

1.1 Senator moved to amend S.F. No. 2918 as follows:

1.2 Page 69, after line 29, insert:

1.3 "ARTICLE 2

1.4 **DEFINED CONTRIBUTION RETIREMENT PLAN COVERAGE**
1.5 **FOR POST-JULY 1, 2010, HIRES**

1.6 Section 1. Minnesota Statutes 2008, section 352.01, subdivision 2a, is amended to read:

1.7 Subd. 2a. **Included employees.** (a) "State employee" includes:

1.8 (1) employees of the Minnesota Historical Society;

1.9 (2) employees of the State Horticultural Society;

1.10 (3) employees of the Minnesota Crop Improvement Association;

1.11 (4) employees of the adjutant general who are paid from federal funds and who are
1.12 not covered by any federal civilian employees retirement system;

1.13 (5) employees of the Minnesota State Colleges and Universities employed under the
1.14 university or college activities program;

1.15 (6) currently contributing employees covered by the system who are temporarily
1.16 employed by the legislature during a legislative session or any currently contributing
1.17 employee employed for any special service as defined in subdivision 2b, clause (8);

1.18 (7) employees of the legislature appointed without a limit on the duration of their
1.19 employment and persons employed or designated by the legislature or by a legislative
1.20 committee or commission or other competent authority to conduct a special inquiry,
1.21 investigation, examination, or installation;

1.22 (8) trainees who are employed on a full-time established training program
1.23 performing the duties of the classified position for which they will be eligible to receive
1.24 immediate appointment at the completion of the training period;

1.25 (9) employees of the Minnesota Safety Council;

1.26 (10) any employees on authorized leave of absence from the Transit Operating
1.27 Division of the former Metropolitan Transit Commission who are employed by the
1.28 labor organization which is the exclusive bargaining agent representing employees of
1.29 the Transit Operating Division;

1.30 (11) employees of the Metropolitan Council, Metropolitan Parks and Open Space
1.31 Commission, Metropolitan Sports Facilities Commission, Metropolitan Mosquito Control
1.32 Commission, or Metropolitan Radio Board unless excluded or covered by another public
1.33 pension fund or plan under section 473.415, subdivision 3;

1.34 (12) judges of the Tax Court;

2.1 (13) personnel employed on June 30, 1992, by the University of Minnesota in the
2.2 management, operation, or maintenance of its heating plant facilities, whose employment
2.3 transfers to an employer assuming operation of the heating plant facilities, so long as the
2.4 person is employed at the University of Minnesota heating plant by that employer or by its
2.5 successor organization;

2.6 (14) seasonal help in the classified service employed by the Department of Revenue;

2.7 (15) persons employed by the Department of Commerce as a peace officer in
2.8 the Insurance Fraud Prevention Division under section 45.0135 who have attained the
2.9 mandatory retirement age specified in section 43A.34, subdivision 4;

2.10 (16) employees of the University of Minnesota unless excluded under subdivision
2.11 2b, clause (3);

2.12 (17) employees of the Middle Management Association whose employment began
2.13 after July 1, 2007, and to whom section 352.029 does not apply; ~~and~~

2.14 (18) employees of the Minnesota Government Engineers Council to whom section
2.15 352.029 does not apply; and

2.16 (19) persons first employed by the state, a county, city, township, school district,
2.17 municipal authority, municipal instrumentality, joint powers agency, the Minnesota
2.18 State Colleges and Universities System if not covered by the retirement plan governed
2.19 by chapter 354B, the association of municipalities and schools, the association of
2.20 metropolitan municipalities, a public hospital, a soil and water conservation district, a
2.21 charter school, the Minnesota Inter-County Association, the Minnesota Municipal Utilities
2.22 Association, an economic development authority, the Port Authority of the city of St. Paul,
2.23 and Hennepin Healthcare System, Inc., if first employed by a Minnesota public employer
2.24 on or after July 1, 2010, or person who were members of the general employees retirement
2.25 plan of the Public Employees Retirement Association, the local government correctional
2.26 retirement plan, the Teachers Retirement Association, the Duluth Teachers Retirement
2.27 Fund Association, the St. Paul Retirement Fund Association, or the judges retirement plan
2.28 and who elected a prospective retirement plan coverage change under section 63.

2.29 (b) Employees specified in paragraph (a), clause (13), are included employees under
2.30 paragraph (a) if employer and employee contributions are made in a timely manner in the
2.31 amounts required by section 352.04. Employee contributions must be deducted from
2.32 salary. Employer contributions are the sole obligation of the employer assuming operation
2.33 of the University of Minnesota heating plant facilities or any successor organizations to
2.34 that employer.

3.1 Sec. 2. Minnesota Statutes 2009 Supplement, section 352.01, subdivision 2b, is
3.2 amended to read:

3.3 Subd. 2b. **Excluded employees.** "State employee" does not include:

3.4 (1) students employed by the University of Minnesota, or the state colleges and
3.5 universities, unless approved for coverage by the Board of Regents of the University of
3.6 Minnesota or the Board of Trustees of the Minnesota State Colleges and Universities,
3.7 whichever is applicable;

3.8 (2) employees who are eligible for membership in the state Teachers Retirement
3.9 Association, ~~except other than employees of who were hired by the Department of~~
3.10 Education before July 1, 2010, and who have chosen or may choose to be covered by
3.11 the general state employees retirement plan of the Minnesota State Retirement System
3.12 instead of the Teachers Retirement Association unless the person elected a retirement
3.13 plan coverage change under section 63;

3.14 (3) employees of the University of Minnesota who are excluded from coverage by
3.15 action of the Board of Regents;

3.16 (4) officers and enlisted personnel in the National Guard and the naval militia who
3.17 are assigned to permanent peacetime duty and who under federal law are or are required to
3.18 be members of a federal retirement system;

3.19 (5) election officers;

3.20 (6) persons who are engaged in public work for the state but who are employed
3.21 by contractors when the performance of the contract is authorized by the legislature or
3.22 other competent authority;

3.23 (7) officers and employees of the senate, or of the house of representatives, or of a
3.24 legislative committee or commission who are temporarily employed;

3.25 (8) receivers, jurors, notaries public, and court employees who are not in the judicial
3.26 branch as defined in section 43A.02, subdivision 25, except referees and adjusters
3.27 employed by the Department of Labor and Industry;

3.28 (9) patient and inmate help in state charitable, penal, and correctional institutions
3.29 including the Minnesota Veterans Home;

3.30 (10) persons who are employed for professional services where the service is
3.31 incidental to their regular professional duties and whose compensation is paid on a per
3.32 diem basis;

3.33 (11) employees of the Sibley House Association;

3.34 (12) the members of any state board or commission who serve the state intermittently
3.35 and are paid on a per diem basis; the secretary, secretary-treasurer, and treasurer of those
3.36 boards if their compensation is \$5,000 or less per year, or, if they are legally prohibited

4.1 from serving more than three years; and the board of managers of the State Agricultural
4.2 Society and its treasurer unless the treasurer is also its full-time secretary;

4.3 (13) state troopers and persons who are described in section 352B.011, subdivision
4.4 10, clauses (2) to (8);

4.5 (14) temporary employees of the Minnesota State Fair who are employed on or
4.6 after July 1 for a period not to extend beyond October 15 of that year; and persons who
4.7 are employed at any time by the state fair administration for special events held on the
4.8 fairgrounds;

4.9 (15) emergency employees who are in the classified service; except that if an
4.10 emergency employee, within the same pay period, becomes a provisional or probationary
4.11 employee on other than a temporary basis, the employee must be considered a "state
4.12 employee" retroactively to the beginning of the pay period;

4.13 (16) temporary employees in the classified service, and temporary employees in the
4.14 unclassified service who are appointed for a definite period of not more than six months
4.15 and who are employed less than six months in any one-year period;

4.16 (17) interns hired for six months or less and trainee employees, except those listed in
4.17 subdivision 2a, clause (8);

4.18 (18) persons whose compensation is paid on a fee basis or as an independent
4.19 contractor;

4.20 (19) state employees who were first employed before July 1, 2010, and who are
4.21 employed by the Board of Trustees of the Minnesota State Colleges and Universities in
4.22 unclassified positions enumerated in section 43A.08, subdivision 1, clause (9);

4.23 (20) state employees who₂ in any year₂ have credit for 12 months service as
4.24 teachers in the public schools of the state and as teachers are members of the Teachers
4.25 Retirement Association or a retirement system in St. Paul, Minneapolis, or Duluth, except
4.26 for incidental employment as a state employee that is not covered by one of the teacher
4.27 retirement associations or systems;

4.28 (21) employees of the adjutant general who are employed on an unlimited
4.29 intermittent or temporary basis in the classified or unclassified service for the support of
4.30 Army and Air National Guard training facilities;

4.31 (22) chaplains and nuns who are excluded from coverage under the federal Old
4.32 Age, Survivors, Disability, and Health Insurance Program for the performance of service
4.33 as specified in United States Code, title 42, section 410(a)(8)(A), as amended, if no
4.34 irrevocable election of coverage has been made under section 3121(r) of the Internal
4.35 Revenue Code of 1986, as amended through December 31, 1992;

- 5.1 (23) examination monitors who are employed by departments, agencies,
5.2 commissions, and boards to conduct examinations required by law;
- 5.3 (24) persons who are appointed to serve as members of fact-finding commissions or
5.4 adjustment panels, arbitrators, or labor referees under chapter 179;
- 5.5 (25) temporary employees who are employed for limited periods under any state or
5.6 federal program for training or rehabilitation, including persons who are employed for
5.7 limited periods from areas of economic distress, but not including skilled and supervisory
5.8 personnel and persons having civil service status covered by the system;
- 5.9 (26) full-time students who are employed by the Minnesota Historical Society
5.10 intermittently during part of the year and full-time during the summer months;
- 5.11 (27) temporary employees who are appointed for not more than six months, of
5.12 the Metropolitan Council and of any of its statutory boards, if the board members are
5.13 appointed by the Metropolitan Council;
- 5.14 (28) persons who are employed in positions designated by the Department of
5.15 Management and Budget as student workers;
- 5.16 (29) members of trades who are employed by the successor to the Metropolitan
5.17 Waste Control Commission, who have trade union pension plan coverage under a
5.18 collective bargaining agreement, and who are first employed after June 1, 1977;
- 5.19 (30) off-duty peace officers while they are employed in that capacity by the
5.20 Metropolitan Council;
- 5.21 (31) persons who are employed as full-time police officers by the Metropolitan
5.22 Council and as police officers are members of the public employees police and fire fund;
- 5.23 (32) persons who are employed as full-time firefighters by the Department of Military
5.24 Affairs and as firefighters are members of the public employees police and fire fund;
- 5.25 (33) foreign citizens with a work permit of less than three years, or an H-1b/JV visa
5.26 valid for less than three years of employment, unless notice of extension is supplied which
5.27 allows them to work for three or more years as of the date the extension is granted, in
5.28 which case they are eligible for coverage from the date extended; and
- 5.29 (34) persons who were first employed before July 1, 2010, and who are employed by
5.30 the Board of Trustees of the Minnesota State Colleges and Universities and who elected
5.31 to remain members of the Public Employees Retirement Association or the Minneapolis
5.32 Employees Retirement Fund, whichever applies, under Minnesota Statutes 1994, section
5.33 136C.75.

