

## CHAPTER 354

## TEACHERS RETIREMENT ACT

354.06	Board of trustees; membership; duties.	354.10	Funds not subject to assignment or
354.07	Powers of the board.		process; beneficiaries.
354.094	Extended leaves of absence.	354.52	Reports.

**354.06 BOARD OF TRUSTEES; MEMBERSHIP; DUTIES.**

Subdivision 1. **Board.** The management of the association is vested in a board of eight trustees known as the Board of Trustees of the Teachers Retirement Association. It is composed of the following persons: the commissioner of education, the commissioner of finance, a representative of the Minnesota School Boards Association, four members of the association elected by the members of the association, and one retiree elected by the retirees of the association. The five elected members of the board of trustees must be chosen by ballot in a manner fixed by the board of trustees of the association. In every odd-numbered year there shall be elected two members of the association to the board of trustees for terms of four years commencing on the first of July next succeeding their election. In every other odd-numbered year one retiree of the association must be elected to the board of trustees for a term of four years commencing on the first of July next succeeding the election. The filing of candidacy for a retiree election must include a petition of endorsement signed by at least ten retirees of the association. Each election must be completed by June first of each succeeding odd-numbered year. In the case of elective members, any vacancy must be filled by appointment by the remainder of the board, and the appointee shall serve until the members or retirees of the association at the next regular election have elected a trustee to serve for the unexpired term caused by the vacancy. No member or retiree may be appointed by the board, or elected by the members of the association as a trustee, if the person is not a member or retiree of the association in good standing at the time of the appointment or election.

*[For text of subs 1a to 2a, see M.S.2002]*

Subd. 3. **Commissioner of finance.** The commissioner of finance shall be ex officio treasurer of the association and the commissioner's general bond to the state shall cover any liabilities for acts as treasurer of the association. The commissioner shall receive all moneys payable to the association and pay out the same only upon forms signed by the executive director.

*[For text of subs 4 to 7, see M.S.2002]*

**History:** 2003 c 112 art 2 s 41; 2003 c 130 s 12

**354.07 POWERS OF THE BOARD.**

*[For text of subs 1 to 3, see M.S.2002]*

Subd. 4. It shall be the duty of the board from time to time to certify to the State Board of Investment for investment as much of the funds in its hands as shall not be needed for current purposes. Such funds that are certified as to investment in the postretirement investment fund shall include the amount as required for the total reserves needed for the purposes described in section 354.63. The State Board of Investment shall thereupon transfer such assets to the appropriate fund provided herein, in accordance with the procedure set forth in section 354.63, or invest and reinvest an amount equal to the sum so certified in such securities as are now or may hereafter be duly authorized legal investments for state employees retirement fund and all such securities so transferred or purchased shall be deposited with the commissioner of finance. All interest from these investments shall be credited to the appropriate funds and used for current purposes or investments, except as hereinafter provided.

The State Board of Investment shall have authority to sell, convey, and exchange such securities and invest and reinvest the funds when it deems it desirable to do so, and shall sell securities upon request of the officers of the association when such officers determine funds are needed for its purposes. All of the provisions regarding accounting procedures and restrictions and conditions for the purchase and sale of securities for the state employees retirement fund shall apply to the accounting, purchase and sale of securities for the Teachers' Retirement Association.

*[For text of subs 5 to 9, see M.S.2002]*

**History:** 2003 c 112 art 2 s 50

### **354.094 EXTENDED LEAVES OF ABSENCE.**

Subdivision 1. **Service credit contributions.** Upon granting any extended leave of absence under section 122A.46 or 136F.43, the employing unit granting the leave must certify the leave to the association on a form specified by the executive director. A member granted an extended leave of absence under section 122A.46 or 136F.43 may pay employee contributions and receive allowable service credit toward annuities and other benefits under this chapter, for each year of the leave, provided that the member and the employing board make the required employer contribution in any proportion they may agree upon, during the period of the leave. The employer may enter into an agreement with the exclusive bargaining representative of the teachers in the district under which, for an individual teacher, all or a portion of the employee's contribution is paid by the employer. Any such agreement must include a sunset of eligibility to qualify for the payment and must not be a part of the collective bargaining agreement. The leave period must not exceed five years. A member may not receive more than five years of allowable service credit under this section. The employee and employer contributions must be based upon the rates of contribution prescribed by section 354.42 for the salary received during the year immediately preceding the extended leave. Payments for the years for which a member is receiving service credit while on extended leave must be made on or before the later of June 30 of each fiscal year for which service credit is received or within 30 days after first notification of the amount due, if requested by the member, is given by the association. No payment is permitted after the following September 30. Payments received after June 30 must include interest at an annual rate of 8.5 percent from June 30 through the end of the month in which payment is received. Notwithstanding the provisions of any agreements to the contrary, employee and employer contributions may not be made to receive allowable service credit if the member does not have full reinstatement rights as provided in section 122A.46 or 136F.43, both during and at the end of the extended leave.

Any school district paying the employee's retirement contributions under this section shall forward to the applicable retirement association or retirement fund a copy of the agreement executed by the school district and the employee.

*[For text of subs 2 to 6, see M.S.2002]*

**History:** 1Sp2003 c 12 art 3 s 2

### **354.10 FUNDS NOT SUBJECT TO ASSIGNMENT OR PROCESS; BENEFICIARIES.**

Subdivision 1. **Exemption; exceptions.** The right of a teacher to take advantage of the benefits provided by this chapter, is a personal right only and is not assignable. All money to the credit of a teacher's account in the fund or any money payable to the teacher from the fund belongs to the state of Minnesota until actually paid to the teacher or a beneficiary under this chapter. The association may acknowledge a properly completed power of attorney form. An assignment or attempted assignment of a teacher's interest in the fund, or of the beneficiary's interest in the fund, by a teacher or a beneficiary is void and exempt from garnishment or levy under attachment or execution, except as provided in subdivision 2 or 3, or section 518.58, 518.581, or 518.6111.

*[For text of subs 2 to 4, see M.S.2002]*

**History:** 2003 c 127 art 3 s 20

### **354.52 REPORTS.**

*[For text of subs 2a to 4b, see M.S.2002]*

Subd. 5. The commissioner of finance, the several county treasurers, and the treasurers of the various school districts and institutions to which the provisions of this chapter apply shall be officially liable for the receipt, handling, and disbursement of all moneys coming into their hands belonging to the fund and the sureties on the official bonds of each of these treasurers and the commissioner of finance shall be liable for such moneys the same as for all other moneys belonging to the school funds of this state.

*[For text of subd 6, see M.S.2002]*

**History:** 2003 c 112 art 2 s 42