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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 4663

03/28/2022 Authored by Xiong, T., 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 state government; providing for military salary differential overpayments;
1.3 amending Minnesota Statutes 2020, section 43A.183, subdivisions 1, 2.

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

1.5 Section 1. Minnesota Statutes 2020, section 43A.183, subdivision 1, is amended to read:

1.6 Subdivision 1. Payment required. Each agency head shall pay to each eligible member
1.7 an amount equal to the person's salary differential for each month or portion of month that
1.8 the person is ordered to serve in active service.

1.9 This payment may be made only to a person for whom the amount in subdivision 2,
1.10 paragraph (b), clause (1), is greater than the amount in subdivision 2, paragraph (b), clause
1.11 (2). Payments must be made at the intervals at which the member received pay as a state
1.12 employee, except that any back pay due under this section may be paid as a lump sum.

1.13 Payment under this section must not extend beyond four years from the date the employee
1.14 reported for active service, plus any additional time the employee may be legally required
1.15 to serve. An eligible member may apply for the salary differential benefits authorized under
1.16 this section ~~prior to, during, or following the person's active service on or after May 29,~~
1.17 2003 no later than two years after completion of active service. A copy of military orders
1.18 showing active service must be provided prior to payment.

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

1.20 Sec. 2. Minnesota Statutes 2020, section 43A.183, subdivision 2, is amended to read:

1.21 Subd. 2. Definitions. (a) The definitions in this subdivision apply to this section.

2.1 (b) "Salary differential" means the difference between:

2.2 (1) the person's monthly total gross earnings as an active state employee, ~~excluding any~~  
2.3 ~~overtime pay received but including all other earnings~~, averaged over the last three full  
2.4 calendar months of the person's active state employment prior to reporting to active service,  
2.5 and including any additional salary or earnings adjustments that the person would have  
2.6 received at any time during the person's authorized leave from state employment had the  
2.7 person been serving as an active state employee during that time; and

2.8 (2) the person's monthly base pay in active service.

2.9 (c) "Eligible member" means:

2.10 (1) any member of the National Guard or other reserve component of the United States  
2.11 armed forces who was an employee of the state of Minnesota at the time the member took  
2.12 military leave under section 192.261 to report for active military service; and

2.13 (2) any member of any other nonmilitary reserve component of the uniformed services  
2.14 of the United States who was an employee of Minnesota at the time the member took properly  
2.15 authorized leave from state employment under substantially comparable federal or state  
2.16 authority ordering the person to report for federal or state active service.

2.17 (d) "State employee" means an employee of the executive, judicial, or legislative branch  
2.18 of state government or an employee of the Minnesota State Retirement System, the Public  
2.19 Employee Retirement Association, or the Teachers Retirement Association.

2.20 (e) "Active service" has the meaning given in section 190.05, subdivision 5, for military  
2.21 members, and includes substantially comparable service for reserve members of other  
2.22 nonmilitary components of the uniformed services of the United States, but excludes service  
2.23 performed exclusively for purposes of:

2.24 (1) basic training, advanced individual training, annual training, and periodic inactive  
2.25 duty training;

2.26 (2) special training periodically made available to reserve members;

2.27 (3) service performed in accordance with section 190.08, subdivision 3; and

2.28 (4) service performed as part of the active guard/reserve program pursuant to United  
2.29 States Code, title 32, section 502(f), or other applicable authority, as well as substantially  
2.30 comparable service by members of other nonmilitary components of the uniformed services  
2.31 of the United States.

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

3.1      **Sec. 3. CANCELLATION OF DEBT RELATED TO MILITARY SALARY**  
3.2      **DIFFERENTIAL OVERPAYMENTS.**

3.3           Notwithstanding any other law to the contrary, any debt incurred prior to the effective  
3.4      date of this section by a current or former state employee on account of overpayment of  
3.5      military salary differential under Minnesota Statutes, section 43A.183, is canceled.

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