

1.1 moves to amend H.F. No.; S.F. No., as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 **"ARTICLE 1**

1.4 **VARIOUS RETIREMENT LAW CHANGES**

1.5 Section 1. Minnesota Statutes 2006, section 3A.02, subdivision 5, is amended to read:

1.6 Subd. 5. **Optional annuities.** (a) The board of directors shall establish an optional
1.7 retirement annuity in the form of a joint and survivor annuity and an optional retirement
1.8 annuity in the form of a period certain and life thereafter. Except as provided in paragraph
1.9 (b), these optional annuity forms must be actuarially equivalent to the normal allowance
1.10 computed under this section, plus the actuarial value of any surviving spouse benefit
1.11 otherwise potentially payable at the time of retirement under section 3A.04, subdivision 1.
1.12 An individual selecting an optional annuity under this subdivision and the person's spouse
1.13 waive any rights to surviving spouse benefits under section 3A.04, subdivision 1.

1.14 (b) If a retired legislator selects the joint and survivor annuity option, the retired
1.15 legislator must receive a normal single-life allowance if the designated optional annuity
1.16 beneficiary dies before the retired legislator and no reduction may be made in the annuity
1.17 to provide for restoration of the normal single-life allowance in the event of the death of
1.18 the designated optional annuity beneficiary.

1.19 (c) The surviving spouse of a legislator who has attained at least age 55 and who dies
1.20 while a member of the legislature may elect an optional joint and survivor annuity under
1.21 paragraph (a), in lieu of surviving spouse benefits under section 3A.04, subdivision 1.

1.22 (d) The surviving spouse of a deceased former legislator may elect an optional joint
1.23 and survivor annuity under paragraph (a) in lieu of surviving spouse benefits under section
1.24 3A.04, subdivision 1, on or after the date the former legislator would have reached age 55.

1.25 **EFFECTIVE DATE.** This section is effective the day after final enactment and also
1.26 applies to the surviving spouse of a former legislator who died on March 5, 2007.

2.1 **Sec. 2. [3A.021] OPTIONAL DIVISION OF RETIREMENT ALLOWANCE.**

2.2 Subdivision 1. **Election of division.** Notwithstanding section 518.58, subdivision 4,
2.3 paragraph (a), clause (5), a former legislator or the former spouse of a former legislator, if
2.4 a portion of the former legislator's retirement allowance is awarded to the former spouse
2.5 under a marriage dissolution property division decree by a court of competent jurisdiction,
2.6 may elect to have payment of the portion of the legislator's retirement allowance
2.7 designated in the decree as payable to the former spouse beginning as of the first day of
2.8 the month next following the date on which the former legislator attains the age of 62,
2.9 even if the former legislator has not applied for the receipt of retirement allowance as of
2.10 that date. In all other respects, the optional retirement allowance division is governed
2.11 by section 518.58, subdivision 4.

2.12 Subd. 2. **Calculation of subsequent portion of the retirement allowance.**

2.13 Upon the eventual application for a retirement allowance under this chapter by a former
2.14 legislator who elected or was affected by the election of a benefit under subdivision 1,
2.15 the subsequent retirement allowance must be adjusted to be the actuarial equivalent of
2.16 the balance of the present value of the retirement allowance of the former legislator upon
2.17 the effective date of the application remaining after a reduction equal to the present value
2.18 of the partial benefit previously paid and subsequently payable to the former spouse,
2.19 as calculated by the actuary retained under section 356.214 or as calculated under a
2.20 procedure specified by the actuary. The retirement allowance present value calculations
2.21 must include the effect of section 356.30.

2.22 Subd. 3. **No optional annuity form.** Section 3A.02, subdivision 5, does not apply
2.23 to a partial retirement allowance payable under subdivision 1.

2.24 **EFFECTIVE DATE.** This section is effective the day following final enactment
2.25 and applies to any retirement allowance affected by a marriage dissolution decree rendered
2.26 after September 2003.