5.34 Sec. 3. Minnesota Statutes 2008, section 352.01, subdivision 11, is amended to read:

5.35 Subd. 11. **Allowable service.** (a) "Allowable service" means:

6.1 (1) service by an employee for which on or before July 1, 1961, the employee chose
6.2 to obtain credit for service by making payments to the fund under Minnesota Statutes
6.3 1961, section 352.24;

6.4 (2) service by an employee who was first employed as a state employee before
6.5 July 1, 2010, that was rendered after July 1, 1957, for any calendar month in which the
6.6 employee is paid salary from which deductions are made, deposited, and credited in the
6.7 fund, including deductions made, deposited, and credited as provided in section 352.041;

6.8 (3) service by an employee ~~for~~ who was first employed as a state employee before
6.9 July 1, 2010, that was rendered during any calendar month for which payments in lieu of
6.10 salary deductions are made, deposited, and credited in the fund, as provided in section
6.11 352.27;

6.12 (4) the period of absence from their duties by employees who was first employed as
6.13 a state employee before July 1, 2010, and who are temporarily disabled because of injuries
6.14 incurred in the performance of duties and for which disability the state is liable under the
6.15 workers' compensation law until the date authorized by the director for the commencement
6.16 of payments of a total and permanent disability benefit from the retirement fund;

6.17 (5) service that was rendered before July 1, 2010, that was covered by a refund
6.18 repaid as provided in section 352.23 or 352D.05, subdivision 4, except service rendered
6.19 as an employee of the adjutant general for which the person has credit with the federal
6.20 civil service retirement system;

6.21 (6) service before July 1, 1978, by an employee of the Transit Operating Division
6.22 of the Metropolitan Transit Commission or by an employee on an authorized leave of
6.23 absence from the Transit Operating Division of the Metropolitan Transit Commission who
6.24 is employed by the labor organization which is the exclusive bargaining agent representing
6.25 employees of the Transit Operating Division, which was credited by the Metropolitan
6.26 Transit Commission-Transit Operating Division employees retirement fund or any of its
6.27 predecessor plans or funds as past, intermediate, future, continuous, or allowable service
6.28 as defined in the Metropolitan Transit Commission-Transit Operating Division employees
6.29 retirement fund plan document in effect on December 31, 1977;

6.30 (7) service after July 1, 1983, by an employee who was first employed as a state
6.31 employee before July 1, 2010, and who is employed on a part-time basis for less than 50
6.32 percent of full time, for which the employee is paid salary from which deductions are
6.33 made, deposited, and credited in the fund, including deductions made, deposited, and
6.34 credited as provided in section 352.041 or for which payments in lieu of salary deductions
6.35 are made, deposited, and credited in the fund as provided in section 352.27 shall be
6.36 credited on a fractional basis either by pay period, monthly, or annually based on the

7.1 relationship that the percentage of salary earned bears to a full-time salary, with any salary
7.2 paid for the fractional service credited on the basis of the rate of salary applicable for a
7.3 full-time pay period, month, or a full-time year. For periods of part-time service that is
7.4 duplicated service credit, section 356.30, subdivision 1, clauses (i) and (j), govern; and

7.5 (8) any period of authorized leave of absence without pay by an employee who was
7.6 first employed as a state employee before July 1, 2010, that does not exceed one year and
7.7 for which the employee obtained credit by payment to the fund under section 352.017.

7.8 (9) [Renumbered clause (8)]

7.9 (10) MS 2002 [Expired]

7.10 (11) [Expired, 2002 c 392 art 2 s 4]

7.11 (b) For purposes of paragraph (a), clauses (2) and (3), any salary that is paid for
7.12 a fractional part of any calendar month, including the month of separation from state
7.13 service, is deemed to be the compensation for the entire calendar month.

7.14 (c) Allowable service determined and credited on a fractional basis must be used in
7.15 calculating the amount of benefits payable, but service as determined on a fractional basis
7.16 must not be used in determining the length of service required for eligibility for benefits.

7.17 Sec. 4. Minnesota Statutes 2008, section 352.021, subdivision 2, is amended to read:

7.18 Subd. 2. **State employees covered.** (a) Every person who becomes a state employee
7.19 as defined in section 352.01 before July 1, 2010, is covered by the general state employees
7.20 retirement plan. Acceptance of state employment before July 1, 2010, or continuance in
7.21 state service after June 30, 2010, by a state employee who was first employed before July
7.22 1, 2010, is deemed to be consent to have deductions made from salary for deposit to the
7.23 credit of the account of the state employee in the retirement fund.

7.24 (b) Every person who becomes a state employee as defined in section 352.01 after
7.25 June 30, 2010, is covered by the Minnesota defined contribution retirement plan under
7.26 chapter 352D. Acceptance of state employment after June 30, 2010, or continuance in
7.27 state service after June 30, 2010, by a state employee who was first employed before July
7.28 1, 2010, and who elected a retirement plan coverage change under section 63 is deemed to
7.29 consent to have deductions made from salary for deposit to the credit of the account of the
7.30 state employee in the Minnesota defined contribution retirement plan.

7.31 Sec. 5. Minnesota Statutes 2008, section 352.029, subdivision 1, is amended to read:

7.32 Subdivision 1. **Qualifications.** Unless specifically excluded under section 352.01,
7.33 subdivision 2b, a state employee on leave of absence without pay after June 30, 2010,
7.34 to provide service as an employee or officer of a labor organization that is an exclusive

8.1 bargaining agent representing state employees may elect under subdivision 2 to be covered
8.2 by the ~~general state employees retirement plan of the Minnesota State~~ defined contribution
8.3 retirement System plan for service with the labor organization, subject to the limitations
8.4 set forth in subdivisions 2a and 2b.

8.5 Sec. 6. Minnesota Statutes 2008, section 352.85, subdivision 1, is amended to read:

8.6 Subdivision 1. **Eligibility; retirement annuity.** Any person who is employed by the
8.7 Department of Military Affairs before July 1, 2010, other than as a full-time firefighter,
8.8 who is covered by the general employee retirement plan of the system as provided in
8.9 section 352.01, subdivision 23, who is ordered to active duty under section 190.08,
8.10 subdivision 3, who elects this special retirement coverage under subdivision 4, who is
8.11 required to retire from federal military status at an age earlier than normal retirement age
8.12 by applicable federal laws or regulations, and who terminates employment as a state
8.13 employee upon attaining that mandatory retirement age is entitled, upon application, to a
8.14 retirement annuity computed in accordance with section 352.115, subdivisions 2 and 3,
8.15 without any reduction for early retirement under section 352.116, subdivision 1 or 1a.

8.16 Sec. 7. Minnesota Statutes 2009 Supplement, section 352.86, subdivision 1, is
8.17 amended to read:

8.18 Subdivision 1. **Eligibility.** This section applies to any employee of the Department
8.19 of Transportation in the civil service employment classification of aircraft pilot or chief
8.20 pilot who was first employed as a state employee before July 1, 2010, who is covered for
8.21 that employment by the general employee retirement plan, and who elected before June
8.22 1, 2008, special retirement coverage under this section by an irrevocable election on
8.23 forms provided by the executive director.

8.24 Sec. 8. Minnesota Statutes 2008, section 352.87, subdivision 1, is amended to read:

8.25 Subdivision 1. **Eligibility.** A person who was first employed as a state employee
8.26 before July 1, 2010, who is a member of the general state employees retirement plan,
8.27 who is employed by the Department of Public Safety, State Fire Marshal Division, as a
8.28 deputy state fire marshal, fire/arson investigator, who elects special benefit coverage
8.29 under subdivision 8, is entitled to retirement benefits or disability benefits, as applicable,
8.30 ~~as stated in~~ under this section for eligible service under this section that was rendered after
8.31 July 1, 1999, for which allowable service credit is received. The covered member must be
8.32 at least age 55 to qualify for the retirement annuity specified in subdivision 3.

9.1 Sec. 9. Minnesota Statutes 2008, section 352.90, is amended to read:

9.2 **352.90 POLICY.**

9.3 It is the policy of the legislature to provide special retirement benefits for and
9.4 special contributions by certain correctional employees who were employed before July
9.5 1, 2010, and who may be required to retire at an early age because they lose the mental
9.6 or physical capacity required to maintain the safety, security, discipline, and custody of
9.7 inmates at state correctional facilities or of patients at the Minnesota Security Hospital, of
9.8 patients in the Minnesota sex offender program, or of patients in the Minnesota extended
9.9 treatment options program.

9.10 Sec. 10. Minnesota Statutes 2008, section 352.91, subdivision 1, is amended to read:

9.11 Subdivision 1. **Qualifying jobs.** "Covered correctional service" means service
9.12 performed by a state employee, as defined in section 352.01, who was employed before
9.13 July 1, 2010, and who was employed at a state correctional facility, the Minnesota Security
9.14 Hospital, or the Minnesota sex offender program as:

- 9.15 (1) a corrections officer 1;
9.16 (2) a corrections officer 2;
9.17 (3) a corrections officer 3;
9.18 (4) a corrections officer supervisor;
9.19 (5) a corrections lieutenant;
9.20 (6) a corrections captain;
9.21 (7) a security counselor;
9.22 (8) a security counselor lead; or
9.23 (9) a corrections canine officer.

9.24 Sec. 11. Minnesota Statutes 2008, section 352.91, subdivision 2, is amended to read:

9.25 Subd. 2. **Maintenance, correctional industry, and trades.** "Covered correctional
9.26 service" also means service rendered at any time by state employees who were first
9.27 employed before July 1, 2010, and who are employed as maintenance personnel,
9.28 correctional industry personnel, or members of trades certified by the commissioner of
9.29 management and budget to the executive director as being engaged for at least 75 percent
9.30 of the employee's working time in the rehabilitation, treatment, custody, or supervision
9.31 of inmates at a Minnesota correctional facility, or of patients at the Minnesota Security
9.32 Hospital or the Minnesota sex offender program.

9.33 Sec. 12. Minnesota Statutes 2008, section 352.91, subdivision 2a, is amended to read:

10.1 Subd. 2a. **Special teachers.** "Covered correctional service" also means service
10.2 rendered by a state employee who was first employed before July 1, 2010, and who is
10.3 employed as a special teacher ~~employed~~ by the Department of Corrections or by the
10.4 Department of Human Services at a security unit, provided that at least 75 percent of the
10.5 employee's working time is spent in direct contact with inmates or patients and the fact of
10.6 this direct contact is certified to the executive director by the appropriate commissioner,
10.7 unless the person elects to retain the current retirement coverage under Laws 1996,
10.8 chapter 408, article 8, section 21.

10.9 Sec. 13. Minnesota Statutes 2008, section 352.91, subdivision 3c, is amended to read:

10.10 Subd. 3c. **Nursing personnel.** (a) "Covered correctional service" means service by
10.11 a state employee who was first employed before July 1, 2010, and who is employed in
10.12 one of the employment positions at a correctional facility or at the Minnesota Security
10.13 Hospital, or in the Minnesota sex offender program that are specified in paragraph (b) if at
10.14 least 75 percent of the employee's working time is spent in direct contact with inmates
10.15 or patients and the fact of this direct contact is certified to the executive director by the
10.16 appropriate commissioner.

10.17 (b) The employment positions are as follows:

- 10.18 (1) registered nurse - senior;
- 10.19 (2) registered nurse;
- 10.20 (3) registered nurse - principal;
- 10.21 (4) licensed practical nurse 2; and
- 10.22 (5) registered nurse advance practice.

10.23 Sec. 14. Minnesota Statutes 2009 Supplement, section 352.91, subdivision 3d, is
10.24 amended to read:

10.25 Subd. 3d. **Other correctional personnel.** (a) "Covered correctional service" means
10.26 service by a state employee who was first employed before July 1, 2010, and who is
10.27 employed in one of the employment positions at a correctional facility or at the Minnesota
10.28 Security Hospital specified in paragraph (b) if at least 75 percent of the employee's
10.29 working time is spent in direct contact with inmates or patients and the fact of this direct
10.30 contact is certified to the executive director by the appropriate commissioner.

