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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 2682

03/03/2014 Authored by Nelson  
The bill was read for the first time and referred to the Committee on Government Operations

1.1 A bill for an act  
1.2 relating to retirement; Minnesota State Retirement System, Public Employees  
1.3 Retirement Association, and Teachers Retirement Association; reorganizing  
1.4 and updating the membership inclusion and exclusion provisions; amending  
1.5 Minnesota Statutes 2012, sections 352.01, subdivision 2b; 354.05, subdivision  
1.6 2; 354A.011, subdivision 27; Minnesota Statutes 2013 Supplement, sections  
1.7 352.01, subdivision 2a; 353.01, subdivisions 2a, 2b.

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

1.9 Section 1. Minnesota Statutes 2013 Supplement, section 352.01, subdivision 2a,  
1.10 is amended to read:

1.11 Subd. 2a. **Included employees.** (a) "State employee" includes:

1.12 (1) employees of the Minnesota Historical Society;

1.13 (2) employees of the State Horticultural Society;

1.14 (3) employees of the Minnesota Crop Improvement Association;

1.15 (4) employees of the adjutant general whose salaries are paid from federal funds and  
1.16 who are not covered by any federal civilian employees retirement system;

1.17 (5) employees of the Minnesota State Colleges and Universities who are employed  
1.18 under the university or college activities program;

1.19 (6) currently contributing employees covered by the system who are temporarily  
1.20 employed by the legislature during a legislative session or any currently contributing  
1.21 employee employed for any special service as defined in subdivision 2b, clause (8);

1.22 (7) employees of the legislature who are appointed without a limit on the duration  
1.23 of their employment and persons employed or designated by the legislature or by a  
1.24 legislative committee or commission or other competent authority to conduct a special  
1.25 inquiry, investigation, examination, or installation;

- 2.1 (8) trainees who are employed on a full-time established training program  
2.2 performing the duties of the classified position for which they will be eligible to receive  
2.3 immediate appointment at the completion of the training period;
- 2.4 (9) employees of the Minnesota Safety Council;
- 2.5 (10) any employees who are on authorized leave of absence from the Transit  
2.6 Operating Division of the former Metropolitan Transit Commission and who are employed  
2.7 by the labor organization which is the exclusive bargaining agent representing employees  
2.8 of the Transit Operating Division;
- 2.9 (11) employees of the Metropolitan Council, Metropolitan Parks and Open Space  
2.10 Commission, Metropolitan Sports Facilities Commission, or Metropolitan Mosquito  
2.11 Control Commission unless excluded under subdivision 2b or are covered by another  
2.12 public pension fund or plan under section 473.415, subdivision 3;
- 2.13 (12) judges of the Tax Court;
- 2.14 (13) personnel who were employed on June 30, 1992, by the University of  
2.15 Minnesota in the management, operation, or maintenance of its heating plant facilities,  
2.16 whose employment transfers to an employer assuming operation of the heating plant  
2.17 facilities, so long as the person is employed at the University of Minnesota heating plant  
2.18 by that employer or by its successor organization;
- 2.19 (14) personnel who are employed as seasonal employees in the classified or  
2.20 unclassified service;
- 2.21 (15) persons who are employed by the Department of Commerce as a peace officer  
2.22 in the Commerce Fraud Bureau under section 45.0135 who have attained the mandatory  
2.23 retirement age specified in section 43A.34, subdivision 4;
- 2.24 (16) employees of the University of Minnesota unless excluded under subdivision  
2.25 2b, clause (3);
- 2.26 (17) employees of the Middle Management Association whose employment began  
2.27 after July 1, 2007, and to whom section 352.029 does not apply;
- 2.28 (18) employees of the Minnesota Government Engineers Council to whom section  
2.29 352.029 does not apply;
- 2.30 (19) employees of the Minnesota Sports Facilities Authority; ~~and~~
- 2.31 (20) employees of the Minnesota Association of Professional Employees;
- 2.32 (21) employees of the Minnesota State Retirement System;
- 2.33 (22) employees of the State Agricultural Society;
- 2.34 (23) employees of the Gillette Children's Hospital Board who were employed in the  
2.35 state unclassified service at the former Gillette Children's Hospital on March 28, 1974; and

3.1 (24) if approved for coverage by the Board of Directors of Conservation Corps  
 3.2 Minnesota, employees of Conservation Corps Minnesota so employed on June 30, 2003.

3.3 (b) Employees specified in paragraph (a), clause (13), are included employees under  
 3.4 paragraph (a) if employer and employee contributions are made in a timely manner in the  
 3.5 amounts required by section 352.04. Employee contributions must be deducted from  
 3.6 salary. Employer contributions are the sole obligation of the employer assuming operation  
 3.7 of the University of Minnesota heating plant facilities or any successor organizations to  
 3.8 that employer.

