

1.1 A bill for an act

1.2 relating to retirement; permitting the repayment of certain member contribution
1.3 refunds; authorizing a second chance option to elect Teachers Retirement
1.4 Association retirement plan benefit coverage; mandating certain contributions.

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

1.6 Section 1. **MSRS-GENERAL; SECOND CHANCE RETIREMENT COVERAGE**

1.7 **AUTHORITY FOR IRAP MEMBER.**

1.8 (a) Notwithstanding any provision of Minnesota Statutes, chapter 352, 353, or
1.9 354B, to the contrary, an eligible person described in paragraph (b) is entitled to repay
1.10 member contribution refunds taken from the general state employees retirement plan
1.11 of the Minnesota State Retirement System and from the general employees retirement
1.12 plan of the Public Employees Retirement Association, and to elect retirement coverage
1.13 for Minnesota State Colleges and Universities System employment by the Teachers
1.14 Retirement Association under Minnesota Statutes, section 354B.21, subdivisions 2 and 3,
1.15 despite the time limitation on the election.

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

1.17 (1) was born on July 19, 1948;

1.18 (2) was employed by Mankato State University in 1969, with retirement coverage in
1.19 the general state employees retirement plan of the Minnesota State Retirement System, for
1.20 which a refund of member contributions and interest was taken before 2007;

1.21 (3) was employed by the city of Austin in the early 1980s, with retirement coverage
1.22 in the general employees retirement plan of the Public Employees Retirement Association,
1.23 for which a refund of member contributions and interest was taken before 2007;

2.1 (4) is employed by the Minnesota State Colleges and Universities System at
2.2 Riverland Community College; and

2.3 (5) had the person's employment position upgraded by the Minnesota State Colleges
2.4 and Universities System on September 9, 2007, and had retirement coverage transferred
2.5 by operation of law to the higher education individual retirement account plan without
2.6 receiving appropriate counseling from the Minnesota State Colleges and Universities
2.7 System.

2.8 (c) The refund repayment amount is governed by Minnesota Statutes, sections
2.9 352.23 and 353.35.

2.10 (d) Authority to repay a refund under this section expires on December 31, 2010.

2.11 (e) An election to change retirement coverage from the Minnesota State Colleges
2.12 and Universities System individual retirement account plan to the Teachers Retirement
2.13 Association must be made by September 2, 2010, and is retroactive to September 9, 2007.
2.14 If a retirement coverage change is elected, the eligible person's account in the individual
2.15 retirement account plan must be transferred to the Teachers Retirement Association. If
2.16 the member contribution portion of the individual retirement account plan transfer is less
2.17 than the member contribution under Minnesota Statutes, section 354.42, subdivision 2,
2.18 for the period between September 9, 2007, and the effective date of the coverage election
2.19 under this section, plus 8.5 percent interest on any member contribution difference from
2.20 June 30, 2008, until the date of payment, the eligible person shall pay that amount in a
2.21 lump sum by October 1, 2010. If the amount of the transferred individual retirement
2.22 account plan account and any member contribution difference is less than the prior
2.23 service credit purchase payment amount under Minnesota Statutes, section 356.551, the
2.24 Minnesota State Colleges and Universities System shall pay the difference in a lump sum
2.25 by October 15, 2010. Retroactive service credit in the Teachers Retirement Association
2.26 must be granted to the eligible person once the transfers and payments required under
2.27 this paragraph have been made.

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