



# Shorter Vesting now Allowed for Firefighters who Return to Service

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An important legislative change initiated by the Volunteer Fire Relief Association Working Group went into effect on January 1, 2020. As many of you know, the Working Group is convened by the State Auditor each fall, and has recommended legislative changes over the last fifteen years that have helped relief associations be successful. The change I would like to highlight in this article pertains to firefighters who are paid a relief association service pension and then return to active firefighting service.

## Returning to Service After Receipt of a Service Pension

Beginning January 1, 2020, relief associations have authority to define a separate vesting requirement for members who return to service after being paid a service pension or disability benefit. The vesting requirement for these specific “return to service” members can be lower than the vesting requirement for other members, and applies only to members who return to the same fire department after being paid a service pension or disability benefit from the affiliated relief association.

Allowing relief associations to define shorter vesting requirements for members who resume active service and membership after being paid a service pension or disability benefit helps keep firefighters in the fire service, and gives communities that are trying to retain firefighters another tool in their toolbox.

A member who is paid a service pension must have a break in service of at least 60 days before the individual may return to active fire department service and relief association membership. Upon a resumption of active service, the member starts over in accruing service credit and must become vested again based solely on the resumption period of service to become eligible for a second service pension distribution.

For example, a relief association may specify in its bylaws that members who return after being paid a service pension or benefit have a vesting requirement of three years, and become fully vested immediately after three years of resumption service.

As another example, a relief association may specify in its bylaws that members who return after being paid a service pension or benefit have graduated vesting, with a member being 50 percent vested after one year of resumption service and vesting increasing in 10 percent increments for each additional resumption year.



Relief associations that pay monthly service pensions specify in the bylaws whether the monthly payments continue or cease (to resume once service ends again) during the member's resumption period of service.

### **Bylaw Considerations**

A relief association that wants to define shorter vesting requirements for members who are paid a service pension and then return to active service and membership must do so by amending the bylaws.

Updated Sample Bylaw Guides that provide sample language for "return to service" members are available on the Office of the State Auditor (OSA)'s website. Relief associations can use these guides as a reference when amending their bylaws. The Sample Bylaw Guides can be found by going to "For Local Officials" on the OSA home page and clicking on "Pension Documents" and then "Bylaw Guides."

### **To Learn More**

Additional information on how service credit and service pensions are calculated for firefighters who resume active service and membership after a break in service is available on the OSA website at [www.auditor.state.mn.us](http://www.auditor.state.mn.us). A Statement of Position entitled Return to Service for Members of Fire Relief Associations, can be found by going to "For Local Officials" on the home page and clicking on "Statements of Position." The Statement can be found on that page under the "Pensions" heading.

If you have any questions, please do not hesitate to contact my Pension Division staff at (651) 282-6110 or at [pension@osa.state.mn.us](mailto:pension@osa.state.mn.us).