3.9 Sec. 2. Minnesota Statutes 2012, section 352.01, subdivision 2b, is amended to read:

3.10 Subd. 2b. **Excluded employees.** "State employee" does not include:

3.11 (1) persons who are:

3.12 (i) students who are employed by the University of Minnesota, or within the  
 3.13 Minnesota State Colleges and Universities system, unless approved for coverage by  
 3.14 the Board of Regents of the University of Minnesota or the Board of Trustees of the  
 3.15 Minnesota State Colleges and Universities, whichever is applicable applies;

3.16 (ii) employed as interns for a period not to exceed six months unless included under  
 3.17 subdivision 2a, paragraph (a), clause (8);

3.18 (iii) employed as trainee employees unless included under subdivision 2a, paragraph  
 3.19 (a), clause (8);

3.20 (iv) full-time students employed by the Minnesota Historical Society intermittently  
 3.21 for a portion of the year and full time during the summer months; or

3.22 (v) employed in the student worker classification as designated by Minnesota  
 3.23 Management and Budget;

3.24 (2) employees who are:

3.25 (i) eligible for membership in the state Teachers Retirement Association, except  
 3.26 employees unless the person is an employee of the Department of Education who have  
 3.27 chosen or may choose elected to be covered by the general state employees retirement plan  
 3.28 of the Minnesota State Retirement System instead of the Teachers Retirement Association;

3.29 (ii) employees of the state who, in any year, were credited with 12 months of  
 3.30 allowable service as a public school teacher and, as such, are members of a retirement plan  
 3.31 governed by chapter 354 or 354A unless the employment is incidental employment as a  
 3.32 state employee that is not covered by a retirement plan governed by chapter 354 or 354A;

3.33 (iii) employees of the state who are employed by the Board of Trustees of the  
 3.34 Minnesota State Colleges and Universities in an unclassified position that is listed in  
 3.35 section 43A.08, subdivision 1, clause (9);

4.1 (iv) persons employed by the Board of Trustees of the Minnesota State Colleges and  
 4.2 Universities who elected retirement coverage other than by the general state employees  
 4.3 retirement plan of the Minnesota State Retirement System under Minnesota Statutes  
 4.4 1994, section 136C.75;

4.5 (v) officers or enlisted personnel in the National Guard or in the naval militia who  
 4.6 are assigned to permanent peacetime duty and who are or are required to be members of a  
 4.7 federal retirement system under federal law;

4.8 (vi) persons employed by the Department of Military Affairs as full-time firefighters  
 4.9 and who, as such, are members of the public employees police and fire retirement plan;

4.10 (vii) members of the State Patrol retirement plan under section 352B.011,  
 4.11 subdivision 10;

4.12 (viii) off-duty police officers while employed by the Metropolitan Council and  
 4.13 persons employed as full-time police officers by the Metropolitan Council and who, as  
 4.14 such, are members of the public employees police and fire retirement plan; and

4.15 (ix) employees of the state who have elected to transfer account balances derived  
 4.16 from state service to the unclassified state employees retirement program under section  
 4.17 352D.02, subdivision 1d;

4.18 (3) employees of the University of Minnesota who are excluded from coverage by  
 4.19 action of the Board of Regents;

4.20 ~~(4) officers and enlisted personnel in the National Guard and the naval militia who~~  
 4.21 ~~are assigned to permanent peacetime duty and who under federal law are or are required to~~  
 4.22 ~~be members of a federal retirement system;~~

4.23 ~~(5) (4) election officers judges and persons who are employed solely to administer~~  
 4.24 ~~elections;~~

4.25 ~~(6) (5) persons who are:~~

4.26 ~~(i) engaged in public work for the state but who are employed by contractors when the~~  
 4.27 ~~performance of the contract is authorized by the legislature or other competent authority;~~

4.28 ~~(7) officers and employees of the senate, or of the house of representatives, or of a~~  
 4.29 ~~legislative committee or commission who are temporarily employed;~~

4.30 (ii) employed to perform professional services where the service is incidental to the  
 4.31 person's regular professional duties and where compensation is paid on a per diem basis; or

4.32 (iii) compensated on a fee payment basis or as an independent contractor;

4.33 (6) persons who are employed by:

4.34 (i) the house of representatives, the senate, or a legislative commission or agency  
 4.35 under the jurisdiction of the Legislative Coordinating Commission on a temporary basis;

