantially reduce the pre-existing duty disability benefits for MNDDA members, violates provisions of the Minnesota state Constitution and other state civil law doctrines barring changes in pre-existing contractual relationships and is contrary to representations made to their members regarding their continuing benefits. "Numerous courts, including the Minnesota Supreme Court, have ruled these kind of retroactive reductions of vested benefits are unlawful and invalid." said Marshall H. Tanick, the group's attorney.

The Minnesota Duty Disabled Association is comprised of duty disabled law enforcement professionals, fire fighters, and emergency medical service workers, their friends and family, and other community members who support them. MNDDA represents and supports our members by providing resources and engaging in community advocacy on behalf of those that have been disabled while serving their community.

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