2.27 Sec. 3. Minnesota Statutes 2006, section 352.01, subdivision 2a, is amended to read:

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

2.29 (1) employees of the Minnesota Historical Society;

2.30 (2) employees of the State Horticultural Society;

2.31 (3) employees of the Disabled American Veterans, Department of Minnesota,
2.32 Veterans of Foreign Wars, Department of Minnesota, if employed before July 1, 1963;

2.33 (4) employees of the Minnesota Crop Improvement Association;

2.34 (5) employees of the adjutant general who are paid from federal funds and who are
2.35 not covered by any federal civilian employees retirement system;

3.1 (6) employees of the Minnesota State Colleges and Universities employed under the
3.2 university or college activities program;

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

3.6 (8) employees of the Armory Building Commission;

3.7 (9) employees of the legislature appointed without a limit on the duration of their
3.8 employment and persons employed or designated by the legislature or by a legislative
3.9 committee or commission or other competent authority to conduct a special inquiry,
3.10 investigation, examination, or installation;

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

3.14 (11) employees of the Minnesota Safety Council;

3.15 (12) any employees on authorized leave of absence from the Transit Operating
3.16 Division of the former Metropolitan Transit Commission who are employed by the
3.17 labor organization which is the exclusive bargaining agent representing employees of
3.18 the Transit Operating Division;

3.19 (13) employees of the Metropolitan Council, Metropolitan Parks and Open Space
3.20 Commission, Metropolitan Sports Facilities Commission, Metropolitan Mosquito Control
3.21 Commission, or Metropolitan Radio Board unless excluded or covered by another public
3.22 pension fund or plan under section 473.415, subdivision 3;

3.23 (14) judges of the Tax Court;

3.24 (15) personnel employed on June 30, 1992, by the University of Minnesota in the
3.25 management, operation, or maintenance of its heating plant facilities, whose employment
3.26 transfers to an employer assuming operation of the heating plant facilities, so long as the
3.27 person is employed at the University of Minnesota heating plant by that employer or by its
3.28 successor organization;

3.29 (16) seasonal help in the classified service employed by the Department of Revenue;

3.30 ~~and~~

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

3.34 (18) employees of the Middle Management Association whose employment began
3.35 after July 1, 2007, and to whom section 352.029 does not apply.

4.1 (b) Employees specified in paragraph (a), clause (15), are included employees under
4.2 paragraph (a) if employer and employee contributions are made in a timely manner in the
4.3 amounts required by section 352.04. Employee contributions must be deducted from
4.4 salary. Employer contributions are the sole obligation of the employer assuming operation
4.5 of the University of Minnesota heating plant facilities or any successor organizations to
4.6 that employer.

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

4.8 Sec. 4. Minnesota Statutes 2006, section 352B.01, subdivision 2, is amended to read:

4.9 Subd. 2. **Member.** "Member" means:

4.10 (1) a State Patrol member currently employed under section 299D.03 by the state,
4.11 who is a peace officer under section 626.84, and whose salary or compensation is paid
4.12 out of state funds;

4.13 (2) a conservation officer employed under section 97A.201, currently employed by
4.14 the state, whose salary or compensation is paid out of state funds;

4.15 (3) a crime bureau officer who was employed by the crime bureau and was a member
4.16 of the Highway Patrolmen's retirement fund on July 1, 1978, whether or not that person
4.17 has the power of arrest by warrant after that date, or who is employed as police personnel,
4.18 with powers of arrest by warrant under section 299C.04, and who is currently employed
4.19 by the state, and whose salary or compensation is paid out of state funds;

4.20 (4) a person who is employed by the state in the Department of Public Safety in a
4.21 data processing management position with salary or compensation paid from state funds,
4.22 who was a crime bureau officer covered by the State Patrol retirement plan on August
4.23 15, 1987, and who was initially hired in the data processing management position within
4.24 the department during September 1987, or January 1988, with membership continuing
4.25 for the duration of the person's employment in that position, whether or not the person
4.26 has the power of arrest by warrant after August 15, 1987;

4.27 (5) a public safety employee who is a peace officer under section 626.84, subdivision
4.28 1, paragraph (c), and who is employed by the Division of Alcohol and Gambling
4.29 Enforcement under section 299L.01;

4.30 (6) a Fugitive Apprehension Unit officer after October 31, 2000, who is employed by
4.31 the Office of Special Investigations of the Department of Corrections and who is a peace
4.32 officer under section 626.84; ~~and~~

4.33 (7) an employee of the Department of Commerce defined as a peace officer in section
4.34 626.84, subdivision 1, paragraph (c), who is employed by the Division of Insurance Fraud

5.1 Prevention under section 45.0135 after January 1, 2005, and who has not attained the
5.2 mandatory retirement age specified in section 43A.34, subdivision 4; and

5.3 (8) an employee of the Department of Public Safety, who is a licensed peace officer
5.4 under Section 626.84, subdivision 1, paragraph (c), and is employed as the statewide
5.5 coordinator of the Gang and Drug Oversight Council.