- 5.1 (ii) the Minnesota State Agricultural Society or the Minnesota State Fair as a  
 5.2 temporary employee on or after July 1 for a period ending on or before October 15 of that  
 5.3 calendar year or as an employee at any time for a special event held on the fairgrounds;
- 5.4 (iii) the executive branch as a temporary employee in the classified service or as a  
 5.5 temporary employee in the unclassified service if appointed for a definite period not to  
 5.6 exceed six months, and if employment is less than six months, then in any 12-month period;
- 5.7 (iv) the adjutant general if employed on an unlimited intermittent or temporary  
 5.8 basis in the classified service or in the unclassified service for the support of Army or Air  
 5.9 National Guard training facilities;
- 5.10 (v) a state or federal program for training or rehabilitation as a temporary employee  
 5.11 if employed for a limited period from an area of economic distress and if other than a  
 5.12 skilled or supervisory personnel position or other than a position that has civil service  
 5.13 status covered by the retirement system; and
- 5.14 (vi) the Metropolitan Council or a statutory board of the Metropolitan Council where  
 5.15 the members of the board are appointed by the Metropolitan Council as a temporary  
 5.16 employee if the appointment does not exceed six months;
- 5.17 ~~(8) (7) receivers, jurors, notaries public, and court employees who are not in the~~  
 5.18 ~~judicial branch as defined in section 43A.02, subdivision 25, except referees and adjusters~~  
 5.19 ~~employed by the Department of Labor and Industry;~~
- 5.20 ~~(9) (8) patient and inmate help who perform services in state charitable, penal, and~~  
 5.21 ~~correctional institutions, including the a Minnesota Veterans Home;~~
- 5.22 ~~(10) persons who are employed for professional services where the service is~~  
 5.23 ~~incidental to their regular professional duties and whose compensation is paid on a per~~  
 5.24 ~~diem basis;~~
- 5.25 ~~(11) (9) employees of the Sibley House Association;~~
- 5.26 ~~(10) persons who are:~~
- 5.27 ~~(12) the (i) members of any state board or commission who serve the state~~  
 5.28 ~~intermittently and are paid on a per diem basis; the secretary, secretary-treasurer, and~~  
 5.29 ~~treasurer of those boards if their compensation is \$5,000 or less per year, or, if they are~~  
 5.30 ~~legally prohibited from serving more than three years; and the board of managers of the~~  
 5.31 ~~State Agricultural Society and its treasurer unless the treasurer is also its full-time secretary;~~
- 5.32 ~~(13) state troopers and persons who are described in section 352B.011, subdivision~~  
 5.33 ~~10, clauses (2) to (8);~~
- 5.34 ~~(14) temporary employees of the Minnesota State Fair who are employed on or~~  
 5.35 ~~after July 1 for a period not to extend beyond October 15 of that year; and persons who~~

6.1 ~~are employed at any time by the state fair administration for special events held on the~~  
 6.2 ~~fairgrounds;~~

6.3 ~~(ii) examination monitors employed by a department, agency, commission, or board~~  
 6.4 ~~of the state to conduct examinations that are required by law; or~~

6.5 ~~(iii) appointees serving as a member of a fact-finding commission or an adjustment~~  
 6.6 ~~panel, an arbitrator, or a labor referee under chapter 179;~~

6.7 ~~(15) (11) emergency employees who are in the classified service; except that,~~  
 6.8 ~~but if an emergency employee, within the same pay period, becomes a provisional or~~  
 6.9 ~~probationary employee on other than a temporary basis, the employee must be considered~~  
 6.10 ~~a "state employee" retroactively to the beginning of the pay period;~~

6.11 ~~(16) temporary employees in the classified service, and temporary employees in the~~  
 6.12 ~~unclassified service who are appointed for a definite period of not more than six months~~  
 6.13 ~~and who are employed less than six months in any one-year period;~~

6.14 ~~(17) interns who are hired for six months or less and trainee employees, except~~  
 6.15 ~~those listed in subdivision 2a, clause (8);~~

6.16 ~~(18) persons whose compensation is paid on a fee basis or as an independent~~  
 6.17 ~~contractor;~~

6.18 ~~(19) state employees who are employed by the Board of Trustees of the Minnesota~~  
 6.19 ~~State Colleges and Universities in unclassified positions enumerated in section 43A.08,~~  
 6.20 ~~subdivision 1, clause (9);~~

6.21 ~~(20) state employees who in any year have credit for 12 months service as teachers~~  
 6.22 ~~in the public schools of the state and as teachers are members of the Teachers Retirement~~  
 6.23 ~~Association or a retirement system in St. Paul, Minneapolis, or Duluth, except for~~  
 6.24 ~~incidental employment as a state employee that is not covered by one of the teacher~~  
 6.25 ~~retirement associations or systems;~~