10.31 (b) The employment positions are:

- 10.32 (1) automotive mechanic;
- 10.33 (2) baker;
- 10.34 (3) central services administrative specialist, intermediate;

- 11.1 (4) central services administrative specialist, principal;
- 11.2 (5) chaplain;
- 11.3 (6) chief cook;
- 11.4 (7) cook;
- 11.5 (8) cook coordinator;
- 11.6 (9) corrections program therapist 1;
- 11.7 (10) corrections program therapist 2;
- 11.8 (11) corrections program therapist 3;
- 11.9 (12) corrections program therapist 4;
- 11.10 (13) corrections inmate program coordinator;
- 11.11 (14) corrections transitions program coordinator;
- 11.12 (15) corrections security caseworker;
- 11.13 (16) corrections security caseworker career;
- 11.14 (17) corrections teaching assistant;
- 11.15 (18) delivery van driver;
- 11.16 (19) dentist;
- 11.17 (20) electrician supervisor;
- 11.18 (21) general maintenance worker lead;
- 11.19 (22) general repair worker;
- 11.20 (23) library/information research services specialist;
- 11.21 (24) library/information research services specialist senior;
- 11.22 (25) library technician;
- 11.23 (26) painter lead;
- 11.24 (27) plant maintenance engineer lead;
- 11.25 (28) plumber supervisor;
- 11.26 (29) psychologist 1;
- 11.27 (30) psychologist 3;
- 11.28 (31) recreation therapist;
- 11.29 (32) recreation therapist coordinator;
- 11.30 (33) recreation program assistant;
- 11.31 (34) recreation therapist senior;
- 11.32 (35) sports medicine specialist;
- 11.33 (36) work therapy assistant;
- 11.34 (37) work therapy program coordinator; and
- 11.35 (38) work therapy technician.

12.1 Sec. 15. Minnesota Statutes 2008, section 352.91, subdivision 3e, is amended to read:

12.2 Subd. 3e. **Minnesota extended treatment options program.** (a) "Covered
12.3 correctional service" means service by a state employee who was first employed before
12.4 July 1, 2010, and who is employed in one of the employment positions with the Minnesota
12.5 extended treatment options program specified in paragraph (b) if at least 75 percent of the
12.6 employee's working time is spent in direct contact with patients who are in the Minnesota
12.7 extended treatment options program and if service in such a position is certified to the
12.8 executive director by the commissioner of human services.

12.9 (b) The employment positions are:

- 12.10 (1) behavior analyst 1;
12.11 (2) behavior analyst 2;
12.12 (3) behavior analyst 3;
12.13 (4) group supervisor;
12.14 (5) group supervisor assistant;
12.15 (6) human services support specialist;
12.16 (7) residential program lead;
12.17 (8) psychologist 2;
12.18 (9) recreation program assistant;
12.19 (10) recreation therapist senior;
12.20 (11) registered nurse senior;
12.21 (12) skills development specialist;
12.22 (13) social worker senior;
12.23 (14) social worker specialist; and
12.24 (15) speech pathology specialist.

12.25 Sec. 16. Minnesota Statutes 2008, section 352.91, subdivision 3f, is amended to read:

12.26 Subd. 3f. **Additional Department of Human Services personnel.** (a) "Covered
12.27 correctional service" means service by a state employee who was first employed before
12.28 July 1, 2010, and who is employed in one of the employment positions specified in
12.29 paragraph (b) at the Minnesota Security Hospital or in the Minnesota sex offender program
12.30 if at least 75 percent of the employee's working time is spent in direct contact with patients
12.31 and the determination of this direct contact is certified to the executive director by the
12.32 commissioner of human services.

12.33 (b) The employment positions are:

- 12.34 (1) behavior analyst 2;
12.35 (2) behavior analyst 3;

- 13.1 (3) certified occupational therapy assistant 1;
- 13.2 (4) certified occupational therapy assistant 2;
- 13.3 (5) chemical dependency counselor senior;
- 13.4 (6) client advocate;
- 13.5 (7) customer services specialist principal;
- 13.6 (8) dental assistant registered;
- 13.7 (9) group supervisor;
- 13.8 (10) group supervisor assistant;
- 13.9 (11) human services support specialist;
- 13.10 (12) licensed alcohol and drug counselor;
- 13.11 (13) licensed practical nurse 1;
- 13.12 (14) management analyst 3;
- 13.13 (15) occupational therapist;
- 13.14 (16) occupational therapist, senior;
- 13.15 (17) psychologist 1;
- 13.16 (18) psychologist 2;
- 13.17 (19) psychologist 3;
- 13.18 (20) recreation program assistant;
- 13.19 (21) recreation therapist lead;
- 13.20 (22) recreation therapist senior;
- 13.21 (23) rehabilitation counselor senior;
- 13.22 (24) security supervisor;
- 13.23 (25) skills development specialist;
- 13.24 (26) social worker senior;
- 13.25 (27) social worker specialist;
- 13.26 (28) social worker specialist, senior;
- 13.27 (29) special education program assistant;
- 13.28 (30) speech pathology clinician;
- 13.29 (31) work therapy assistant; and
- 13.30 (32) work therapy program coordinator.

13.31 Sec. 17. Minnesota Statutes 2008, section 352.91, subdivision 3g, is amended to read:

13.32 Subd. 3g. **Additional Corrections Department personnel.** (a) "Covered
13.33 correctional service" means service by a state employee who was first employed before
13.34 July 1, 2010, and who is employed in one of the employment positions specified in
13.35 paragraph (b) if at least 75 percent of the employee's working time is spent in direct

14.1 contact with inmates and the determination of this direct contact is certified to the
 14.2 executive director by the commissioner of corrections.

14.3 (b) The qualifying employment positions are:

14.4 (1) corrections discipline unit supervisor;

14.5 (2) dental assistant registered;

14.6 (3) dental hygienist;

14.7 (4) psychologist 2; and

14.8 (5) sentencing to service crew leader involved with the inmate community work
 14.9 crew program.

14.10 Sec. 18. Minnesota Statutes 2008, section 352D.01, is amended to read:

14.11 **352D.01 ESTABLISHMENT.**

14.12 There is hereby established within the Minnesota State Retirement System a
 14.13 retirement program for certain public employees first employed before July 1, 2010, and
 14.14 all public employees first employed after June 30, 2010, or first employed before July 1,
 14.15 2010, and elected a retirement plan coverage change under section 63, to be known as
 14.16 the Minnesota ~~unclassified employees~~ defined contribution retirement ~~program~~ plan. The
 14.17 ~~program~~ plan must be administered by the Minnesota State Retirement System.

14.18 Sec. 19. Minnesota Statutes 2008, section 352D.015, subdivision 2, is amended to read:

14.19 Subd. 2. ~~Unclassified program~~ **Minnesota defined contribution retirement**
 14.20 **plan.** "~~Unclassified program~~ Minnesota defined contribution retirement plan" means the
 14.21 ~~program~~ retirement plan established by this chapter.

14.22 Sec. 20. Minnesota Statutes 2008, section 352D.015, subdivision 4, is amended to read:

14.23 Subd. 4. **General fund.** "General fund" means the general state employees
 14.24 retirement fund ~~except the moneys for the unclassified program~~ established by section
 14.25 352.04, subdivision 1.

14.26 Sec. 21. Minnesota Statutes 2008, section 352D.015, subdivision 5, is amended to read:

14.27 Subd. 5. **Covered employment.** "Covered employment" means employment
 14.28 covered by this chapter ~~or by chapter 352.~~

14.29 Sec. 22. Minnesota Statutes 2008, section 352D.02, subdivision 1, is amended to read:

14.30 Subdivision 1. **Coverage.** (a) Employees who were first employed by the state before
 14.31 July 1, 2010, and who are enumerated in paragraph (c), clauses (2), (3), (4), (6) to (14),

15.1 and (16) to (18), if they are in the unclassified service of the state or Metropolitan Council
15.2 and ~~are~~ were eligible for coverage under the general state employees retirement plan under
15.3 chapter 352 before July 1, 2010, are participants in the ~~unclassified program~~ retirement
15.4 plan under this chapter unless the employee gives notice to the executive director of the
15.5 Minnesota State Retirement System within one year following the commencement of
15.6 employment in the unclassified service or September 1, 2010, whichever is earlier, that the
15.7 employee desires coverage under the general state employees retirement plan. For the
15.8 purposes of this chapter, an employee who does not file notice with the executive director
15.9 is deemed to have exercised the option to participate in the unclassified program.

15.10 (b) Persons referenced in paragraph (c), clause (5), who first obtained that status
15.11 before July 1, 2010, are participants in the ~~unclassified program~~ retirement plan under this
15.12 chapter unless the person was eligible to elect different coverage under section 3A.07
15.13 and elected retirement coverage by the applicable alternative retirement plan. Persons
15.14 referenced in paragraph (c), clause (15), who obtained that status before July 1, 2010, are
15.15 participants in the ~~unclassified program~~ retirement plan under this chapter for judicial
15.16 employment in excess of the service credit limit in section 490.121, subdivision 22.

15.17 (c) Enumerated employees and referenced persons are:

15.18 (1) the governor, the lieutenant governor, the secretary of state, the state auditor,
15.19 and the attorney general;

15.20 (2) an employee in the Office of the Governor, Lieutenant Governor, Secretary
15.21 of State, State Auditor, Attorney General;

15.22 (3) an employee of the State Board of Investment;

15.23 (4) the head of a department, division, or agency created by statute in the unclassified
15.24 service, an acting department head subsequently appointed to the position, or an employee
15.25 enumerated in section 15A.0815 or 15A.083, subdivision 4;

15.26 (5) a member of the legislature;

15.27 (6) a full-time unclassified employee of the legislature or a commission or agency of
15.28 the legislature who is appointed without a limit on the duration of the employment or a
15.29 temporary legislative employee having shares in the supplemental retirement fund as a
15.30 result of former employment covered by this chapter, whether or not eligible for coverage
15.31 under the Minnesota State Retirement System;

15.32 (7) a person who is employed in a position established under section 43A.08,
15.33 subdivision 1, clause (3), or in a position authorized under a statute creating or establishing
15.34 a department or agency of the state, which is at the deputy or assistant head of department
15.35 or agency or director level;

16.1 (8) the regional administrator, or executive director of the Metropolitan Council,
16.2 general counsel, division directors, operations managers, and other positions as designated
16.3 by the council, all of which may not exceed 27 positions at the council and the chair;

16.4 (9) the executive director, associate executive director, and not to exceed nine
16.5 positions of the Minnesota Office of Higher Education in the unclassified service, as
16.6 designated by the Minnesota Office of Higher Education before January 1, 1992, or
16.7 subsequently redesignated with the approval of the board of directors of the Minnesota
16.8 State Retirement System, unless the person has elected coverage by the individual
16.9 retirement account plan under chapter 354B;

16.10 (10) the clerk of the appellate courts appointed under article VI, section 2, of the
16.11 Constitution of the state of Minnesota, the state court administrator and judicial district
16.12 administrators;

16.13 (11) the chief executive officers of correctional facilities operated by the Department
16.14 of Corrections and of hospitals and nursing homes operated by the Department of Human
16.15 Services;

16.16 (12) an employee whose principal employment is at the state ceremonial house;

16.17 (13) an employee of the Agricultural Utilization Research Institute;

16.18 (14) an employee of the State Lottery who is covered by the managerial plan
16.19 established under section 43A.18, subdivision 3;

16.20 (15) a judge who has exceeded the service credit limit in section 490.121,
16.21 subdivision 22;

16.22 (16) an employee of Enterprise Minnesota, Inc.;

16.23 (17) a person employed by the Minnesota State Colleges and Universities as faculty
16.24 or in an eligible unclassified administrative position as defined in section 354B.20,
16.25 subdivision 6, who was employed by the former state university or the former community
16.26 college system before May 1, 1995, and elected unclassified program coverage prior to
16.27 May 1, 1995; and

16.28 (18) a person employed by the Minnesota State Colleges and Universities who
16.29 was employed in state service before July 1, 1995, who subsequently is employed in an
16.30 eligible unclassified administrative position as defined in section 354B.20, subdivision
16.31 6, and who elects coverage by the unclassified program.

