

State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-EIGHTH SESSION

H. F. No. **3292**

03/26/2014 Authored by Marquart

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; providing service credit in the Teachers Retirement  
1.3 Association for periods of military service; amending Minnesota Statutes 2012,  
1.4 section 354.543.

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

1.6 Section 1. Minnesota Statutes 2012, section 354.543, is amended to read:

1.7 **354.543 PRIOR OR UNCREDITED MILITARY SERVICE CREDIT**  
1.8 **PURCHASE.**

1.9 Subdivision 1. **Service credit purchase authorized.** (a) If paragraph (b) does not  
1.10 apply, a teacher who has at least three years of allowable service credit with the Teachers  
1.11 Retirement Association and who performed service in the United States armed forces  
1.12 ~~before becoming a teacher as defined in section 354.05, subdivision 2, or who failed~~  
1.13 ~~to obtain service credit for a military leave of absence under the provisions of section~~  
1.14 ~~354.53,~~ is entitled to purchase allowable and formula service credit for the initial period of  
1.15 enlistment, induction, or call to active duty without any voluntary extension ~~by making~~  
1.16 ~~payment under section 356.551.~~

1.17 (b) A grant of service credit ~~purchase~~ is prohibited if:

1.18 (1) the teacher separated from service with the United States armed forces with a  
1.19 dishonorable or bad conduct discharge or under other than honorable conditions; or

1.20 (2) the teacher has purchased or otherwise received service credit from any  
1.21 Minnesota defined benefit public employee pension plan, other than a volunteer fire plan,  
1.22 for the same period of service.

1.23 Subd. 2. **Application and documentation.** A teacher who desires to purchase  
1.24 service credit under subdivision 1 must apply with the executive director ~~to make the~~

2.1 ~~purchase~~. The application must include all necessary documentation of the teacher's  
2.2 qualifications ~~to make the purchase~~, signed written permission to allow the executive  
2.3 director to request and receive necessary verification of applicable facts and eligibility  
2.4 requirements, and any other relevant information that the executive director may require.

2.5 Subd. 3. **Service credit grant.** Allowable and formula service credit for the  
2.6 ~~purchase~~ period must be granted by the Teachers Retirement Association to the ~~purchasing~~  
2.7 teacher upon receipt of the ~~purchase payment amount~~. ~~Payment must be made before~~  
2.8 ~~the teacher's termination of teaching service~~ the executive director's verification of the  
2.9 teacher's eligibility.

2.10 **EFFECTIVE DATE.** This section is effective the day following final enactment. If  
2.11 a teacher has purchased military service credit from the Teachers Retirement Association  
2.12 before the effective date of this section under circumstances in which the person would  
2.13 be entitled to obtain the service credit without payment after that date, the Teachers  
2.14 Retirement Association must refund the purchase amount to the person.