6.26 ~~(21) employees of the adjutant general who are employed on an unlimited~~  
 6.27 ~~intermittent or temporary basis in the classified or unclassified service for the support of~~  
 6.28 ~~Army and Air National Guard training facilities;~~

6.29 ~~(22) chaplains and nuns (12) persons who are members of a religious order who are~~  
 6.30 ~~excluded from coverage under the federal Old Age, Survivors, Disability, and Health~~  
 6.31 ~~Insurance Program for the performance of service as specified in United States Code, title~~  
 6.32 ~~42, section 410(a)(8)(A), as amended, if no irrevocable election of coverage has been~~  
 6.33 ~~made under section 3121(r) of the Internal Revenue Code of 1986, as amended through~~  
 6.34 ~~December 31, 1992;~~

6.35 ~~(23) examination monitors who are employed by departments, agencies,~~  
 6.36 ~~commissions, and boards to conduct examinations required by law;~~

7.1 ~~(24) persons who are appointed to serve as members of fact-finding commissions or~~  
 7.2 ~~adjustment panels, arbitrators, or labor referees under chapter 179;~~

7.3 ~~(25) temporary employees who are employed for limited periods under any state or~~  
 7.4 ~~federal program for training or rehabilitation, including persons who are employed for~~  
 7.5 ~~limited periods from areas of economic distress, but not including skilled and supervisory~~  
 7.6 ~~personnel and persons having civil service status covered by the system;~~

7.7 ~~(26) full-time students who are employed by the Minnesota Historical Society~~  
 7.8 ~~intermittently during part of the year and full-time during the summer months;~~

7.9 ~~(27) temporary employees who are appointed for not more than six months, of~~  
 7.10 ~~the Metropolitan Council and of any of its statutory boards, if the board members are~~  
 7.11 ~~appointed by the Metropolitan Council;~~

7.12 ~~(28) persons who are employed in positions designated by the Department of~~  
 7.13 ~~Management and Budget as student workers;~~

7.14 ~~(29) (13) members of trades who are employed by the successor to the Metropolitan~~  
 7.15 ~~Waste Control Commission, who have trade union pension plan coverage under a~~  
 7.16 ~~collective bargaining agreement, and who are first employed after June 1, 1977;~~

7.17 ~~(30) off-duty peace officers while employed by the Metropolitan Council;~~

7.18 ~~(31) persons who are employed as full-time police officers by the Metropolitan~~  
 7.19 ~~Council and as police officers are members of the public employees police and fire fund;~~

7.20 ~~(32) persons who are employed as full-time firefighters by the Department of Military~~  
 7.21 ~~Affairs and as firefighters are members of the public employees police and fire fund;~~

7.22 ~~(33) (14) foreign citizens who are employed under a work permit of less than three~~  
 7.23 ~~years; or under an H-1b/JV H-1b visa or a J-1 visa that is initially valid for less than three~~  
 7.24 ~~years of employment, unless notice of a visa extension is supplied which allows them to~~  
 7.25 ~~work for three or more years as of the date that the extension is granted is supplied to the~~  
 7.26 ~~retirement plan, in which case they are the person is eligible for coverage from the date~~  
 7.27 ~~extended of the extension; and~~

7.28 ~~(34) persons who are employed by the Board of Trustees of the Minnesota State~~  
 7.29 ~~Colleges and Universities and who elected to remain members of the Public Employees~~  
 7.30 ~~Retirement Association or of the MERF division of the Public Employees Retirement~~  
 7.31 ~~Association as the successor of the Minneapolis Employees Retirement Fund, whichever~~  
 7.32 ~~applies, under Minnesota Statutes 1994, section 136C.75; and~~

7.33 ~~(35) employees who have elected to transfer service to the unclassified program~~  
 7.34 ~~under section 352D.02, subdivision 1d.~~

7.35 ~~(15) reemployed annuitants of the general state employees retirement plan, the~~  
 7.36 ~~military affairs personnel retirement plan, the transportation department pilots retirement~~

8.1 plan, the state fire marshal employees retirement plan, or the correctional state employees  
 8.2 retirement plan during the course of that reemployment unless the person is employed  
 8.3 after retirement as a temporary employee of the legislature during a legislative session.