5.6 **EFFECTIVE DATE.** This section is effective the day following final enactment
5.7 and applies retroactive to April 1, 2007.

5.8 Sec. 5. Minnesota Statutes 2006, section 356.87, is amended to read:

5.9 **356.87 HEALTH INSURANCE WITHHOLDING.**

5.10 Subdivision. 1. **Public employees insurance program withholding.** (a) Upon
5.11 authorization of a person entitled to receive a retirement annuity, disability benefit or
5.12 survivor benefit, the executive director of a public pension fund enumerated in section
5.13 356.20, subdivision 2, shall withhold health insurance premium amounts from the
5.14 retirement annuity, disability benefit or survivor benefit, and shall pay the premium
5.15 amounts to the public employees insurance program.

5.16 (b) The public employees insurance program shall reimburse a public pension fund
5.17 for the administrative expense of withholding the premium amounts and shall assume
5.18 liability for the failure of a public pension fund to properly withhold the premium amounts.

5.19 Subd. 2. **Public safety retiree insurance withholding.** (a) For purposes of this
5.20 subdivision, "governing board" means the governing board or body that has been assigned
5.21 the chief policy-making powers and management duties of the applicable pension plan.

5.22 (b) For a pension plan covered under section 356.20, subdivision 2, that provides
5.23 monthly annuity payments, the governing board may direct the plan's chief administrative
5.24 officer to withhold health, accident, and long-term care insurance premiums from the
5.25 retirement annuity or disability benefit and to transmit the amount to an approved
5.26 insurance provider specified by the eligible person. A governing board which agrees
5.27 to participate may revise or revoke that decision at a later date if the board provides
5.28 reasonable notice to the applicable parties.

5.29 (c) An eligible person is a person who:

5.30 (1) is a retiree or disabilitant from a participating plan;

5.31 (2) was a public safety officer as defined in United States Code, title 42, section
5.32 3796b;

5.33 (3) terminated service as a public safety officer due to disability or attainment
5.34 of normal retirement age and commences receipt of an annuity without any period of
5.35 deferral; and

6.1 (4) satisfies any other requirements to have all or a portion of the health, accident,
6.2 or long-term care insurance premiums excluded from income for taxation purposes, as
6.3 specified in section 845 of Public Law 109-28, the Pension Protection Act of 2006.

6.4 (d) An approved insurance provider is:

6.5 (1) any regulated, licensed insurance company;

6.6 (2) a fraternal or any other organization sponsoring a regulated, licensed insurance
6.7 program; or

6.8 (3) an employer-sponsored insurance program, whether directly through the
6.9 employer or a third-party administrator.

6.10 (e) An eligible person may elect to have the applicable plan administrator withhold
6.11 and transmit the insurance amounts described in paragraph (b). The eligible person
6.12 must make this election on a form prescribed by the chief administrative officer of the
6.13 applicable plan.

6.14 (f) A pension fund and the plan fiduciaries which authorize or administer
6.15 withholding of insurance premiums under this subdivision is not liable for failure to
6.16 properly withhold or transmit the premium amounts.

6.17 **EFFECTIVE DATE.** This section is effective retroactive to January 1, 2007.

6.18 Sec. 6. Minnesota Statutes 2006, section 626.84, subdivision 1, is amended to read:

6.19 Subdivision 1. **Definitions.** For purposes of sections 626.84 to 626.863, the
6.20 following terms have the meanings given them:

6.21 (a) "Board" means the Board of Peace Officer Standards and Training.

6.22 (b) "Director" means the executive director of the board.

