

SENATE
STATE OF MINNESOTA
EIGHTY-NINTH SESSION

S.F. No. 1929

(SENATE AUTHORS: JOHNSON)

DATE	D-PG	OFFICIAL STATUS
03/23/2015	1219	Introduction and first reading Referred to State and Local Government

1.1 A bill for an act
 1.2 relating to retirement; authorizing purchase of service credit from the public
 1.3 employees retirement association for omitted service.

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

1.5 Section 1. **PERA-GENERAL; SERVICE CREDIT PURCHASE FOR OMITTED**
 1.6 **CONTRIBUTION PERIOD; HENNEPIN COUNTY MEDICAL CENTER**
 1.7 **EMPLOYEE.**

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

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

1.14 (1) was born on July 10, 1955;

1.15 (2) is a current employee of the Hennepin County Medical Center, covered by the
 1.16 general employees retirement plan of the Public Employees Retirement Association;

1.17 (3) has worked for the medical director of the hospital since March 1986; and

1.18 (4) was not reported for retirement coverage and membership in the general
 1.19 employees retirement plan of the Public Employees Retirement Association between
 1.20 May 30, 1986, and April 3, 1995.

1.21 (c) The period of uncredited service authorized for purchase is the period from
 1.22 May 30, 1986 and April 3, 1995, during which no member contributions for the general
 1.23 employees retirement plan of the Public Employees Retirement Association were deducted
 1.24 from the eligible person's salary, and which could not be corrected through the Public

2.1 Employees Retirement Association omitted contribution provision due to a three-year
2.2 time limit in the provision.

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

2.11 (e) The payment amount due from the Hennepin County Medical Center under
2.12 paragraph (d) must be made on or before the 15th of the month next following the receipt
2.13 of the eligible person's payment under paragraph (d). If the Hennepin County Medical
2.14 Center purchase payment amount is not paid in a timely fashion, the amount due accrues
2.15 compound monthly interest at the rate of 0.71 percent per month from the first day of
2.16 the month next following the receipt of the eligible person's payment until the purchase
2.17 payment amount is received by the Public Employees Retirement Association.

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

2.21 (g) Authority to make a service credit purchase under this section expires on June
2.22 30, 2016, or upon the termination from public employment under Minnesota Statutes,
2.23 section 353.01, subdivision 11a, whichever occurs earlier.

2.24 **EFFECTIVE DATE.** This section is effective the day following final enactment.