8.4 Sec. 3. Minnesota Statutes 2013 Supplement, section 353.01, subdivision 2a, is  
 8.5 amended to read:

8.6 Subd. 2a. **Included employees; mandatory membership.** (a) Public employees  
 8.7 whose salary exceeds \$425 in any month and who are not specifically excluded under  
 8.8 subdivision 2b or who have not been provided an option to participate under subdivision  
 8.9 2d, whether individually or by action of the governmental subdivision, must participate as  
 8.10 members of the association with retirement coverage by the general employees retirement  
 8.11 plan under this chapter, the public employees police and fire retirement plan under this  
 8.12 chapter, or the local government correctional employees retirement plan under chapter  
 8.13 353E, whichever applies. Membership commences as a condition of their employment on  
 8.14 the first day of their employment or on the first day that the eligibility criteria are met,  
 8.15 whichever is later. Public employees include but are not limited to:

8.16 (1) persons whose salary meets the threshold in this paragraph from employment in  
 8.17 one or more positions within one governmental subdivision;

8.18 (2) elected county sheriffs;

8.19 (3) persons who are appointed, employed, or contracted to perform governmental  
 8.20 functions that by law or local ordinance are required of a public officer, including, but  
 8.21 not limited to:

8.22 (i) town and city clerk or treasurer;

8.23 (ii) county auditor, treasurer, or recorder;

8.24 (iii) city manager as defined in section 353.028 who does not exercise the option  
 8.25 provided under subdivision 2d; or

8.26 (iv) emergency management director, as provided under section 12.25;

8.27 (4) physicians under section 353D.01, subdivision 2, who do not elect public  
 8.28 employees defined contribution plan coverage under section 353D.02, subdivision 2;

8.29 (5) full-time employees of the Dakota County Agricultural Society;

8.30 (6) employees of the Red Wing Port Authority who were first employed by the  
 8.31 Red Wing Port Authority before May 1, 2011, and who are not excluded employees  
 8.32 under subdivision 2b; ~~and~~

8.33 (7) employees of the Seaway Port Authority of Duluth who are not excluded  
 8.34 employees under subdivision 2b; and

8.35 (8) employees of the Public Employees Retirement Association.

9.1 (b) A public employee or elected official who was a member of the association on  
 9.2 June 30, 2002, based on employment that qualified for membership coverage by the public  
 9.3 employees retirement plan or the public employees police and fire plan under this chapter,  
 9.4 or the local government correctional employees retirement plan under chapter 353E as of  
 9.5 June 30, 2002, retains that membership for the duration of the person's employment in that  
 9.6 position or incumbency in elected office. Except as provided in subdivision 28, the person  
 9.7 shall participate as a member until the employee or elected official terminates public  
 9.8 employment under subdivision 11a or terminates membership under subdivision 11b.

9.9 (c) If the salary of an included public employee is less than \$425 in any subsequent  
 9.10 month, the member retains membership eligibility.

9.11 (d) For the purpose of participation in the MERF division of the general employees  
 9.12 retirement plan, public employees include employees who were members of the former  
 9.13 Minneapolis Employees Retirement Fund on June 29, 2010, and who participate as  
 9.14 members of the MERF division of the association.

9.15 Sec. 4. Minnesota Statutes 2013 Supplement, section 353.01, subdivision 2b, is  
 9.16 amended to read:

9.17 Subd. 2b. **Excluded employees.** (a) The following public employees are not eligible  
 9.18 to participate as members of the association with retirement coverage by the general  
 9.19 employees retirement plan, the local government correctional employees retirement plan  
 9.20 under chapter 353E, or the public employees police and fire retirement plan:

9.21 (1) persons whose salary from one governmental subdivision never exceeds \$425 in  
 9.22 a month;

9.23 (2) public officers who are elected to a governing body, city mayors, or persons who  
 9.24 are appointed to fill a vacancy in an elective office of a governing body, whose term of office  
 9.25 commences on or after July 1, 2002, for the service to be rendered in that elective position;

9.26 (3) ~~election officers or election judges~~ and persons employed solely to administer  
 9.27 elections;

9.28 (4) patient and inmate personnel who perform services for a governmental  
 9.29 subdivision;

9.30 (5) except as otherwise specified in subdivision 12a, employees who are hired for a  
 9.31 temporary position as defined under subdivision 12a, and employees who resign from a  
 9.32 nontemporary position and accept a temporary position within 30 days of that resignation  
 9.33 in the same governmental subdivision;

9.34 (6) employees who are employed by reason of work emergency caused by fire,  
 9.35 flood, storm, or similar disaster, but if the person becomes a probationary or provisional

10.1 employee within the same pay period, other than on a temporary basis, the person is a  
 10.2 "public employee" retroactively to the beginning of the pay period;