6.23 (c) "Peace officer" means:

6.24 (1) an employee or an elected or appointed official of a political subdivision or
6.25 law enforcement agency who is licensed by the board, charged with the prevention and
6.26 detection of crime and the enforcement of the general criminal laws of the state and who
6.27 has the full power of arrest, and shall also include the Minnesota State Patrol, agents of the
6.28 Division of Alcohol and Gambling Enforcement, state conservation officers, Metropolitan
6.29 Transit police officers, Department of Corrections' Fugitive Apprehension Unit officers,
6.30 and Department of Commerce Insurance Fraud Unit officers, and the statewide coordinator
6.31 of the Gang and Drug Oversight Council; and

6.32 (2) a peace officer who is employed by a law enforcement agency of a federally
6.33 recognized tribe, as defined in United States Code, title 25, section 450b(e), and who
6.34 is licensed by the board.

7.1 (d) "Part-time peace officer" means an individual licensed by the board whose
7.2 services are utilized by law enforcement agencies no more than an average of 20 hours per
7.3 week, not including time spent on call when no call to active duty is received, calculated
7.4 on an annual basis, who has either full powers of arrest or authorization to carry a
7.5 firearm while on active duty. The term shall apply even though the individual receives
7.6 no compensation for time spent on active duty, and shall apply irrespective of the title
7.7 conferred upon the individual by any law enforcement agency.

7.8 (e) "Reserve officer" means an individual whose services are utilized by a law
7.9 enforcement agency to provide supplementary assistance at special events, traffic or crowd
7.10 control, and administrative or clerical assistance. A reserve officer's duties do not include
7.11 enforcement of the general criminal laws of the state, and the officer does not have full
7.12 powers of arrest or authorization to carry a firearm on duty.

7.13 (f) "Law enforcement agency" means:

7.14 (1) a unit of state or local government that is authorized by law to grant full powers
7.15 of arrest and to charge a person with the duties of preventing and detecting crime and
7.16 enforcing the general criminal laws of the state; and

7.17 (2) subject to the limitations in section 626.93, a law enforcement agency of a
7.18 federally recognized tribe, as defined in United States Code, title 25, section 450b(e).

7.19 (g) "Professional peace officer education" means a postsecondary degree program,
7.20 or a nondegree program for persons who already have a college degree, that is offered by
7.21 a college or university in Minnesota, designed for persons seeking licensure as a peace
7.22 officer, and approved by the board.

7.23 **EFFECTIVE DATE.** This section is effective the day after final enactment and
7.24 applies retroactive to April 1, 2007.

7.25 **ARTICLE 2**

7.26 **HEALTH FACILITY PRIVATIZATIONS**

7.27 Section 1. Minnesota Statutes 2006, section 353F.02, subdivision 4, is amended to read:

7.28 Subd. 4. **Medical facility.** "Medical facility" means:

7.29 (1) Bridges Medical Services;

7.30 (2) the City of Cannon Falls Hospital;

7.31 (3) Clearwater County Memorial Hospital doing business as Clearwater Health
7.32 Services in Bagley;

7.33 (4) the Dassel Lakeside Community Home;

7.34 (5) the Fair Oaks Lodge, Wadena;

7.35 (6) the Glencoe Area Health Center;

7.36 (7) the Hutchinson Area Health Care;

- 8.1 (8) the Kanabec Hospital;
- 8.2 (9) the Lakeview Nursing Home in Gaylord;
- 8.3 (10) the Luverne Public Hospital;
- 8.4 ~~(10)~~ (11) the Northfield Hospital;
- 8.5 ~~(11)~~ (12) the RenVilla Nursing Home;
- 8.6 ~~(12)~~ (13) the Renville County Hospital in Olivia;
- 8.7 ~~(13)~~ (14) the St. Peter Community Healthcare Center; and
- 8.8 ~~(14)~~ (15) the Waconia-Ridgeview Medical Center.

