

SENATE
STATE OF MINNESOTA
EIGHTY-EIGHTH SESSION

S.F. No. 2169

(SENATE AUTHORS: HAYDEN)

DATE	D-PG	OFFICIAL STATUS
03/03/2014	5922	Introduction and first reading Referred to State and Local Government

1.1 A bill for an act
 1.2 relating to retirement; general employees retirement plan of the Public
 1.3 Employees Retirement Association; permitting the purchase of service credit for
 1.4 certain Hennepin County elected service.

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

1.6 Section 1. **PERA-GENERAL; HENNEPIN COUNTY ELECTED SERVICE**
 1.7 **CREDIT PURCHASE.**

1.8 (a) Notwithstanding any provision of Minnesota Statutes, chapters 353 and 353D,
 1.9 or other law to the contrary, an eligible person described in paragraph (b) is entitled to
 1.10 purchase allowable service credit from the coordinated program of the general employees
 1.11 retirement plan of the Public Employees Retirement Association for the period of service
 1.12 as an elected county commissioner for Hennepin County that is not otherwise covered
 1.13 under Minnesota Statutes, chapter 353, if the eligible person makes the payment required
 1.14 under paragraph (d).

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

1.16 (1) was born on November 18, 1946; and

1.17 (2) was first elected as a Hennepin County commissioner in November 1978 and
 1.18 was sworn in as a commissioner on January 2, 1979.

1.19 (c) If the eligible person described in paragraph (b) elects to participate in the general
 1.20 employees retirement plan of the Public Employees Retirement Association governed by
 1.21 Minnesota Statutes, chapter 353, effective on the first day of the month next following the
 1.22 effective date of this section, the eligible person may apply to the executive director of
 1.23 the Public Employees Retirement Association to make the service credit purchase under
 1.24 this section. The application must be in writing and must be accompanied with necessary

2.1 documentation of the applicability of this section and of any other relevant information
2.2 that the executive director may require.

2.3 (d) Allowable service credit under Minnesota Statutes, section 353.01, subdivision
2.4 16, must be granted by the coordinated program of the general employees retirement plan
2.5 of the Public Employees Retirement Association to the eligible person upon the receipt
2.6 of the prior service credit purchase payment amount required under Minnesota Statutes,
2.7 section 356.551. The payment obligation must be offset first by a transfer of the account
2.8 balance to the credit of the eligible person from the defined contribution plan of the Public
2.9 Employees Retirement Association. If that transfer is insufficient, the balance of the
2.10 service credit purchase payment may be made from amounts to the credit of the eligible
2.11 person under Minnesota Statutes, section 352.965 or 383B.46.

2.12 (e) If, before July 1, 2018, the interest rate actuarial assumption, the mortality
2.13 actuarial assumption, or both actuarial assumptions of the general employees retirement
2.14 plan of the Public Employees Retirement Association are modified and the net result of
2.15 any modification is to increase the actuarial accrued liability of the retirement plan, the
2.16 eligible person, as a condition of a continued receipt of an annuity from the retirement
2.17 plan, shall reimburse the retirement fund for the amount of the increase in required
2.18 reserves for the annuity, determined as the difference between the present value of the
2.19 annuity on the effective date of the assumption change or changes before the assumption
2.20 change or changes and after the assumption change or changes. The executive director
2.21 shall certify the amount due, if any, to the eligible person and payment is due 30 days later.

2.22 (f) Authority for an eligible person to make the prior service credit purchase
2.23 under this section expires on December 31, 2015, or upon the termination of service as
2.24 a Hennepin County commissioner, whichever is earlier.

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