10.3 (7) employees who by virtue of their employment in one governmental subdivision  
 10.4 are required by law to be a member of and to contribute to any of the plans or funds  
 10.5 administered by the Minnesota State Retirement System, the Teachers Retirement  
 10.6 Association, the Duluth Teachers Retirement Fund Association, ~~and~~ or the St. Paul  
 10.7 Teachers Retirement Fund Association; but this clause exclusion must not be construed  
 10.8 to prevent a person from being a member of and contributing to the Public Employees  
 10.9 Retirement Association and also belonging to and contributing to another public pension  
 10.10 plan or fund for other service occurring during the same period of time; and a person who  
 10.11 meets the definition of "public employee" in subdivision 2 by virtue of other service  
 10.12 occurring during the same period of time becomes a member of the association unless  
 10.13 contributions are made to another public retirement fund plan on the salary based on the  
 10.14 other service or to the Teachers Retirement Association by a teacher as defined in section  
 10.15 354.05, subdivision 2;

10.16 (8) persons who are members of a religious order and are excluded from coverage  
 10.17 under the federal Old Age, Survivors, Disability, and Health Insurance Program for the  
 10.18 performance of service as specified in United States Code, title 42, section 410(a)(8)(A),  
 10.19 as amended ~~through January 1, 1987~~, if no irrevocable election of coverage has been made  
 10.20 under section 3121(r) of the Internal Revenue Code of 1954, as amended;

10.21 (9) employees of persons who are:

10.22 (i) employed by a governmental subdivision who have not reached the age of 23  
 10.23 and who are enrolled on a full-time basis to attend or are attending classes on a full-time  
 10.24 basis at an accredited school, college, or university in an undergraduate, graduate, or  
 10.25 professional-technical program, or at a public or charter high school;

10.26 ~~(10)~~ (ii) employed as resident physicians, medical interns, and pharmacist residents  
 10.27 and, or pharmacist interns who and are serving in a degree or residency program in a  
 10.28 public hospitals hospital or clinics in a public clinic; or

10.29 ~~(11)~~ (iii) students who are serving for up a period not to exceed five years in an  
 10.30 internship or a residency program that is sponsored by a governmental subdivision,  
 10.31 including an accredited educational institution;

10.32 ~~(12)~~ (10) persons who hold a part-time adult supplementary technical college license  
 10.33 who render part-time teaching service in a technical college;

10.34 ~~(13)~~ (11) except for employees of Hennepin County or employees of Hennepin  
 10.35 Healthcare System, Inc., foreign citizens who are employed by a governmental subdivision  
 10.36 under a work permit; or under an H-1b visa initially issued or extended for a combined

11.1 period of less than three years of employment; but upon extension of the employment  
 11.2 of the visa beyond the three-year period, the foreign ~~citizens~~ citizen must be reported  
 11.3 for membership beginning on the first of the month thereafter ~~provided~~ following the  
 11.4 extension if the monthly earnings threshold as provided under subdivision 2a is met;

11.5 ~~(14)~~ (12) public hospital employees who elected not to participate as members  
 11.6 of the association before 1972 and who did not elect to participate from July 1, 1988,  
 11.7 to October 1, 1988;

11.8 ~~(15)~~ (13) except as provided in section 353.86, volunteer ambulance service  
 11.9 personnel, as defined in subdivision 35, but persons who serve as volunteer ambulance  
 11.10 service personnel may still qualify as public employees under subdivision 2 and may  
 11.11 be members of the Public Employees Retirement Association and participants in the  
 11.12 general employees retirement plan or the public employees police and fire plan, whichever  
 11.13 applies, on the basis of compensation received from public employment service other than  
 11.14 service as volunteer ambulance service personnel;

11.15 ~~(16)~~ (14) except as provided in section 353.87, volunteer firefighters, as defined in  
 11.16 subdivision 36, engaging in activities undertaken as part of volunteer firefighter duties,  
 11.17 but a person who is a volunteer firefighter may still qualify as a public employee under  
 11.18 subdivision 2 and may be a member of the Public Employees Retirement Association and  
 11.19 a participant in the general employees retirement plan or the public employees police  
 11.20 and fire plan, whichever applies, on the basis of compensation received from public  
 11.21 employment activities other than those as a volunteer firefighter;

11.22 ~~(17)~~ (15) pipefitters and associated trades personnel employed by Independent  
 11.23 School District No. 625, St. Paul, with coverage under a collective bargaining agreement  
 11.24 by the pipefitters local 455 pension plan who were either first employed after May 1,  
 11.25 1997, or, if first employed before May 2, 1997, elected to be excluded under Laws 1997,  
 11.26 chapter 241, article 2, section 12;