8.9 **EFFECTIVE DATE; LOCAL APPROVAL.** This section is effective upon the
 8.10 latter of:

- 8.11 (1) the day after the governing body of the city of Gaylord and its chief clerical
- 8.12 officer timely comply with Minnesota Statutes, section 645.021, subdivisions 2 and 3; and
- 8.13 (2) the first day of the month next following certification to the Gaylord City Council
- 8.14 by the executive director of the Public Employees Retirement Association that the actuarial
- 8.15 accrued liability of the special benefit coverage proposed for extension to the privatized
- 8.16 Lakeview Nursing Home employees under section 1 does not exceed the actuarial gain
- 8.17 otherwise to be accrued by the Public Employees Retirement Association, as calculated by
- 8.18 the consulting actuary retained under Minnesota Statutes, section 356.214. The cost of the
- 8.19 actuarial calculations must be borne by the current employer or by the entity which is the
- 8.20 employer following the privatization, and the date of the actuarial calculations must be
- 8.21 within one year of the date the Lakeview Nursing Home is sold or leased.

8.22 Sec. 2. Minnesota Statutes 2006, section 353F.04, subdivision 1, is amended to read:

8.23 Subdivision 1. **Enhanced augmentation rates.** (a) The deferred annuity of
 8.24 a terminated medical facility or other public employing unit employee is subject to
 8.25 augmentation under section 353.71, subdivision 2, of the edition of Minnesota Statutes
 8.26 published in the year in which the privatization occurred, except that the rate of
 8.27 augmentation is as specified in paragraph (b) or (c), whichever is applicable.

8.28 (b) This paragraph applies if the legislation adding the medical facility or other
 8.29 employing unit to section 353F.02, subdivision 4 or 5, as applicable, was enacted before
 8.30 July 26, 2005, and became effective before January 1, 2008, for the Hutchinson Area
 8.31 Health Care or before January 1, 2007, for all other medical facilities and all other
 8.32 employing units. For a terminated medical facility or other public employing unit
 8.33 employee, the augmentation rate is 5.5 percent compounded annually until January 1
 8.34 following the year in which the person attains age 55. From that date to the effective date
 8.35 of retirement, the augmentation rate is 7.5 percent compounded annually.

9.1 (c) If paragraph (b) is not applicable, the augmentation rate is four percent
9.2 compounded annually until January 1, following the year in which the person attains age
9.3 55. From that date to the effective date of retirement, the augmentation rate is six percent
9.4 compounded annually.

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

9.6 **ARTICLE 3**
9.7 **SMALL GROUP/**
9.8 **SINGLE PERSON PROVISIONS**

9.9 Section 1. **PERA-GENERAL; CITY OF ST. PAUL EMPLOYEE SERVICE**
9.10 **CREDIT PURCHASE.**

9.11 (a) An eligible person described in paragraph (b) is entitled to purchase allowable
9.12 service credit from the general employees retirement plan of the Public Employees
9.13 Retirement Association for the period of employment by the city of St. Paul between
9.14 November 11, 1988, and September 30, 1989, that qualified as employment by a public
9.15 employee under Minnesota Statutes 1988, section 353.01, subdivision 2b, that was not
9.16 previously credited by the retirement plan.

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

9.18 (1) was born on December 29, 1958;

9.19 (2) was first employed by the city of St. Paul as a part-time or seasonal employee
9.20 in 1985;

9.21 (3) qualified for Public Employees Retirement Association general plan coverage
9.22 in November 1988 but was not reported by the city of St. Paul to the Public Employees
9.23 Retirement Association for coverage until October 1989; and

9.24 (4) became a member of the general employees retirement plan of the Public
9.25 Employees Retirement Association in October 1989.

9.26 (c) The eligible person described in paragraph (b) is authorized to apply with the
9.27 executive director of the Public Employees Retirement Association to make the service
9.28 credit purchase under this section. The application must be in writing and must include
9.29 all necessary documentation of the applicability of this section and any other relevant
9.30 information that the executive director may require.

9.31 (d) Allowable service credit under Minnesota Statutes, section 353.01, subdivision
9.32 16, must be granted by the general employees retirement plan of the Public Employees
9.33 Retirement Association to the account of the eligible person upon the receipt of the prior
9.34 service credit purchase payment amount required under Minnesota Statutes, section
9.35 356.551.

