

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-EIGHTH LEGISLATURE**

**S.F. No. 594**

(SENATE AUTHORS: DAHLE)

| DATE       | D-PG | OFFICIAL STATUS  |
|------------|------|--|
| 02/21/2013 | 344  | Introduction and first reading<br>Referred to State and Local Government<br>See SF489, Art. 7, Sec. 10 |

1.1 A bill for an act  
 1.2 relating to retirement; Public Employees Retirement Association general  
 1.3 employees retirement plan; authorizing a purchase of prior service credit for  
 1.4 certain Northfield employees.

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

1.6 Section 1. **PERA-GENERAL; PURCHASE OF CERTAIN PRIOR NORTHFIELD**  
 1.7 **SERVICE CREDIT.**

1.8 (a) Notwithstanding any provision of Minnesota Statutes, chapter 353, to the  
 1.9 contrary, an eligible person described in paragraph (b) is entitled to repay any prior refund  
 1.10 as provided in paragraph (c) and is entitled to purchase service credit as provided in  
 1.11 paragraph (d).

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

1.13 (1) was born on July 10, 1942;

1.14 (2) was employed by the city of Northfield on October 5, 2005;

1.15 (3) became a member of the general employees retirement plan of the Public  
 1.16 Employees Retirement Association on April 5, 2009;

1.17 (4) was employed by the transit division of the city of Northfield until June 29,  
 1.18 2012; and

1.19 (5) was eligible for PERA general employees retirement plan membership on  
 1.20 October 5, 2005, but was not reported to PERA for membership in a timely fashion.

1.21 (c) The eligible person may repay to the general employees retirement fund of  
 1.22 the Public Employees Retirement Association any refund of accumulated member  
 1.23 contributions and interest previously received, plus interest at an annual rate of 8.5 percent

2.1 compounded annually from the date on which the refund was paid until the date on which  
2.2 the refund is repaid.

2.3 (d) If the eligible person repays all prior refunds under paragraph (c), the eligible  
2.4 person may purchase 43 months of allowable service credit and salary credit from the  
2.5 general employees retirement plan of the Public Employees Retirement Association by  
2.6 making a payment equal to the unpaid member contributions during the period October 5,  
2.7 2005, until April 5, 2009, plus 8.5 percent interest from the date that each contribution  
2.8 would have been transmitted to the Public Employees Retirement Association until the  
2.9 date that the payment under this paragraph is made.

2.10 (e) If the eligible person makes the payment required under paragraph (c) in a timely  
2.11 fashion, within 30 days following notification of that fact by the executive director of the  
2.12 Public Employees Retirement Association, the city of Northfield shall pay the balance  
2.13 of the prior service credit purchase payment amount required under Minnesota Statutes,  
2.14 section 356.551. If the payment by the city of Northfield is not paid in a timely fashion,  
2.15 the executive director shall collect the unpaid amount as provided under Minnesota  
2.16 Statutes, section 353.28, subdivision 6.

2.17 (f) Authority to repay a refund and to make a prior service credit purchase payment  
2.18 under this section expires on December 31, 2014.

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