11.27 ~~(18)~~ (16) electrical workers, plumbers, carpenters, and associated trades personnel  
 11.28 who are employed by Independent School District No. 625, St. Paul, or the city of St.  
 11.29 Paul, who have retirement coverage under a collective bargaining agreement by the  
 11.30 Electrical Workers Local 110 pension plan, the United Association Plumbers Local 34  
 11.31 pension plan, or the pension plan formerly applicable to Carpenters Local 87 who were  
 11.32 either first employed after May 1, 2000, or, if first employed before May 2, 2000, elected  
 11.33 to be excluded under Laws 2000, chapter 461, article 7, section 5;

11.34 ~~(19)~~ (17) bricklayers, allied craftworkers, cement masons, glaziers, glassworkers,  
 11.35 painters, allied tradesworkers, and plasterers who are employed by the city of St. Paul  
 11.36 or Independent School District No. 625, St. Paul, with coverage under a collective

12.1 bargaining agreement by the Bricklayers and Allied Craftworkers Local 1 pension plan,  
 12.2 the Cement Masons Local 633 pension plan, the Glaziers and Glassworkers Local L-1324  
 12.3 pension plan, the Painters and Allied Trades Local 61 pension plan, or the Twin Cities  
 12.4 Plasterers Local 265 pension plan who were either first employed after May 1, 2001, or if  
 12.5 first employed before May 2, 2001, elected to be excluded under Laws 2001, First Special  
 12.6 Session chapter 10, article 10, section 6;

12.7 ~~(20)~~ (18) plumbers who are employed by the Metropolitan Airports Commission,  
 12.8 with coverage under a collective bargaining agreement by the Plumbers Local 34 pension  
 12.9 plan, who either were first employed after May 1, 2001, or if first employed before May 2,  
 12.10 2001, elected to be excluded under Laws 2001, First Special Session chapter 10, article  
 12.11 10, section 6;

12.12 ~~(21)~~ (19) employees who are hired after June 30, 2002, to fill seasonal positions  
 12.13 under subdivision 12b which are limited in duration by the employer to 185 consecutive  
 12.14 calendar days or less in each year of employment with the governmental subdivision;

12.15 ~~(22)~~ (20) persons who are provided supported employment or work-study positions  
 12.16 by a governmental subdivision and who participate in an employment or industries  
 12.17 program maintained for the benefit of these persons where the governmental subdivision  
 12.18 limits the position's duration to up to five years, including persons participating in a  
 12.19 federal or state subsidized on-the-job training, work experience, senior citizen, youth, or  
 12.20 unemployment relief program where the training or work experience is not provided as a  
 12.21 part of, or for, future permanent public employment;

12.22 ~~(23)~~ (21) independent contractors and the employees of independent contractors;

12.23 ~~(24)~~ (22) reemployed annuitants of the association during the course of that  
 12.24 reemployment; and

12.25 ~~(25)~~ (23) persons appointed to serve on a board or commission of a governmental  
 12.26 subdivision or an instrumentality thereof.

12.27 (b) Any person performing the duties of a public officer in a position defined in  
 12.28 subdivision 2a, paragraph (a), clause (3), is not an independent contractor and is not an  
 12.29 employee of an independent contractor.

12.30 Sec. 5. Minnesota Statutes 2012, section 354.05, subdivision 2, is amended to read:

12.31 Subd. 2. **Teacher.** (a) "Teacher" means:

12.32 (1) a person who renders service as a teacher, supervisor, principal, superintendent,  
 12.33 librarian, nurse, counselor, social worker, therapist, or psychologist in a public school of  
 12.34 the state ~~located outside of the corporate limits of the city of Duluth or the city of St. Paul~~  
 12.35 other than in Independent School District No. 625 or in Independent School District No.

13.1 709, or in any charter school, irrespective of the location of the school, or in any charitable,  
 13.2 penal, or correctional institutions of a governmental subdivision, or who is engaged in  
 13.3 educational administration in connection with the state public school system, ~~but excluding~~  
 13.4 ~~the University of Minnesota~~, whether the position be a public office or an employment, ~~and~~  
 13.5 ~~not including the members or officers of any general governing or managing board or body;~~

13.6 (2) an employee of the Teachers Retirement Association;

13.7 (3) a person who renders teaching service on a part-time basis and who also renders  
 13.8 other services for a single employing unit. ~~A person whose~~ where the teaching service  
 13.9 comprises at least 50 percent of the combined employment salary is a member of the  
 13.10 association for all services with the single employing unit. ~~If the person's teaching service~~  
 13.11 ~~comprises or, if less than 50 percent of the combined employment salary, the executive~~  
 13.12 ~~director must determine whether~~ determines all or none of the combined service is covered  
 13.13 by the association; or

13.14 (4) a person who is not covered by the plans established under chapter 352D, 354A,  
 13.15 or 354B and who is employed by the Board of Trustees of the Minnesota State Colleges  
 13.16 and Universities system in an unclassified position as:

13.17 (i) a president, vice-president, or dean;

13.18 (ii) a manager or a professional in an academic or an academic support program  
 13.19 other than specified in item (i);

13.20 (iii) an administrative or a service support faculty position; or

13.21 (iv) a teacher or a research assistant.

