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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. 963

02/28/2013 Authored by McDonald, Zerwas, O'Neill, FitzSimmons, Newberger and others
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; Public Employees Retirement Association; permitting a
1.3 Wright County Highway Department employee to purchase service credit for a
1.4 period of omitted contributions.

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

1.6 Section 1. PERA-GENERAL; SERVICE CREDIT PURCHASE FOR OMITTED
1.7 CONTRIBUTION PERIOD; WRIGHT COUNTY HIGHWAY DEPARTMENT
1.8 EMPLOYEE.

1.9 (a) Notwithstanding any provision of law to the contrary, an eligible person
1.10 described in paragraph (b) is entitled to purchase from the general employees retirement
1.11 plan of the Public Employees Retirement Association allowable service credit under
1.12 Minnesota Statutes, section 353.01, subdivision 16, for the period of omitted member
1.13 deductions described in paragraph (c).

1.14 (b) An eligible person is a person who:

1.15 (1) was born on March 19, 1959;

1.16 (2) is a current employee of the Wright County Highway Department, covered by
1.17 the general employees retirement plan of the Public Employees Retirement Association;

1.18 (3) shifted from temporary to full-time employment with the highway department
1.19 in April 2007; and

1.20 (4) was not reported by Wright County for retirement coverage by and membership
1.21 in the general employees retirement plan of the Public Employees Retirement Association
1.22 until March 2012.

1.23 (c) The period of uncredited service authorized for purchase is the period from
1.24 April 2007 through December 2008, during which no member contributions for the

2.1 general employees retirement plan of the Public Employees Retirement Association were
2.2 deducted from the eligible person's salary by Wright County, and which could not be
2.3 corrected through the Public Employees Retirement Association omitted contribution
2.4 provision due to a three-year time limit in the provision.

2.5 (d) The purchase payment amount payable by the eligible person is the employee
2.6 contributions that should have been made, plus 8.5 percent interest compounded annually
2.7 from the date each deduction should have occurred, until the date paid to the Public
2.8 Employees Retirement Association. The purchase payment amount payable by Wright
2.9 County is the balance of the full actuarial value prior service credit purchase payment
2.10 amount determined under Minnesota Statutes, section 356.551, as of the first day of the
2.11 month next following the receipt of the eligible person's payment that is remaining after
2.12 deducting the purchase payment amount payable by the eligible person.

2.13 (e) The payment amount due from the county under paragraph (d) must be made on
2.14 or before the 15th of the month next following the receipt of the eligible person's payment
2.15 under paragraph (d). If the county purchase payment amount is not paid in a timely
2.16 fashion, the amount due accrues compound monthly interest at the rate of 0.71 percent per
2.17 month from the first day of the month next following the receipt of the eligible person's
2.18 payment until the county purchase payment amount is received by the Public Employees
2.19 Retirement Association. If the county purchase payment amount is not paid to the Public
2.20 Employees Retirement Association 90 days after the receipt of the eligible person's
2.21 payment, the executive director shall notify the commissioner of management and budget
2.22 and the commissioner of revenue of that unpaid obligation and the unpaid obligation must
2.23 be deducted from any state aid otherwise payable to the county, plus interest.

2.24 (f) The eligible person must provide the executive director of the Public Employees
2.25 Retirement Association with any relevant requested information pertaining to this service
2.26 credit purchase.

2.27 (g) Authority to make a service credit purchase under this section expires on June
2.28 30, 2014, or upon the termination from public employment under Minnesota Statutes,
2.29 section 353.01, subdivision 11a, whichever occurs earlier.