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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 4623

03/24/2022 Authored by Sandstede
The bill was read for the first time and referred to the Committee on State Government Finance and Elections

1.1 A bill for an act
1.2 relating to retirement; Teachers Retirement Association; St. Paul Teachers
1.3 Retirement Fund Association; authorizing the purchase of service credit for periods
1.4 of service as a teacher in other states; proposing coding for new law in Minnesota
1.5 Statutes, chapters 354; 354A.

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

1.7 Section 1. 354.544 SERVICE CREDIT PURCHASE FOR TEACHING SERVICE
1.8 IN OTHER STATES.

1.9 Subdivision 1. Service credit purchase authorized. (a) A teacher who has at least three
1.10 years of allowable service credit with the Teachers Retirement Association is entitled to
1.11 purchase service credit for periods of service as a teacher in another state by making payment
1.12 of the purchase payment amount under section 356.551.

1.13 (b) Periods of service that may be purchased are:

1.14 (1) periods of service as a teacher in another state before becoming a member of the
1.15 association; and

1.16 (2) periods of service as a teacher in another state during any period of employment
1.17 after terminating teaching service as a member of the association and before returning to
1.18 teaching service as a member of the association.

1.19 Subd. 2. Application and documentation. A teacher who desires to purchase service
1.20 credit under subdivision 1 must apply with the executive director to make the purchase. The
1.21 application must include:

2.1 (1) documentation showing the teacher's period of employment as a teacher in another
 2.2 state;

2.3 (2) the period of employment for which service credit is being purchased;

2.4 (3) permission to allow the executive director to request and receive verification of such
 2.5 employment; and

2.6 (4) any other relevant information requested by the executive director.

2.7 Subd. 3. **Grant of service credit.** The Teachers Retirement Association must grant
 2.8 allowable service credit to the teacher making the purchase for the period being purchased
 2.9 upon receipt of the purchase payment amount. Payment must be made before the teacher's
 2.10 termination of teaching service. Purchasing allowable service credit under this section does
 2.11 not change the date the teacher first became a member of the association for the purpose of
 2.12 computing an annuity under section 354.44, subdivision 6.

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

2.14 Sec. 2. **[354A.0961] SERVICE CREDIT PURCHASE FOR TEACHING SERVICE**
 2.15 **IN OTHER STATES.**

2.16 Subdivision 1. **Service credit purchase authorized.** (a) A teacher who has at least three
 2.17 years of allowable service credit with the St. Paul Teachers Retirement Fund Association
 2.18 is entitled to purchase service credit for periods of service as a teacher in another state by
 2.19 making payment of the purchase payment amount under section 356.551.

2.20 (b) Periods of service that may be purchased are:

2.21 (1) periods of service as a teacher in another state before becoming a member of the
 2.22 association; and

2.23 (2) periods of service as a teacher in another state during any period of employment
 2.24 after terminating teaching service as a member of the association and before returning to
 2.25 teaching service as a member of the association.

2.26 Subd. 2. **Application and documentation.** A teacher who desires to purchase service
 2.27 credit under subdivision 1 must apply with the executive director to make the purchase. The
 2.28 application must include:

2.29 (1) documentation showing the teacher's period of employment as a teacher in another
 2.30 state;

2.31 (2) the period of employment for which service credit is being purchased;

3.1 (3) permission to allow the executive director to request and receive verification of such
3.2 employment; and

3.3 (4) any other relevant information requested by the executive director.

3.4 Subd. 3. **Grant of service credit.** The St. Paul Teachers Retirement Fund Association
3.5 must grant allowable service credit to the teacher making the purchase for the period being
3.6 purchased upon receipt of the purchase payment amount. Payment must be made before
3.7 the teacher's termination of teaching service. Purchasing allowable service credit under this
3.8 section does not change the date the teacher first became a member of the association for
3.9 the purpose of computing an annuity under section 354A.31, subdivision 6.

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