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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FIRST SESSION

H. F. No. 2937

02/11/2020 Authored by Fischer
The bill was read for the first time and referred to the Committee on Government Operations

1.1 A bill for an act
1.2 relating to retirement; public employees police and fire retirement plan; service
1.3 credit purchase for period of uncredited service.

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

1.5 Section 1. CREDIT FOR SERVICE IN PERA POLICE AND FIRE PLAN.

1.6 Subdivision 1. Service credit purchase. (a) Notwithstanding Minnesota Statutes, section
1.7 353.27, subdivision 12, an eligible person described in paragraph (b) is entitled to purchase
1.8 allowable service in the public employees police and fire retirement plan under Minnesota
1.9 Statutes, sections 353.63 to 353.68, for the period described in paragraph (b), clause (3),
1.10 upon making the payment described in subdivision 2 to the public employees police and
1.11 fire fund.

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

1.13 (1) was hired by the city of Maplewood as a casual part-time firefighter, firefighter/EMT,
1.14 or firefighter/paramedic after February 14, 2011, the effective date of resolutions approved
1.15 by the city council of the city of Maplewood requesting coverage by the public employees
1.16 police and fire retirement plan for casual part-time firefighters, as permitted by Minnesota
1.17 Statutes, section 353.64, subdivision 2;

1.18 (2) received salary in excess of the monthly threshold then in effect under Minnesota
1.19 Statutes, section 353.01, subdivision 2b, paragraph (a), clause (1), so was not excluded from
1.20 coverage by the public employees police and fire retirement plan under this provision or
1.21 any other provision of Minnesota Statutes, section 353.01, subdivision 2b;

2.1 (3) received salary for a period of service for the city of Maplewood from which the city
2.2 of Maplewood failed to deduct employee contributions as required by Minnesota Statutes,
2.3 section 353.65, subdivision 2;

2.4 (4) has not accepted payment from the city of Maplewood in lieu of service credit under
2.5 the public employees police and fire retirement plan for the period described in clause (3);
2.6 and

2.7 (5) no later than December 31, 2018, has made a request to the executive director of the
2.8 Public Employees Retirement Association to purchase allowable service pursuant to this
2.9 section for the period of service described in clause (3).

2.10 (c) Upon receiving the payment described in subdivision 2, the executive director shall
2.11 credit the eligible person with allowable service for the period of service described in
2.12 paragraph (b), clause (3). The allowable service credit purchased under this section shall
2.13 not be used for the purpose of determining a disability benefit under Minnesota Statutes,
2.14 section 353.656.

2.15 Subd. 2. **Payment by eligible person.** If the eligible person elects to purchase allowable
2.16 service credit as described in subdivision 1, the eligible person shall pay to the public
2.17 employees police and fire fund an amount equal to the total amount of the employee
2.18 contributions that the eligible person would have made to the public employees police and
2.19 fire fund based on the eligible person's total salary for the period of service described in
2.20 subdivision 1, paragraph (b), clause (3), plus interest, compounded annually, at the applicable
2.21 annual rate or rates specified in Minnesota Statutes, section 356.59, subdivision 3, from the
2.22 end of the year in which the contributions would have been made to the date on which the
2.23 payment is made. The amount of the required payment shall be determined by the executive
2.24 director of the Public Employees Retirement Association, who shall notify the eligible
2.25 person regarding the amount and the basis for determining the amount. Payment must be
2.26 made by the eligible person in a lump sum within 90 days of the effective date of this
2.27 subdivision.

2.28 Subd. 3. **Payment by city of Maplewood.** Upon payment by the eligible person of the
2.29 amount required by subdivision 2, the city of Maplewood shall pay to the public employees
2.30 police and fire fund an amount equal to the total amount of the employer contributions that
2.31 would have been made to the public employees police and fire fund based on the eligible
2.32 person's total salary for the period of service described in subdivision 1, paragraph (b),
2.33 clause (3), plus interest, compounded annually, at the applicable annual rate or rates specified
2.34 in Minnesota Statutes, section 356.59, subdivision 3, from the end of the year in which the

3.1 contributions would have been made to the date on which the payment is made. The executive
3.2 director shall notify the city of Maplewood regarding the amount and the basis for
3.3 determining the amount. The payment shall be made within 60 days following receipt by
3.4 the public employees police and fire fund of the eligible person's payment under subdivision
3.5 2.

3.6 Subd. 4. **Collection of unpaid amounts.** If the city of Maplewood fails to make all or
3.7 any portion of the payment required by subdivision 3, the executive director of the Public
3.8 Employees Retirement Association shall follow the procedures in Minnesota Statutes,
3.9 section 353.28, subdivision 6, to collect the amount not paid.

3.10 **EFFECTIVE DATE; LOCAL APPROVAL.** Subdivisions 1, 2, and 4 are effective
3.11 the day following final enactment. Subdivision 3 is effective the day after the governing
3.12 body of the city of Maplewood and its chief clerical officer timely complete their compliance
3.13 with Minnesota Statutes, section 645.021, subdivisions 2 and 3.