16.32 (d) Additionally, persons who first became state employees under section 352.01,
16.33 subdivision 2a, paragraph (a), clause (19), on or after July 1, 2010, and person who
16.34 elect under section 63 to become state employees under section 352.01, subdivision 2a,
16.35 paragraph (a), clause (19), on or after July 1, 2010, shall be members of the Minnesota
16.36 defined contribution retirement plan and have retirement coverage under this chapter.

17.1 Sec. 23. Minnesota Statutes 2008, section 352D.02, subdivision 1c, is amended to read:

17.2 Subd. 1c. **Transfer of contributions.** ~~An A state employee covered by the regular~~
17.3 ~~plan under section 352.01, subdivision 2a, paragraph (a), clause (19), who is subsequently~~
17.4 ~~employed as a full-time unclassified employee of the legislature or any commission or~~
17.5 ~~agency of the legislature without a limit on the duration of the employment may elect~~
17.6 ~~on or before January 1, 2011, or within six months of becoming employed as a state~~
17.7 ~~employee, whichever is later, to transfer accumulated employee and matching employer~~
17.8 ~~contributions; as provided in section 352D.03.~~

17.9 Sec. 24. Minnesota Statutes 2008, section 352D.02, subdivision 3, is amended to read:

17.10 Subd. 3. **Transfer to general plan.** (a) A person who was first employed by
17.11 a Minnesota public employer before July 1, 2010, who is an employee credited with
17.12 employee shares in the unclassified program, after acquiring credit for ten years of
17.13 allowable service under section 352.01, subdivision 11, and not later than one month
17.14 following the termination of covered employment, may elect to terminate participation in
17.15 the unclassified program retirement plan and be covered by the general state employees
17.16 retirement plan by filing a written election with the executive director. The executive
17.17 director shall then redeem the employee's total shares and shall credit to the employee's
17.18 account in the general state employees retirement plan the amount of contributions
17.19 that would have been so credited had the employee been covered by the general state
17.20 employees retirement plan during the employee's entire covered employment. The balance
17.21 of money so redeemed and not credited to the employee's account shall be transferred to
17.22 the general state employees retirement plan retirement fund, except that (1) the employee
17.23 contribution paid to the unclassified program retirement plan must be compared to (2) the
17.24 employee contributions that would have been paid to the general plan for the comparable
17.25 period, if the individual had been covered by that plan. If clause (1) is greater than clause
17.26 (2), the difference must be refunded to the employee as provided in section 352.22. If
17.27 clause (2) is greater than clause (1), the difference must be paid by the employee within
17.28 six months of electing general state employees retirement plan coverage or before the
17.29 effective date of the annuity, whichever is sooner.

17.30 (b) An election under paragraph (a) to transfer coverage to the general state
17.31 employees retirement plan is irrevocable during any period of covered employment.

17.32 Sec. 25. Minnesota Statutes 2008, section 352D.03, is amended to read:

17.33 **352D.03 TRANSFER OF ASSETS.**

18.1 Unless an eligible employee enumerated in section 352D.02, subdivision 1, has
18.2 elected coverage under the individual retirement account plan under chapter 354B, a
18.3 sum of money representing the assets credited to each employee exercising the option
18.4 contained in section 352D.02, subdivision 1c, plus an equal employer contribution
18.5 together with interest for the employment period at the applicable preretirement interest
18.6 actuarial assumption rate during this period, compounded annually, must be used for
18.7 the purchase of shares on behalf of each employee in the accounts of the supplemental
18.8 ~~retirement~~ investment fund established by section 11A.17.

18.9 Sec. 26. Minnesota Statutes 2008, section 352D.04, subdivision 2, is amended to read:

18.10 Subd. 2. **Contribution rates.** (a) The money used to purchase shares under this
18.11 section is the employee and employer contributions provided in this subdivision.

18.12 (b) Except as provided in paragraph (d), the employee contribution is:

18.13 (1) an amount equal to four percent of salary that is a mandatory contribution for
18.14 persons who are members of the plan on June 30, 2010; and

18.15 (2) a percentage amount of salary designated annually by the person that is not a
18.16 mandatory contribution for persons who become members of the plan on or after July
18.17 1, 2010.

18.18 (c) The employer contribution is:

18.19 (1) an amount equal to six percent of salary for persons who were members of
18.20 the plan on June 30, 2010; and

18.21 (2) an amount equal to the employee contribution for persons who became members
18.22 of the plan on or after July 1, 2010, up to six percent of salary.

18.23 (d) For members of the legislature, the contributions under this subdivision also must
18.24 be made on per diem payments received during a regular or special legislative session, but
18.25 may not be made on per diem payments received outside of a regular or special legislative
18.26 session, on the additional compensation attributable to a leadership position under section
18.27 3.099, subdivision 3, living expense payments under section 3.101, or special session
18.28 living expense payments under section 3.103.

18.29 (e) For a judge who became a judge before July 1, 2010, and who is a member of the
18.30 unclassified plan under section 352D.02, subdivision 1, paragraph (c), clause (16), the
18.31 employee contribution rate is eight percent of salary, and there is no employer contribution.

18.32 (f) These contributions must be made in the manner provided in section 352.04,
18.33 subdivisions 4, 5, and 6.

19.1 Sec. 27. Minnesota Statutes 2009 Supplement, section 353.01, subdivision 2, is
19.2 amended to read:

19.3 Subd. 2. **Public employee.** "Public employee" means a governmental employee
19.4 ~~performing~~ who was first employed before July 1, 2010, who performs personal services
19.5 for a governmental subdivision defined in subdivision 6, and whose salary is paid, in
19.6 whole or in part, from revenue derived from taxation, fees, assessments, or from other
19.7 sources. The term includes the classes of persons described or listed in subdivision 2a.
19.8 The term also includes persons who elect association membership under subdivision 2d,
19.9 paragraph (a), and persons for whom the applicable governmental subdivision had elected
19.10 association membership under subdivision 2d, paragraph (b). For purposes of membership
19.11 in the association, the term excludes the classes of persons listed in subdivision 2b ~~for~~
19.12 ~~purposes of membership in the association.~~

19.13 Sec. 28. Minnesota Statutes 2009 Supplement, section 353.01, subdivision 2a, is
19.14 amended to read:

19.15 Subd. 2a. **Included employees.** (a) Public employees who were first employed
19.16 before July 1, 2010, and whose salary from employment in one or more positions within
19.17 one governmental subdivision exceeds \$425 in any month shall participate as members
19.18 of the association. If the salary is less than \$425 in a subsequent month, the employee
19.19 retains membership eligibility. Eligible public employees who were first employed before
19.20 July 1, 2010, shall participate as members of the association with retirement coverage by
19.21 the public employees retirement plan or the public employees police and fire retirement
19.22 plan under this chapter, or the local government correctional employees retirement plan
19.23 under chapter 353E, whichever applies, as a condition of their employment ~~on the first~~
19.24 ~~day of employment~~ unless they:

19.25 (1) are specifically excluded under subdivision 2b;
19.26 (2) do not exercise their option to elect retirement coverage in the association as
19.27 provided in subdivision 2d, paragraph (a); or

19.28 (3) are employees of the governmental subdivisions listed in subdivision 2d,
19.29 paragraph (b), where the governmental subdivision has not elected to participate as a
19.30 governmental subdivision covered by the association.

19.31 (b) A public employee who was a member of the association on June 30, 2002,
19.32 based on employment that qualified for membership coverage by the public employees
19.33 retirement plan or the public employees police and fire plan under this chapter, or the
19.34 local government correctional employees retirement plan under chapter 353E as of June
19.35 30, 2002, retains that membership for the duration of the person's employment in that

20.1 position or incumbency in elected office. Except as provided in subdivision 28, the person
20.2 shall participate as a member until the employee or elected official terminates public
20.3 employment under subdivision 11a or terminates membership under subdivision 11b.

20.4 (c) Public employees under paragraph (a) include persons who were first employed
20.5 by a public employer before July 1, 2010, as:

20.6 (1) physicians under section 353D.01, subdivision 2, who do not elect public
20.7 employees defined contribution plan coverage under section 353D.02, subdivision 2;

20.8 (2) full-time employees of the Dakota County Agricultural Society; and

20.9 (3) employees of the Minneapolis Firefighters Relief Association or Minneapolis
20.10 Police Relief Association who are not excluded employees under subdivision 2b due to
20.11 coverage by the relief association pension plan and who elect Public Employee Retirement
20.12 Association general plan coverage under Laws 2009, chapter 169, article 12, section 10.

20.13 Sec. 29. Minnesota Statutes 2008, section 353.01, subdivision 2b, is amended to read:

20.14 Subd. 2b. **Excluded employees.** The following public employees are not eligible
20.15 to participate as members of the association with retirement coverage by the public
20.16 employees retirement plan, the local government correctional employees retirement plan
20.17 under chapter 353E, or the public employees police and fire retirement plan:

20.18 (1) public officers, other than county sheriffs, who are elected to a governing body,
20.19 or persons who are appointed to fill a vacancy in an elective office of a governing body,
20.20 whose term of office commences on or after July 1, 2002, for the service to be rendered
20.21 in that elective position;

20.22 (2) election officers or election judges;

20.23 (3) patient and inmate personnel who perform services for a governmental
20.24 subdivision;

20.25 (4) except as otherwise specified in subdivision 12a, employees who are hired for
20.26 a temporary position as defined under subdivision 12a, and employees who resign from
20.27 a nontemporary position and accept a temporary position within 30 days in the same
20.28 governmental subdivision;

20.29 (5) employees who are employed by reason of work emergency caused by fire,
20.30 flood, storm, or similar disaster;

20.31 (6) employees who by virtue of their employment in one governmental subdivision
20.32 are required by law to be a member of and to contribute to any of the plans or funds
20.33 administered by the Minnesota State Retirement System, the Teachers Retirement
20.34 Association, the Duluth Teachers Retirement Fund Association, the St. Paul Teachers
20.35 Retirement Fund Association, the Minneapolis Employees Retirement Fund, or any police

21.1 or firefighters relief association governed by section 69.77 that has not consolidated
21.2 with the Public Employees Retirement Association, or any local police or firefighters
21.3 consolidation account who have not elected the type of benefit coverage provided by the
21.4 public employees police and fire fund under sections 353A.01 to 353A.10, or any persons
21.5 covered by section 353.665, subdivision 4, 5, or 6, who have not elected public employees
21.6 police and fire plan benefit coverage. This clause must not be construed to prevent a person
21.7 from being a member of and contributing to the Public Employees Retirement Association
21.8 and also belonging to and contributing to another public pension plan or fund for other
21.9 service occurring during the same period of time. A person who meets the definition of
21.10 "public employee" in subdivision 2 by virtue of other service occurring during the same
21.11 period of time becomes a member of the association unless contributions are made to
21.12 another public retirement fund on the salary based on the other service or to the Teachers
21.13 Retirement Association by a teacher as defined in section 354.05, subdivision 2;

21.14 (7) persons who are members of a religious order and are excluded from coverage
21.15 under the federal Old Age, Survivors, Disability, and Health Insurance Program for the
21.16 performance of service as specified in United States Code, title 42, section 410(a)(8)(A),
21.17 as amended through January 1, 1987, if no irrevocable election of coverage has been made
21.18 under section 3121(r) of the Internal Revenue Code of 1954, as amended;

21.19 (8) employees of a governmental subdivision who have not reached the age of
21.20 23 and are enrolled on a full-time basis to attend or are attending classes on a full-time
21.21 basis at an accredited school, college, or university in an undergraduate, graduate, or
21.22 professional-technical program, or a public or charter high school;