13.22 (b) "Teacher" does not mean:

13.23 (1) a person who works for a school or institution as an independent contractor as  
 13.24 defined by the Internal Revenue Service;

13.25 (2) a person who renders part-time teaching service or who is a customized trainer  
 13.26 as defined by the Minnesota State Colleges and Universities system if (i) the service is  
 13.27 incidental to the regular nonteaching occupation of the person; and (ii) the employer  
 13.28 stipulates annually in advance that the part-time teaching service or customized training  
 13.29 service will not exceed 300 hours in a fiscal year and retains the stipulation in its records;  
 13.30 and (iii) the part-time teaching service or customized training service actually does not  
 13.31 exceed 300 hours in a fiscal year; or

13.32 (3) a person exempt from licensure under section 122A.30<sub>2</sub>;

13.33 (4) annuitants of the teachers retirement plan who are employed after retirement by  
 13.34 an employing unit that participates in the teachers retirement plan during the course of  
 13.35 that reemployment;

13.36 (5) a person who is employed by the University of Minnesota;

14.1 (6) a member or an officer of any general governing or managing board or body of  
 14.2 an employing unit that participates in the teachers retirement plan; or

14.3 (7) a person employed by Independent School District No. 625 or Independent  
 14.4 School District No. 709 as a teacher as defined in section 354A.011, subdivision 27.

14.5 Sec. 6. Minnesota Statutes 2012, section 354A.011, subdivision 27, is amended to read:

14.6 Subd. 27. **Teacher.** (a) "Teacher" means any person who renders service for a public  
 14.7 school district, other than a charter school, located in the corporate limits of Duluth or  
 14.8 St. Paul, as any of the following:

14.9 (1) a full-time employee in a position for which a valid license from the state  
 14.10 Department of Education is required;

14.11 (2) an employee of the teachers retirement fund association located in the city of  
 14.12 the first class;

14.13 (3) a part-time employee in a position for which a valid license from the state  
 14.14 Department of Education is required; or

14.15 (4) a part-time employee in a position for which a valid license from the state  
 14.16 Department of Education is required who also renders other nonteaching services for the  
 14.17 school district, unless the board of trustees of the teachers retirement fund association  
 14.18 determines that the combined employment is on the whole so substantially dissimilar to  
 14.19 teaching service that the service may not be covered by the association.

14.20 (b) The term does not mean any person who renders service in the school district  
 14.21 as any of the following:

14.22 (1) an independent contractor or the employee of an independent contractor;

14.23 (2) an employee who is a full-time teacher covered by the Teachers Retirement  
 14.24 Association or by another teachers retirement fund association established pursuant to this  
 14.25 chapter or chapter 354;

14.26 (3) an employee who is exempt from licensure pursuant to section 122A.30;

14.27 (4) an employee who is a teacher in a technical college located in a city of the first  
 14.28 class unless the person elects coverage by the applicable first class city teacher retirement  
 14.29 fund association under section 354B.21, subdivision 2;

14.30 (5) a teacher employed by a charter school, irrespective of the location of the  
 14.31 school; or

14.32 (6) an employee who is a part-time teacher in a technical college in a city of the first  
 14.33 class and who has elected coverage by the applicable first class city teacher retirement  
 14.34 fund association under section 354B.21, subdivision 2, but (i) the teaching service is  
 14.35 incidental to the regular nonteaching occupation of the person; (ii) the applicable technical

15.1 college stipulates annually in advance that the part-time teaching service will not exceed  
15.2 300 hours in a fiscal year; and (iii) the part-time teaching actually does not exceed 300  
15.3 hours in the fiscal year to which the certification applies; or  
15.4 (7) a person who is receiving a retirement annuity from the Teachers Retirement  
15.5 Fund Association and is employed after retirement by the school district associated with  
15.6 the retirement fund association.

15.7 Sec. 7. **EFFECTIVE DATE.**

15.8 Sections 1 to 6 are effective July 1, 2014.