



**H.F. 3508**  
(Hausman)

**S.F. 3188**  
(Anderson)

**Executive Summary of Commission Staff Materials**

*Affected Pension Plan(s):* PERA-General  
*Relevant Provisions of Law:* Special law  
*General Nature of Proposal:* Service credit purchase  
*Date of Summary:* March 11, 2008

**Specific Proposed Changes**

- Allows individual to purchase PERA-General service credit for period which should have been covered, but was not due to apparent City of St. Paul error in failing to enroll the individual in PERA-General.

**Policy Issues Raised by the Proposed Legislation**

1. Employee willingness to pay if bill is passed.
2. Issue of whether the city caused harm, and whether the city should pay much of the full actuarial value as required under the bill.
3. Issue of responsibility of the individual to address the omitted service credit in a timelier manner.

**Potential Amendment**

- H3508-1A Requires the individual to cover the entire full actuarial value, rather than having the city cover any portion of the full actuarial value in excess of employee contributions plus interest.
- H3508-2A Requires equal sharing of the full actuarial value payment between the city and the employee (alternative to H3508-1A).