21.23 (9) resident physicians, medical interns, and pharmacist residents and pharmacist
21.24 interns who are serving in a degree or residency program in public hospitals or clinics;

21.25 (10) students who are serving in an internship or residency program sponsored
21.26 by an accredited educational institution;

21.27 (11) persons who hold a part-time adult supplementary technical college license who
21.28 render part-time teaching service in a technical college;

21.29 (12) except for employees of Hennepin County or Hennepin Healthcare System,
21.30 Inc., foreign citizens working for a governmental subdivision with a work permit of less
21.31 than three years, or an H-1b visa valid for less than three years of employment. Upon
21.32 notice to the association that the work permit or visa extends beyond the three-year period,
21.33 the foreign citizens must be reported for membership from the date of the extension;

21.34 (13) public hospital employees who elected not to participate as members of the
21.35 association before 1972 and who did not elect to participate from July 1, 1988, to October
21.36 1, 1988;

22.1 (14) except as provided in section 353.86, volunteer ambulance service personnel,
22.2 as defined in subdivision 35, but persons who serve as volunteer ambulance service
22.3 personnel may still qualify as public employees under subdivision 2 and may be members
22.4 of the Public Employees Retirement Association and participants in the public employees
22.5 retirement fund or the public employees police and fire fund, whichever applies, on the
22.6 basis of compensation received from public employment service other than service as
22.7 volunteer ambulance service personnel;

22.8 (15) except as provided in section 353.87, volunteer firefighters, as defined in
22.9 subdivision 36, engaging in activities undertaken as part of volunteer firefighter duties;
22.10 provided that a person who is a volunteer firefighter may still qualify as a public
22.11 employee under subdivision 2 and may be a member of the Public Employees Retirement
22.12 Association and a participant in the public employees retirement fund or the public
22.13 employees police and fire fund, whichever applies, on the basis of compensation received
22.14 from public employment activities other than those as a volunteer firefighter;

22.15 (16) pipefitters and associated trades personnel employed by Independent School
22.16 District No. 625, St. Paul, with coverage under a collective bargaining agreement by the
22.17 pipefitters local 455 pension plan who were either first employed after May 1, 1997, or,
22.18 if first employed before May 2, 1997, elected to be excluded under Laws 1997, chapter
22.19 241, article 2, section 12;

22.20 (17) electrical workers, plumbers, carpenters, and associated trades personnel
22.21 employed by Independent School District No. 625, St. Paul, or the city of St. Paul,
22.22 who have retirement coverage under a collective bargaining agreement by the Electrical
22.23 Workers Local 110 pension plan, the United Association Plumbers Local 34 pension plan,
22.24 or the Carpenters Local 87 pension plan who were either first employed after May 1,
22.25 2000, or, if first employed before May 2, 2000, elected to be excluded under Laws 2000,
22.26 chapter 461, article 7, section 5;

22.27 (18) bricklayers, allied craftworkers, cement masons, glaziers, glassworkers,
22.28 painters, allied tradesworkers, and plasterers employed by the city of St. Paul or
22.29 Independent School District No. 625, St. Paul, with coverage under a collective
22.30 bargaining agreement by the Bricklayers and Allied Craftworkers Local 1 pension plan,
22.31 the Cement Masons Local 633 pension plan, the Glaziers and Glassworkers Local L-1324
22.32 pension plan, the Painters and Allied Trades Local 61 pension plan, or the Twin Cities
22.33 Plasterers Local 265 pension plan who were either first employed after May 1, 2001, or if
22.34 first employed before May 2, 2001, elected to be excluded under Laws 2001, First Special
22.35 Session chapter 10, article 10, section 6;

23.1 (19) plumbers employed by the Metropolitan Airports Commission, with coverage
23.2 under a collective bargaining agreement by the Plumbers Local 34 pension plan, who either
23.3 were first employed after May 1, 2001, or if first employed before May 2, 2001, elected to
23.4 be excluded under Laws 2001, First Special Session chapter 10, article 10, section 6;

23.5 (20) employees who are hired after June 30, 2002, to fill seasonal positions under
23.6 subdivision 12b which are limited in duration by the employer to 185 consecutive calendar
23.7 days or less in each year of employment with the governmental subdivision;

23.8 (21) persons who are provided supported employment or work-study positions
23.9 by a governmental subdivision and who participate in an employment or industries
23.10 program maintained for the benefit of these persons where the governmental subdivision
23.11 limits the position's duration to three years or less, including persons participating in a
23.12 federal or state subsidized on-the-job training, work experience, senior citizen, youth, or
23.13 unemployment relief program where the training or work experience is not provided as a
23.14 part of, or for, future permanent public employment;

23.15 (22) independent contractors and the employees of independent contractors; ~~and~~

23.16 (23) reemployed annuitants of the association during the course of that
23.17 reemployment; and

23.18 (24) employees other than police officers or firefighters as defined in section 353.64
23.19 who are hired after June 30, 2010.

23.20 Sec. 30. Minnesota Statutes 2008, section 353.01, subdivision 2d, is amended to read:

23.21 Subd. 2d. **Optional membership.** (a) Membership in the association is optional
23.22 by action of the individual employee for the following public employees who were first
23.23 employed before July 1, 2010, and who meet the conditions set forth in subdivision 2a:

23.24 (1) members of the coordinated plan who are also employees of labor organizations
23.25 as defined in section 353.017, subdivision 1, for their employment by the labor
23.26 organization only, if they elect to have membership under section 353.017, subdivision 2;

23.27 (2) persons who are elected or persons who are appointed to elected positions other
23.28 than local governing body elected positions who elect to participate by filing a written
23.29 election for membership;

23.30 (3) members of the association who are appointed by the governor to be a state
23.31 department head and who elect not to be covered by the general state employees retirement
23.32 plan of the Minnesota State Retirement System under section 352.021;

23.33 (4) city managers as defined in section 353.028, subdivision 1, who do not elect to be
23.34 excluded from membership in the association under section 353.028, subdivision 2; and

24.1 (5) employees of the Port Authority of the city of St. Paul on January 1, 2003,
24.2 who were at least age 45 on that date, and who elected to participate by filing a written
24.3 election for membership.

24.4 (b) Membership in the association is optional by action of the governmental
24.5 subdivision for the employees of the following governmental subdivisions who were first
24.6 employed before July 1, 2010, and under the conditions specified:

24.7 (1) the Minnesota Association of Townships if the board of that association, at its
24.8 option, certifies to the executive director that its employees who meet the conditions set
24.9 forth in subdivision 2a are to be included for purposes of retirement coverage, in which
24.10 case the status of the association as a participating employer is permanent;

24.11 (2) a county historical society if the county in which the historical society is located,
24.12 at its option, certifies to the executive director that the employees of the historical society
24.13 who meet the conditions set forth in subdivision 2a are to be considered county employees
24.14 for purposes of retirement coverage under this chapter. The status as a county employee
24.15 must be accorded to all similarly situated county historical society employees and, once
24.16 established, must continue as long as a person is an employee of the county historical
24.17 society; and

24.18 (3) Hennepin Healthcare System, Inc., a public corporation, with respect to
24.19 employees other than paramedics, emergency medical technicians, and protection officers,
24.20 if the corporate board establishes alternative retirement plans for certain classes of
24.21 employees of the corporation and certifies to the association the applicable employees to
24.22 be excluded from future retirement coverage.

24.23 (c) For employees who were first employed before July 1, 2010, and who are
24.24 covered by paragraph (a), clause (1), (2), or (3), or covered by paragraph (b), clause (1)
24.25 or (2), if the necessary membership election is not made, the employee is excluded from
24.26 retirement coverage under this chapter. For employees who were first employed before
24.27 July 1, 2010, and who are covered by paragraph (a), clause (4), if the necessary election
24.28 is not made, the employee must become a member and have retirement coverage under
24.29 this chapter. For employees specified in paragraph (b), clause (3), membership continues
24.30 until the exclusion option is exercised for the designated class of employee. The option
24.31 to become a member for a person who was first employed before July 1, 2010, once
24.32 exercised under this subdivision, may not be withdrawn until the termination of public
24.33 service as defined under subdivision 11a.

24.34 Sec. 31. Minnesota Statutes 2009 Supplement, section 353.01, subdivision 16, is
24.35 amended to read:

25.1 Subd. 16. **Allowable service; limits and computation.** (a) "Allowable service"
25.2 means:

25.3 (1) service during years of actual membership in the course of which employee
25.4 deductions were withheld from salary of a person who was first employed before July 1,
25.5 2010, and contributions were made at the applicable rates under section 353.27, 353.65, or
25.6 353E.03;

25.7 (2) periods of service by a person who was first employed before July 1, 2010, that
25.8 were covered by payments in lieu of salary deductions under sections 353.27, subdivision
25.9 12, and 353.35;

25.10 (3) service by a person who was first employed before July 1, 2010, in years during
25.11 which the public employee was not a member but for which the member later elected,
25.12 while a member, to obtain credit by making payments to the fund as permitted by any
25.13 law then in effect;

25.14 (4) a period of authorized leave of absence with pay from which deductions for
25.15 employee contributions are made by a person who was first employed before July 1, 2010,
25.16 deposited, and credited to the fund;

25.17 (5) a period by a person who was first employed before July 1, 2010, of authorized
25.18 personal, parental, or medical leave of absence without pay, including a leave of absence
25.19 covered under the federal Family Medical Leave Act, that does not exceed one year, and
25.20 for which a member obtained service credit for each month in the leave period by payment
25.21 under section 353.0161 to the fund made in place of salary deductions. An employee must
25.22 return to public service and render a minimum of three months of allowable service in
25.23 order to be eligible to make payment under section 353.0161 for a subsequent authorized
25.24 leave of absence without pay. Upon payment, the employee must be granted allowable
25.25 service credit for the purchased period;

25.26 (6) a periodic, repetitive leave by a person who was first employed before July 1,
25.27 2010, that is offered to all employees of a governmental subdivision. The leave program
25.28 may not exceed 208 hours per annual normal work cycle as certified to the association
25.29 by the employer. A participating member obtains service credit by making employee
25.30 contributions in an amount or amounts based on the member's average salary that would
25.31 have been paid if the leave had not been taken. The employer shall pay the employer
25.32 and additional employer contributions on behalf of the participating member. The
25.33 employee and the employer are responsible to pay interest on their respective shares at
25.34 the rate of 8.5 percent a year, compounded annually, from the end of the normal cycle
25.35 until full payment is made. An employer shall also make the employer and additional
25.36 employer contributions, plus 8.5 percent interest, compounded annually, on behalf of

26.1 an employee who makes employee contributions but terminates public service. The
26.2 employee contributions must be made within one year after the end of the annual normal
26.3 working cycle or within 30 days after termination of public service, whichever is sooner.
26.4 The executive director shall prescribe the manner and forms to be used by a governmental
26.5 subdivision in administering a periodic, repetitive leave. Upon payment, the member must
26.6 be granted allowable service credit for the purchased period;

26.7 (7) an authorized temporary or seasonal layoff of a person who was first employed
26.8 before July 1, 2010, under subdivision 12, limited to three months allowable service per
26.9 authorized temporary or seasonal layoff in one calendar year. An employee who has
26.10 received the maximum service credit allowed for an authorized temporary or seasonal
26.11 layoff must return to public service and must obtain a minimum of three months of
26.12 allowable service subsequent to the layoff in order to receive allowable service for a
26.13 subsequent authorized temporary or seasonal layoff;