10.1 (e) Of the prior service credit purchase payment amount under Minnesota Statutes,
10.2 section 356.551, the eligible person must pay an amount equal to the employee
10.3 contribution rate or rates in effect during the uncredited employment period applied to the
10.4 actual salary rates in effect during the period, plus annual compound interest at the rate
10.5 of 8.5 percent from the date the member contribution payment should have been made
10.6 if made in a timely fashion until the date on which the contribution is actually made. If
10.7 the equivalent member contribution payment, plus interest, is made, the city of St. Paul
10.8 shall pay the balance of the total prior service credit purchase payment amount under
10.9 Minnesota Statutes, section 356.551, within 60 days of notification by the executive
10.10 director of the Public Employees Retirement Association that the member contribution
10.11 equivalent payment has been received by the association.

10.12 (f) Authority for an eligible person to make a prior service credit purchase under this
10.13 section expires June 30, 2009, or upon termination of employment covered by the Public
10.14 Employees Retirement Association, whichever is earlier.

10.15 (g) If the city of St. Paul fails to pay its portion of the prior service credit purchase
10.16 payment amount under paragraph (e), the executive director of the Public Employees
10.17 Retirement Association must notify the commissioners of finance and revenue of that fact
10.18 and the commissioners shall order the deduction of the required payment amount from
10.19 the next payment of any state aid to the city of St. Paul and the commissioners shall
10.20 transmit the applicable amount to the general employees retirement fund of the Public
10.21 Employees Retirement Association.

10.22 **EFFECTIVE DATE.** This section is effective the day after final enactment.

10.23 **Sec. 2. PERA-POLICE AND FIRE PLAN; EXEMPTING CERTAIN ANOKA**
10.24 **COUNTY FIELD INVESTIGATORS FROM REEMPLOYED ANNUITANT**
10.25 **EARNINGS LIMITATIONS.**

10.26 Notwithstanding any provision of Minnesota Statutes, section 353.37, to the
10.27 contrary, a person who is receiving a retirement annuity from the Public Employees
10.28 Retirement Association police and fire plan and who was employed by Midwest Pathology,
10.29 Incorporated, as of December 31, 2006, who became employed by Anoka County on
10.30 January 1, 2007, as a field investigator, when the functions of Midwest Pathology,
10.31 Incorporated, transferred to the county, is exempt from the limitation on reemployed
10.32 annuitant earnings under Minnesota Statutes, section 353.37, for the duration of that
10.33 employment as a field investigator.

10.34 **EFFECTIVE DATE.** This section is effective retroactive to January 1, 2007.

11.1 Sec. 3. **MSRS-GENERAL AND PERA-GENERAL; ANNUITY BACK**
11.2 **PAYMENTS.**

11.3 (a) Notwithstanding any provision of Minnesota Statutes, sections 352.115,
11.4 subdivision 8, and 353.29, subdivision 7, to the contrary, an eligible annuitant described in
11.5 paragraph (b) is entitled to a back payment of annuities from the general state employees
11.6 retirement plan of the Minnesota State Retirement System and from the general employees
11.7 retirement plan of the Public Employees Retirement Association as provided in paragraph
11.8 (c). The back payments are intended to correct the consequences of any negligence or
11.9 error of the retirement plans in failing to promptly implement a combined service annuity.

11.10 (b) An eligible annuitant is a person who:

11.11 (1) was born on April 1, 1947;

11.12 (2) was employed by Clearwater County and was covered by the general employees
11.13 retirement plan of the Public Employees Retirement Association in 1968, 1969, and 1970;

11.14 (3) was employed by the Rural Minnesota Concentrated Employment Program
11.15 in 1970;

11.16 (4) was employed by the state of Minnesota by the Department of Human Services
11.17 or its predecessor from 1970 to 2004; and

11.18 (5) retired from state employment under the rule of 90 on April 20, 2004.

11.19 (c) The back payments are the amount of the annuity of the eligible annuitant from
11.20 the general employees retirement plan of the Public Employees Retirement Association
11.21 for eight months, representing the period May 1, 2004, to December 31, 2004, and the
11.22 amount of the increase in the annuity of the eligible annuitant from the general state
11.23 employees retirement plan of the Minnesota State Retirement System on account of
11.24 Minnesota Statutes, section 356.30, for 20 months, representing the period May 1, 2004,
11.25 to December 31, 2005.