26.14 (8) a period during which a member who was first employed before July 1, 2010,
26.15 is absent from employment by a governmental subdivision by reason of service in the
26.16 uniformed services, as defined in United States Code, title 38, section 4303(13), if the
26.17 member returns to public service with the same governmental subdivision upon discharge
26.18 from service in the uniformed service within the time frames required under United
26.19 States Code, title 38, section 4312(e), provided that the member did not separate from
26.20 uniformed service with a dishonorable or bad conduct discharge or under other than
26.21 honorable conditions. The service is credited if the member pays into the fund equivalent
26.22 employee contributions based upon the contribution rate or rates in effect at the time
26.23 that the uniformed service was performed multiplied by the full and fractional years
26.24 being purchased and applied to the annual salary rate. The annual salary rate is the
26.25 average annual salary during the purchase period that the member would have received
26.26 if the member had continued to be employed in covered employment rather than to
26.27 provide uniformed service, or, if the determination of that rate is not reasonably certain,
26.28 the annual salary rate is the member's average salary rate during the 12-month period of
26.29 covered employment rendered immediately preceding the period of the uniformed service.
26.30 Payment of the member equivalent contributions must be made during a period that begins
26.31 with the date on which the individual returns to public employment and that is three times
26.32 the length of the military leave period, or within five years of the date of discharge from
26.33 the military service, whichever is less. If the determined payment period is less than
26.34 one year, the contributions required under this clause to receive service credit may be
26.35 made within one year of the discharge date. Payment may not be accepted following 30
26.36 days after termination of public service under subdivision 11a. If the member equivalent

27.1 contributions provided for in this clause are not paid in full, the member's allowable
27.2 service credit must be prorated by multiplying the full and fractional number of years of
27.3 uniformed service eligible for purchase by the ratio obtained by dividing the total member
27.4 contributions received by the total member contributions otherwise required under this
27.5 clause. The equivalent employer contribution, and, if applicable, the equivalent additional
27.6 employer contribution must be paid by the governmental subdivision employing the
27.7 member if the member makes the equivalent employee contributions. The employer
27.8 payments must be made from funds available to the employing unit, using the employer
27.9 and additional employer contribution rate or rates in effect at the time that the uniformed
27.10 service was performed, applied to the same annual salary rate or rates used to compute the
27.11 equivalent member contribution. The governmental subdivision involved may appropriate
27.12 money for those payments. The amount of service credit obtainable under this section may
27.13 not exceed five years unless a longer purchase period is required under United States Code,
27.14 title 38, section 4312. The employing unit shall pay interest on all equivalent member and
27.15 employer contribution amounts payable under this clause. Interest must be computed at a
27.16 rate of 8.5 percent compounded annually from the end of each fiscal year of the leave or the
27.17 break in service to the end of the month in which the payment is received. Upon payment,
27.18 the employee must be granted allowable service credit for the purchased period; or

27.19 (9) a period specified under subdivision 40.

27.20 (b) For calculating benefits under sections 353.30, 353.31, 353.32, and 353.33 for
27.21 state officers and employees displaced by the Community Corrections Act, chapter 401,
27.22 and transferred into county service under section 401.04, "allowable service" means the
27.23 combined years of allowable service as defined in paragraph (a), clauses (1) to (6), and
27.24 section 352.01, subdivision 11.

27.25 (c) For a public employee who has prior service covered by a local police or
27.26 firefighters relief association that has consolidated with the Public Employees Retirement
27.27 Association or to which section 353.665 applies, and who has elected the type of benefit
27.28 coverage provided by the public employees police and fire fund either under section
27.29 353A.08 following the consolidation or under section 353.665, subdivision 4, "applicable
27.30 service" is a period of service credited by the local police or firefighters relief association
27.31 as of the effective date of the consolidation based on law and on bylaw provisions
27.32 governing the relief association on the date of the initiation of the consolidation procedure.

27.33 (d) No member may receive more than 12 months of allowable service credit in a
27.34 year either for vesting purposes or for benefit calculation purposes.

27.35 (e) MS 2002 [Expired]

28.1 Sec. 32. Minnesota Statutes 2008, section 353.017, subdivision 1, is amended to read:

28.2 Subdivision 1. **Qualifications.** Unless specifically exempt under section 353.01,
28.3 subdivision 2b, a coordinated member of the association who was first employed before
28.4 July 1, 2010, who is on an authorized leave of absence, and who is an employee of a labor
28.5 organization that represents public employees who are association members may elect,
28.6 under subdivision 2, to continue to be a coordinated member with respect to employment
28.7 by the labor organization subject to the limitations set forth in subdivisions 4 and 7.

28.8 Sec. 33. Minnesota Statutes 2008, section 353.025, is amended to read:

28.9 **353.025 RANGE ASSOCIATION OF MUNICIPALITIES AND SCHOOLS.**

28.10 Employees of the Range Association of Municipalities and Schools who were
28.11 first employed before July 1, 2010, are coordinated members of the general employees
28.12 retirement plan of the Public Employees Retirement Association unless specifically
28.13 exempt under section 353.01, subdivision 2b. The Range Association of Municipalities
28.14 and Schools is a governmental subdivision for the purposes of this chapter.

28.15 Sec. 34. Minnesota Statutes 2008, section 353.028, subdivision 1, is amended to read:

28.16 Subdivision 1. **Definitions.** (a) For purposes of this section, each of the terms in
28.17 this subdivision has the meaning indicated.

28.18 (b) "City manager" means (1) a person who was first employed before July 1, 2010,
28.19 and who is duly appointed to and is holding the position of city manager in a Plan B
28.20 statutory city or in a home rule city operating under the "council-manager" form of
28.21 government, or (2) a person who is appointed to and is holding the position of chief
28.22 administrative officer of a home rule charter city or a statutory city under a charter
28.23 provision, ordinance, or resolution establishing such a position and prescribing its duties
28.24 and responsibilities.

28.25 (c) "Governing body" means the city council of the city employing the city manager.

28.26 (d) "Election" means the election described in subdivision 2.

28.27 Sec. 35. Minnesota Statutes 2008, section 353.64, subdivision 9, is amended to read:

28.28 Subd. 9. **Pension coverage for certain sheriffs' association employees.** (a) A
28.29 former member of the association who was first employed by a governmental subdivision
28.30 before July 1, 2010, and who is an employee of the Minnesota Sheriffs' Association
28.31 may elect to be a police and fire fund member with respect to service with the sheriffs'
28.32 association, if written election to be covered is delivered to the board within 60 days

29.1 after July 1, 1989, or within 60 days after commencement of employment, whichever
29.2 is later 2010.

29.3 (b) Employee and employer contributions for past service are the obligation of
29.4 the employee, except that the Minnesota sheriffs' association may pay the employer
29.5 contributions. The employer shall, in any event, deduct necessary future contributions
29.6 from the employee's salary and remit all contributions to the association as required by
29.7 this chapter.

29.8 (c) Persons who become association members under this section shall not be eligible
29.9 for election to the board of trustees.

29.10 Sec. 36. Minnesota Statutes 2008, section 353E.02, subdivision 1, is amended to read:

29.11 Subdivision 1. **Retirement coverage.** The members of the local government
29.12 correctional service retirement plan established by this chapter are persons who were
29.13 employed before July 1, 2010, as:

- 29.14 (1) local government correctional service employees as defined in subdivision 2; and
29.15 (2) medical center protection officers as defined in subdivision 2a.

29.16 Sec. 37. Minnesota Statutes 2008, section 353E.02, subdivision 2, is amended to read:

29.17 Subd. 2. **Local government correctional service employee.** (a) A local
29.18 government correctional service employee, for purposes of subdivision 1, is a person
29.19 who was first employed by a governmental subdivision before July 1, 2010, whom the
29.20 employer certifies:

29.21 (1) is employed in a county correctional institution as a correctional guard or officer,
29.22 a joint jailer/dispatcher, or as a supervisor of correctional guards or officers or of joint
29.23 jailers/dispatchers;

29.24 (2) is directly responsible for the direct security, custody, and control of the county
29.25 correctional institution and its inmates;

29.26 (3) is expected to respond to incidents within the county correctional institution as
29.27 part of the person's regular employment duties and is trained to do so; and

29.28 (4) is a "public employee" as defined in section 353.01, but is not a member of
29.29 the public employees police and fire fund.

29.30 (b) The certification required under paragraph (a) must be made in writing on a form
29.31 prescribed by the executive director of the Public Employees Retirement Association.

29.32 (c) A person who was a member of the local government correctional service
29.33 retirement plan on May 15, 2000, remains a member of the plan after May 16, 2000, for
29.34 the duration of the person's employment in that county correctional institution position,

30.1 even if the person's subsequent service in this position does not meet the requirements
30.2 set forth in paragraph (a).

30.3 Sec. 38. Minnesota Statutes 2008, section 353E.02, subdivision 2a, is amended to read:

30.4 Subd. 2a. **Medical center protection officer.** (a) A medical center protection officer,
30.5 for purposes of subdivision 1, is a person who was first employed by a governmental
30.6 subdivision before July 1, 2010, whom the employer certifies:

30.7 (1) is employed by Hennepin Healthcare System, Inc. as a protection officer;

30.8 (2) is directly responsible for the direct security of the medical center;

30.9 (3) is expected to respond to any incidents within the medical center as part of the
30.10 person's regular employment duties and is trained to do so; and

30.11 (4) is a "public employee" as defined in section 353.01, but is not a member of
30.12 the public employees police and fire plan.

30.13 (b) The certification required under paragraph (a) must be made in writing on a form
30.14 prescribed by the executive director of the Public Employees Retirement Association.

30.15 Sec. 39. Minnesota Statutes 2008, section 354.05, subdivision 2, is amended to read:

30.16 Subd. 2. **Teacher.** (a) "Teacher" means a person who was first employed by a public
30.17 employer before July 1, 2010, and who is:

30.18 (1) a person who renders service as a teacher, supervisor, principal, superintendent,
30.19 librarian, nurse, counselor, social worker, therapist, or psychologist in a public school
30.20 of the state located outside of the corporate limits of the city of Duluth or the city of
30.21 St. Paul, or in any charter school, irrespective of the location of the school, or in any
30.22 charitable, penal, or correctional institutions of a governmental subdivision, or who is
30.23 engaged in educational administration in connection with the state public school system,
30.24 but excluding the University of Minnesota, whether the position be a public office or an
30.25 employment, and not including the members or officers of any general governing or
30.26 managing board or body;

30.27 (2) a person who is an employee of the Teachers Retirement Association;

30.28 (3) a person who renders teaching service on a part-time basis and who also renders
30.29 other services for a single employing unit. A person whose teaching service comprises at
30.30 least 50 percent of the combined employment salary is a member of the association for all
30.31 services with the single employing unit. If the person's teaching service comprises less
30.32 than 50 percent of the combined employment salary, the executive director must determine
30.33 whether all or none of the combined service is covered by the association; or

31.1 (4) a person who is not covered by the plans established under chapter 352D, 354A,
 31.2 or 354B and who is employed by the Board of Trustees of the Minnesota State Colleges
 31.3 and Universities system in an unclassified position as:

31.4 (i) a president, vice-president, or dean;

31.5 (ii) a manager or a professional in an academic or an academic support program
 31.6 other than specified in item (i);

31.7 (iii) an administrative or a service support faculty position; or

31.8 (iv) a teacher or a research assistant.

31.9 (b) "Teacher" does not mean:

31.10 (1) a person who works for a school or institution as an independent contractor as
 31.11 defined by the Internal Revenue Service;

31.12 (2) a person who renders part-time teaching service or who is a customized trainer
 31.13 as defined by the Minnesota State Colleges and Universities system if (i) the service is
 31.14 incidental to the regular nonteaching occupation of the person; and (ii) the employer
 31.15 stipulates annually in advance that the part-time teaching service or customized training
 31.16 service will not exceed 300 hours in a fiscal year and retains the stipulation in its records;
 31.17 and (iii) the part-time teaching service or customized training service actually does not
 31.18 exceed 300 hours in a fiscal year; or

31.19 (3) a person who is exempt from licensure under section 122A.30; or

31.20 (4) a person who was employed by a school district or other educational institution
 31.21 after June 30, 2010.

31.22 Sec. 40. Minnesota Statutes 2008, section 354.05, subdivision 5, is amended to read:

31.23 Subd. 5. **Member of the association.** "Member of the association" means every
 31.24 person who was first employed by a public employer before July 1, 2010, who is a teacher,
 31.25 who contributes to the teachers retirement fund as provided in this chapter, who has not
 31.26 retired, or who is a teacher who exercises an option to elect coverage under another public
 31.27 pension plan enumerated in section 356.30, subdivision 3. Any former member of the
 31.28 association who is retired and subsequently resumes teaching service is a member of the
 31.29 association only for purposes of Social Security coverage.

31.30 Sec. 41. Minnesota Statutes 2008, section 354.05, subdivision 13, is amended to read:

31.31 Subd. 13. **Allowable service.** "Allowable service" means:

31.32 (1) Any service rendered by a teacher for which on or before July 1, 1957, the
 31.33 teacher's account in the retirement fund was credited by reason of employee contributions
 31.34 in the form of salary deductions, payments in lieu of salary deductions, or in any other

32.1 manner authorized by Minnesota Statutes 1953, sections 135.01 to 135.13, as amended by
32.2 Laws 1955, chapters 361, 549, 550, 611, or

32.3 (2) Any service rendered by a teacher for which on or before July 1, 1961, the
32.4 teacher elected to obtain credit for service by making payments to the fund pursuant to
32.5 Minnesota Statutes 1980, section 354.09 and section 354.51, or

32.6 (3) Any service rendered by a teacher after July 1, 1957, for any calendar month
32.7 when the member receives salary from which deductions are made, deposited and credited
32.8 in the fund, or

32.9 (4) Any service rendered by a person who was first employed by a public employer
32.10 before July 1, 2010, after July 1, 1957, for any calendar month where payments in lieu of
32.11 salary deductions are made, deposited and credited into the fund as provided in Minnesota
32.12 Statutes 1980, section 354.09, subdivision 4, and section 354.53, or

32.13 (5) Any service rendered by a teacher for which the teacher elected to obtain
32.14 credit for service by making payments before July 1, 2010, to the fund ~~pursuant to~~
32.15 under Minnesota Statutes 1980, section 354.09, subdivisions 1 and 4, sections 354.50,
32.16 354.51, Minnesota Statutes 1957, section 135.41, subdivision 4, Minnesota Statutes 1971,
32.17 section 354.09, subdivision 2, or Minnesota Statutes, 1973 Supplement, section 354.09,
32.18 subdivision 3, or

32.19 (6) Both service during years of actual membership in the course of which
32.20 contributions were currently made and service in years during which the teacher who was
32.21 first employed by a public employer before July 1, 2010, was not a member but for which
32.22 the teacher later elected to obtain credit by making payments to the fund as permitted by
32.23 any law then in effect, or

32.24 (7) Any service rendered where contributions were made and no credit was
32.25 established because of the limitations contained in Minnesota Statutes 1957, section
32.26 135.09, subdivision 2, as determined by the ratio between the amounts of money credited
32.27 to the teacher's account in a fiscal year and the maximum retirement contribution allowable
32.28 for that year, or

32.29 (8) MS 2002 [Expired]

32.30 (9) A period of time during which a teacher was on strike without pay, not to exceed
32.31 a period of one year, if payment in lieu of salary deductions is made under section 354.72
32.32 before July 1, 2010, or

32.33 (10) A period of service before July 1, 2006, that was properly credited as allowable
32.34 service by the Minneapolis Teachers Retirement Fund Association, and that was rendered
32.35 by a teacher as an employee of Special School District No. 1, Minneapolis, or by an
32.36 employee of the Minneapolis Teachers Retirement Fund Association who was a member

33.1 of the Minneapolis Teachers Retirement Fund Association by virtue of that employment,
33.2 who has not begun receiving an annuity or other retirement benefit from the former
33.3 Minneapolis Teachers Retirement Fund Association calculated in whole or in part on that
33.4 service before July 1, 2006, and who has not taken a refund of member contributions
33.5 related to that service unless the refund is repaid under section 354.50, subdivision 4.
33.6 Service as an employee of Special School District No. 1, Minneapolis, on or after July 1,
33.7 2006, is "allowable service" only as provided by this chapter.

33.8 Sec. 42. Minnesota Statutes 2008, section 354.05, subdivision 25, is amended to read:

33.9 Subd. 25. **Formula service credit.** "Formula service credit" means, if a teacher
33.10 who was first employed by a public employer before July 1, 2010, any allowable service
33.11 credit as defined in subdivision 13 except:

33.12 (1) Any service rendered prior to July 1, 1951, for which payments were made
33.13 pursuant to subdivision 13 except as provided in section 354.09, subdivision 4, as
33.14 determined by multiplying the number of years of service established in the records of the
33.15 Teachers Retirement Association as of July 1, 1961 by the ratio obtained between the total
33.16 amount paid and the maximum amount payable for those years;

33.17 (2) Any service rendered prior to July 1, 1957 for which payments were made
33.18 pursuant to section 354.09, subdivision 4, as determined by multiplying the number of
33.19 years of service established in the records of the teachers retirement association by the
33.20 ratio obtained between the total amount paid and the maximum amount payable for those
33.21 years; or

33.22 (3) Any service rendered for which contributions were not made in full as
33.23 determined by the ratio between the amounts of money credited to the teacher's account
33.24 in a fiscal year and the retirement contribution payable for the fiscal year pursuant to
33.25 sections 354.092, 354.42 and 354.51; and

33.26 (4) No period of service shall be counted more than once for purposes of this
33.27 subdivision.

33.28 Sec. 43. Minnesota Statutes 2008, section 354A.011, subdivision 4, is amended to read:

33.29 Subd. 4. **Allowable service.** "Allowable service" means any service rendered
33.30 by a teacher who was first employed by a public employer before July 1, 2010, during
33.31 a period in which the teacher receives salary from which employee contribution salary
33.32 deductions are made to and credited by the teachers retirement fund association, any
33.33 service rendered by a person during any period where assessments or payments in lieu of
33.34 salary deductions were made if authorized by any law or provision of the association's

34.1 articles of incorporation or bylaws then in effect or pursuant to section 354A.091,
34.2 354A.092, 354A.093, or 354A.094.

34.3 Sec. 44. Minnesota Statutes 2008, section 354A.011, subdivision 15, is amended to
34.4 read:

34.5 Subd. 15. **Member.** "Member" for purposes of entitlement to annuities or benefits
34.6 pursuant to sections 354A.31 to 354A.41 and any other applicable provisions of this
34.7 chapter means every teacher who was first employed by a public employer before July 1,
34.8 2010, who is engaged in teaching service ~~and~~, who under section 354A.05 contributes to
34.9 the respective teachers retirement fund association, and who has not retired. "Member"
34.10 for purposes of determining who may participate in the organization and governance of
34.11 the teachers retirement fund association, including the eligibility to elect members of
34.12 and to serve as a member of the board of trustees, means every teacher who joins and
34.13 contributes to the respective teachers retirement fund association and any other person
34.14 designated as a member by the articles of incorporation or the bylaws of the respective
34.15 teachers retirement fund association.

34.16 Sec. 45. Minnesota Statutes 2008, section 354A.011, subdivision 27, is amended to
34.17 read:

34.18 Subd. 27. **Teacher.** (a) "Teacher" means any person who was first employed by
34.19 a public employer before July 1, 2010, and who renders service for a public school
34.20 district, other than a charter school, located in the corporate limits of Duluth or St. Paul,
34.21 as any of the following:

34.22 (1) a full-time employee in a position for which a valid license from the state
34.23 Department of Education is required;

34.24 (2) an employee of the teachers retirement fund association located in the city of
34.25 the first class unless the employee has exercised the option pursuant to Laws 1955,
34.26 chapter 10, section 1, to retain membership in the Minneapolis Employees Retirement
34.27 Fund established pursuant to chapter 422A;

34.28 (3) a part-time employee in a position for which a valid license from the state
34.29 Department of Education is required; or

34.30 (4) a part-time employee in a position for which a valid license from the state
34.31 Department of Education is required who also renders other nonteaching services for the
34.32 school district, unless the board of trustees of the teachers retirement fund association
34.33 determines that the combined employment is on the whole so substantially dissimilar to
34.34 teaching service that the service may not be covered by the association.

35.1 (b) The term does not mean any person who renders service in the school district
35.2 as any of the following:

35.3 (1) an independent contractor or the employee of an independent contractor;

35.4 (2) an employee who is a full-time teacher covered by the Teachers Retirement
35.5 Association or by another teachers retirement fund association established pursuant to this
35.6 chapter or chapter 354;

35.7 (3) an employee exempt from licensure pursuant to section 122A.30;

35.8 (4) an employee who is a teacher in a technical college located in a city of the first
35.9 class unless the person elects coverage by the applicable first class city teacher retirement
35.10 fund association under section 354B.21, subdivision 2;

35.11 (5) a teacher employed by a charter school, irrespective of the location of the
35.12 school; or

35.13 (6) an employee who is a part-time teacher in a technical college in a city of the first
35.14 class and who has elected coverage by the applicable first class city teacher retirement
35.15 fund association under section 354B.21, subdivision 2, but (i) the teaching service is
35.16 incidental to the regular nonteaching occupation of the person; (ii) the applicable technical
35.17 college stipulates annually in advance that the part-time teaching service will not exceed
35.18 300 hours in a fiscal year; and (iii) the part-time teaching actually does not exceed 300
35.19 hours in the fiscal year to which the certification applies; or

35.20 (7) a person who is employed by a public employer after June 30, 2010.

35.21 Sec. 46. Minnesota Statutes 2008, section 355.01, subdivision 2c, is amended to read:

35.22 Subd. 2c. **Duluth teacher.** "Duluth teacher" means a person employed by
35.23 Independent School District No. 709, Duluth, who holds a position covered by the Duluth
35.24 Teachers Retirement Fund Association established under chapter 354A if first employed
35.25 before July 1, 2010, or covered by the Minnesota defined contribution retirement plan
35.26 under chapter 352D if first employed after June 30, 2010.

35.27 Sec. 47. Minnesota Statutes 2008, section 355.01, subdivision 2d, is amended to read:

35.28 Subd. 2d. **Educational employee.** "Educational employee" means an employee
35.29 of the state of Minnesota or of a public subdivision of the state who performs services
35.30 in a position covered by the Teachers Retirement Association under chapter 354 if
35.31 first employed before July 1, 2010, or covered by the Minnesota defined contribution
35.32 retirement plan under chapter 352D if first employed after June 30, 2010.

35.33 Sec. 48. Minnesota Statutes 2008, section 355.01, subdivision 2e, is amended to read:

36.1 Subd. 2e. **Employee.** "Employee" means a person employed by the state of
36.2 Minnesota or by a political subdivision of the state and includes an officer of the state of
36.3 Minnesota or of a political subdivision of the state whether covered by the general state
36.4 employees retirement plan, the correctional state employees retirement plan, the general
36.5 employees retirement plan of the Public Employees Retirement Association, the local
36.6 government correctional retirement plan, the Teachers Retirement Association, or a first
36.7 class city teachers retirement fund association if first employed before July 1, 2010, or
36.8 covered by the Minnesota defined contribution retirement plan under chapter 352D if
36.9 first employed after June 30, 2010.

36.10 Sec. 49. Minnesota Statutes 2008, section 355.01, subdivision 3d, is amended to read:

36.11 Subd. 3d. **Hospital employee.** "Hospital employee" means an officer or employee
36.12 of a public hospital who performs services in a position covered by the general employees
36.13 retirement plan of the Public Employees Retirement Association under chapter 353 if
36.14 first employed before July 1, 2010, or covered by the Minnesota defined contribution
36.15 retirement plan under chapter 352D if first employed after June 30, 2010.