11.26 **EFFECTIVE DATE.** This section is effective the day after final enactment.

11.27 Sec. 4. **TEACHERS RETIREMENT ASSOCIATION; SABBATICAL LEAVE**
11.28 **SALARY CREDIT PURCHASE.**

11.29 (a) Notwithstanding any provisions to the contrary of Minnesota Statutes, chapter
11.30 354 or 354A, an eligible person described in paragraph (b) is entitled to purchase credit
11.31 for the salary amount specified in paragraph (c) by making the payment required by
11.32 paragraph (d).

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

11.34 (1) was born on August 2, 1948;

12.1 (2) has 2.95 years of service credit from the Teachers Retirement Association for
12.2 teaching service rendered in the early 1970s;

12.3 (3) has 26 years of service credit from the former Minneapolis Teachers Retirement
12.4 Fund Association transferred to the Teachers Retirement Association under Laws 2006,
12.5 chapter 277, article 3, sections 5 and 9, subdivision 3;

12.6 (4) took a sabbatical leave from Special School District No. 1, Minneapolis, for the
12.7 2004-2005 school year;

12.8 (5) obtained full salary credit from the former Minneapolis Teachers Retirement
12.9 Fund Association for the 2004-2005 school year under the applicable law and benefit
12.10 plan provisions; and

12.11 (6) has uncredited full-time equivalent salary from the 2005-2006 school year based
12.12 on a reduced salary figure related to the sabbatical leave arrangement.

12.13 (c) The salary amount is an amount equal to the difference between the salary credit
12.14 the eligible person received from the former Minneapolis Teachers Retirement Fund
12.15 Association for the 2005-2006 school year and the full-time equivalent salary of the
12.16 eligible person for the 2005-2006 school year.

12.17 (d) The required payment amount is an amount equal to 13.64 percent of the salary
12.18 amount determined under paragraph (c), plus interest at an 8.5 percent compound rate
12.19 from the date on which the contribution amounts would have been made if made in a
12.20 timely fashion and the date on which the amount is actually paid. The amount is payable
12.21 only in a lump sum.

12.22 (e) The eligible person shall provide any relevant documentation related to the
12.23 eligibility to make this purchase that is required by the executive director of the Teachers
12.24 Retirement Association.

12.25 (f) Authority for an eligible person to make the purchase under this section expires
12.26 June 30, 2008.

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

12.28 Sec. 5. **COMMUNITY EDUCATION TEACHER; PRIOR SERVICE**
12.29 **PURCHASE.**

12.30 (a) An eligible person described in paragraph (b) is entitled to purchase prior
12.31 uncredited service rendered as a community education teacher for Independent School
12.32 District No. 535, Rochester, from the general employees retirement plan of the Public
12.33 Employees Retirement Association.

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

12.35 (1) was born on March 4, 1939;

13.1 (2) began teaching Independent School District No. 535, Rochester, in 1962 and
13.2 retired June 1997;

13.3 (3) was a contributing member of the Teachers Retirement Association until
13.4 retirement;

13.5 (4) subsequent to retirement began teaching for community education; and

13.6 (5) because of an error, no deductions were taken from the person's pay and no
13.7 contributions were made on the person's behalf by the school district to the Public
13.8 Employees Retirement Association for the community education service.

13.9 (c) The purchase payment amount for the uncredited community education service
13.10 must be determined under Minnesota Statutes, section 356.551. Notwithstanding
13.11 Minnesota Statutes, section 356.551, subdivision 2, paragraphs (d) and (e), the purchase
13.12 payment amount must be allocated on the basis of one-third of the total by the eligible
13.13 person and of the balance of the total by Independent School District No. 535, Rochester.
13.14 If the eligible person pays the person's required portion, Independent School District
13.15 No. 535, Rochester, shall make its payment within 30 days of notification by the Public
13.16 Employees Retirement Association of its payment obligation. If Independent School
13.17 District No. 535, Rochester, does not pay the balance within 30 days of notification by the
13.18 executive director of the Public Employees Retirement Association of the payment of the
13.19 member contribution payment by the eligible person under paragraph (a), the executive
13.20 director shall notify the commissioner of finance of that fact and the commissioner shall
13.21 deduct from any state aid payable to Independent School District No. 535, Rochester, that
13.22 amount, plus interest on that amount of 1.5 percent per month for each month or portion of
13.23 a month that has elapsed from the effective date of this section.