36.16 Sec. 50. Minnesota Statutes 2008, section 355.01, subdivision 3e, is amended to read:

36.17 Subd. 3e. **Judge.** "Judge" means a judge as defined in section 490.121, subdivision
36.18 3 if first having that status before July 1, 2010, or covered by the Minnesota defined
36.19 contribution retirement plan under chapter 352D if first becoming a judge after June
36.20 30, 2010.

36.21 Sec. 51. Minnesota Statutes 2008, section 355.01, subdivision 3h, is amended to read:

36.22 Subd. 3h. **Minneapolis teacher.** "Minneapolis teacher" means a person employed
36.23 by Special School District No. 1, Minneapolis, who holds a position covered by the
36.24 Teachers Retirement Association under section 354.70 if first employed before July 1,
36.25 2010, or covered by the Minnesota defined contribution retirement plan under chapter
36.26 352D if first employed after June 30, 2010.

36.27 Sec. 52. Minnesota Statutes 2008, section 355.01, subdivision 3j, is amended to read:

36.28 Subd. 3j. **Public employee.** "Public employee" means an officer or an employee of
36.29 a local governmental subdivision of the state who performs services in a position covered
36.30 by the general employees retirement plan of the Public Employees Retirement Association
36.31 or of the local government correctional plan of the Public Employees Retirement
36.32 Association established under chapter 353 or 353E if first employed before July 1, 2010,

37.1 or covered by the Minnesota defined contribution retirement plan under chapter 352D if
37.2 first employed after June 30, 2010.

37.3 Sec. 53. Minnesota Statutes 2008, section 355.01, subdivision 31, is amended to read:

37.4 Subd. 31. **St. Paul teacher.** "St. Paul teacher" means a person employed by
37.5 Independent School District No. 625, St. Paul, who holds a position covered by the
37.6 St. Paul Teachers Retirement Fund Association established under chapter 354A if
37.7 first employed before July 1, 2010, or covered by the Minnesota defined contribution
37.8 retirement plan under chapter 352D if first employed after June 30, 2010.

37.9 Sec. 54. Minnesota Statutes 2008, section 355.01, subdivision 12, is amended to read:

37.10 Subd. 12. **Special authority or district employee.** "Special authority or district
37.11 employee" means an employee, other than an elected official, of a municipal housing and
37.12 redevelopment authority organized under sections 469.001 to 469.047, of a soil and water
37.13 conservation district organized under chapter 103C, of a port authority organized under
37.14 sections 469.048 to 469.068, of an economic development authority organized under
37.15 sections 469.090 to 469.108, or of a hospital district organized or reorganized under
37.16 sections 447.31 to 447.37, whether covered by the general employees retirement plan of
37.17 the Public Employees Retirement Association if first employed before July 1, 2010, or
37.18 covered by the Minnesota defined contribution retirement plan under chapter 352D if
37.19 first employed after June 30, 2010.

37.20 Sec. 55. Minnesota Statutes 2008, section 355.01, subdivision 13, is amended to read:

37.21 Subd. 13. **State employee.** "State employee" means an employee of the state of
37.22 Minnesota or of a political subdivision who performs services in a position covered by
37.23 the general state employees retirement plan of the Minnesota State Retirement System
37.24 governed by chapter 352, except any position for which the compensation is on a fee basis
37.25 if first employed before July 1, 2010, or covered by the Minnesota defined contribution
37.26 retirement plan under chapter 352D if first employed after June 30, 2010.

37.27 Sec. 56. Minnesota Statutes 2008, section 355.02, subdivision 3, is amended to read:

37.28 Subd. 3. **Groups covered by Social Security.** (a) The following groups having
37.29 coverage under a retirement plan in section 356.30, subdivision 3, except for the
37.30 retirement plans specified in section 356.30, subdivision 3, clauses (4) and (8), if the
37.31 person in the group was employed before July 1, 2010, or if covered by the Minnesota
37.32 defined contribution retirement plan under chapter 352D if the person in the group was

38.1 employed after June 30, 2010, must be covered by an agreement or a modification to an
38.2 agreement between the director and the federal Secretary of Health and Human Services:

- 38.3 (1) constitutional officers;
- 38.4 (2) Duluth teachers;
- 38.5 (3) educational employees;
- 38.6 (4) higher education employees;
- 38.7 (5) hospital employees;
- 38.8 (6) judges;
- 38.9 (7) legislators;
- 38.10 (8) Minneapolis teachers;
- 38.11 (9) public employees;
- 38.12 (10) St. Paul teachers; and
- 38.13 (11) state employees.

38.14 (b) The following groups must be covered prospectively following the referendum
38.15 in subdivision 4 and the modification to the state Social Security agreement under
38.16 subdivision 1:

38.17 (1) special authority or district employees in positions covered by a retirement plan
38.18 provided by the employer; and

38.19 (2) local elected officials of a local governmental subdivision or of a special authority
38.20 or district holding positions covered by the defined contribution plan under chapter 353D.

38.21 (c) Each local governmental subdivision or special authority or district desiring
38.22 inclusion in the state Social Security agreement for groups covered by paragraph (b) must
38.23 request such coverage by submitting a formal resolution to the director, including therein
38.24 the desired starting date for Social Security coverage.

38.25 (d) For purposes of paragraph (b), clause (2), the defined contribution plan of the
38.26 Public Employees Retirement Association is considered a separate retirement system with
38.27 respect to each local governmental subdivision or special authority or district, and the
38.28 elected officials in a local governmental subdivision or in a special authority or district
38.29 must be treated separately and independently from the other governmental subdivisions.

38.30 Sec. 57. Minnesota Statutes 2008, section 490.121, subdivision 4, is amended to read:

38.31 Subd. 4. **Allowable service.** (a) "Allowable service" means any calendar month,
38.32 subject to the service credit limit in subdivision 22, that a person who was first employed
38.33 by a public employer or became a judge before July 1, 2010, served as a judge at any
38.34 time, during which the judge received compensation for that service from the state,
38.35 municipality, or county, whichever applies, and for which the judge made any required

39.1 member contribution. It also includes any month served as a referee in probate for all
39.2 referees in probate who were in office before January 1, 1974.

39.3 (b) "Allowable service" also means a period of authorized leave of absence for which
39.4 the judge who served in that position before July 1, 2010, has made a payment in lieu of
39.5 contributions, not in an amount in excess of the service credit limit under subdivision 22.
39.6 To obtain the service credit, the judge shall pay an amount equal to the normal cost of
39.7 the judges retirement plan on the date of return from the leave of absence, as determined
39.8 in the most recent actuarial report for the plan filed with the Legislative Commission on
39.9 Pensions and Retirement, multiplied by the judge's average monthly salary rate during the
39.10 authorized leave of absence and multiplied by the number of months of the authorized
39.11 leave of absence, plus annual compound interest at the rate of 8.5 percent from the date of
39.12 the termination of the leave to the date on which payment is made. The payment must be
39.13 made within one year of the date on which the authorized leave of absence terminated.
39.14 Service credit for an authorized leave of absence is in addition to a uniformed service
39.15 leave under section 490.1211.

39.16 (c) "Allowable service" does not mean service as a retired judge.

39.17 Sec. 58. Minnesota Statutes 2008, section 490.121, subdivision 21b, is amended to
39.18 read:

39.19 Subd. 21b. **Judge.** "Judge" for purposes of retirement coverage under this chapter
39.20 means a judge or a justice of any court as defined under subdivision 7b who served in
39.21 that position before July 1, 2010.

39.22 Sec. 59. Minnesota Statutes 2008, section 490.125, subdivision 1, is amended to read:

39.23 Subdivision 1. **Mandatory retirement age.** (a) Except as otherwise provided in this
39.24 chapter, a judge covered by the retirement plan under this chapter shall terminate active
39.25 service as a judge on the judge's mandatory retirement date.

39.26 (b) A judge who first serves in a judicial office after June 30, 2010, and is covered by
39.27 the retirement plan under chapter 352D shall terminate active service as a judge on the
39.28 last day of the month in which the judge becomes age 70.

39.29 Sec. 60. Minnesota Statutes 2008, section 490.126, subdivision 1, is amended to read:

39.30 Subdivision 1. **Compulsory retirement.** Proceedings for compulsory retirement
39.31 of a judge covered by the retirement plan under this chapter or any judge covered by the
39.32 retirement plan under chapter 352D, if necessary, must be conducted in accordance with
39.33 rules issued by the Supreme Court under section 490A.02.

40.1 Sec. 61. Minnesota Statutes 2008, section 490.126, subdivision 2, is amended to read:

40.2 Subd. 2. **Vacancies.** Any judge covered by the retirement plan under this chapter
40.3 or any judge covered by the retirement plan under chapter 352D may make written
40.4 application to the governor for retirement. The governor thereupon shall direct the judge's
40.5 retirement by written order which, when filed in the Office of the Secretary of State,
40.6 effects a vacancy in the office to be filled as provided by law.

40.7 Sec. 62. Minnesota Statutes 2008, section 490.133, is amended to read:

40.8 **490.133 RETIREMENT; TRANSITION PROVISIONS; TRANSFER TO**
40.9 **COURT OF APPEALS.**

40.10 (a) If a judge to whom or to whose survivors benefits would be payable under
40.11 Minnesota Statutes 2004, sections 490.101 to 490.12, is elected or appointed to the Court
40.12 of Appeals, that judge and the judge's survivors continue to be eligible for benefits under
40.13 those sections and not under sections 490.121 to 490.132.

40.14 (b) In the case of a judge to whom paragraph (a) applies, the service of the judge in
40.15 the Court of Appeals must be added to the prior service as district judge, probate judge, or
40.16 judge of any other court of record in determining eligibility and the compensation of a
40.17 judge of the Court of Appeals at the time of the judge's death, disability, or retirement is
40.18 the "compensation allotted to the office" for the purposes of calculating benefit amounts.

40.19 (c) All ~~other~~ judges of the Court of Appeals who serve in a judicial office before
40.20 July 1, 2010, and to whom paragraph (a) applies and their survivors are subject to the
40.21 retirement and survivor's annuity provisions of this chapter. All judges of the Court of
40.22 Appeals who first serve in a judicial office after June 30, 2010, and their survivors are
40.23 subject to the provisions of chapter 352D.

40.24 Sec. 63. **PRE-JULY 1, 2010, EMPLOYEE COVERAGE ELECTION.**

40.25 (a) Any person who is a member of the general state employees retirement plan of
40.26 the Minnesota State Retirement System, the correctional state employees retirement plan
40.27 of the Minnesota State Retirement System, the general employees retirement plan of the
40.28 Public Employees Retirement Association, the local government correctional service
40.29 retirement plan of the Public Employees Retirement Association, the Teachers Retirement
40.30 Association, the Duluth Teachers Retirement Fund Association, the St. Paul Teachers
40.31 Retirement Fund Association, or the judges retirement plan may elect to change retirement
40.32 coverage from the prior retirement plan to retirement coverage under Minnesota Statutes,
40.33 chapter 352D.

41.1 (b) The election under this section must be made on or before July 1, 2011. The
41.2 election must be made on a form prescribed by the executive director of the Minnesota
41.3 State Retirement System.

41.4 (c) Upon request, the executive director of the retirement system administering the
41.5 person's pre-July 1, 2010, retirement plan and the executive director of the Minnesota
41.6 State Retirement System shall provide applicable counseling and resources related to
41.7 the potential retirement coverage change.

41.8 Sec. 64. **REPEALER.**

41.9 Minnesota Statutes 2008, section 352D.02, subdivisions 1d and 2, are repealed."

41.10 Renumber the articles and sections in sequence and correct the internal references

41.11 Amend the title accordingly

41.12 The motion prevailed. #did not prevail. So the amendment was #not adopted.