13.24 (d) This authority expires on May 31, 2009, or on the first day of the month next
13.25 following the conclusion of the eligible member's elected public service, whichever
13.26 occurs earlier.

13.27 **EFFECTIVE DATE.** This section is effective the day after final enactment.

13.28 Sec. 6. **PERA-GENERAL; LATE DISABILITY BENEFIT APPLICATION**
13.29 **AUTHORIZED.**

13.30 (a) Notwithstanding any provision of Minnesota Statutes, section 353.33, subdivision
13.31 2, to the contrary, a person described in paragraph (b) is authorized to apply for a disability
13.32 benefit from the general employees retirement plan of the Public Employees Retirement
13.33 Association under Minnesota Statutes, section 353.33.

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

13.35 (1) was born on February 1, 1956;

14.1 (2) became a Public Employees Retirement Association general plan member on
14.2 December 18, 1994, until January 31, 1996, while employed by the city of Benson;

14.3 (3) was employed by Independent School District No. 777, Benson, with Public
14.4 Employees Retirement Association general plan coverage, from October 1, 1996, until
14.5 July 31, 2003;

14.6 (4) is disabled within the meaning of Minnesota Statutes, section 353.01, subdivision
14.7 19; and

14.8 (5) failed to apply for disability benefits under Minnesota Statutes, section 353.33,
14.9 within the three-year time period permitted in that statute following termination of covered
14.10 employment.

14.11 (c) The eligible person under paragraph (b) must provide, in conjunction with the
14.12 disability application, any relevant evidence that the executive director of the Public
14.13 Employees Retirement Association requires about the existence of a total and permanent
14.14 disability as defined in Minnesota Statutes, section 353.01, subdivision 19, and about the
14.15 date on which the disability occurred and its relationship to the termination of active
14.16 service in July 2003.

14.17 (d) If the eligible person files a disability benefit application and if the eligible
14.18 person provides sufficient evidence of disability and the occurrence of the disability under
14.19 paragraph (c), to qualify for a disability benefit under Minnesota Statutes, section 353.33,
14.20 the disability benefit becomes payable on the first day of the first month next following the
14.21 approval of the application. The disability benefit must be calculated under the laws in
14.22 effect at the time the eligible person terminated active service in July 2003. The disability
14.23 benefit must include any applicable deferred annuities augmentation under Minnesota
14.24 Statutes, section 353.71, subdivision 2.

14.25 (e) Nothing in this section may be deemed to exempt the eligible person from the
14.26 partial reemployment of a disabilitant provision under Minnesota Statutes, section 353.33,
14.27 subdivision 7, or from the trial work period provision under Minnesota Statutes, section
14.28 353.33, subdivision 7a.

14.29 **EFFECTIVE DATE.** (a) This section is effective the day following final enactment.

14.30 (b) This section expires, if not utilized, on December 31, 2007."

14.31 Delete the title and insert:

14.32 "A bill for an act

14.33 relating to retirement; various retirement plans; authorizing an optional annuity
14.34 election for the surviving spouse of a deceased former legislator; permitting the
14.35 optional early division of legislators retirement plan retirement allowances upon
14.36 a marriage dissolution; expanding the membership of the general state employees
14.37 retirement plan and the State Patrol retirement plan; permitting withholding

15.1 of insurance premiums from public safety employee annuities; providing
15.2 special coverage to privatized employees of Lakeview Nursing Home and
15.3 Hutchinson Area Health Care; permitting various prior service credit purchases;
15.4 exempting certain Anoka County employees from reemployed annuitant earnings
15.5 limitations, permitting certain combined service annuity back payments;
15.6 permitting a delayed disability benefit application; amending Minnesota
15.7 Statutes 2006, sections 3A.02, subdivision 5; 352.01, subdivision 2a; 352B.01,
15.8 subdivision 2; 353F.02, subdivision 4; 353F.04, subdivision 1; 356.87; 626.84,
15.9 subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 3A."