

CHAPTER 354B

INDIVIDUAL RETIREMENT ACCOUNT PLAN

354B.21 Coverage.
354B.25 Individual retirement account plan administration.

354B.33 Iron Range resources and rehabilitation; early separation incentive program authorization.

354B.21 COVERAGE.

[For text of subd 1, see M.S.2004]

Subd. 2. Coverage; election. (a) For eligible persons who were employed by the former state university system or the former community college system before May 1, 1995, the person has the retirement coverage that the person had for employment immediately before May 1, 1995.

(b) For all other eligible persons, unless otherwise specified in this section, the eligible person is authorized to elect prospective Teachers Retirement Association plan coverage rather than coverage by the plan established by this chapter. The election of prospective Teachers Retirement Association plan coverage shall be made within one year of commencing eligible Minnesota State Colleges and Universities system employment. If an election is not made within the specified election period due to a termination of Minnesota State Colleges and Universities system employment, an election may be made within 90 days of returning to eligible Minnesota State Colleges and Universities system employment. All elections are irrevocable. Prior to making an election the eligible person shall be covered by the plan indicated as default coverage under subdivision 3.

(c) A purchase of service credit in the Teachers Retirement Association plan for any period or periods of Minnesota State Colleges and Universities system employment occurring prior to the election under paragraph (b) is prohibited.

Subd. 3. Default coverage. (a) Prior to making an election under subdivision 2, or if an eligible person fails to elect coverage by the plan under subdivision 2 or if the person fails to make a timely election, the following retirement coverage applies:

(1) for employees of the board who are employed in faculty positions in the technical colleges, in the state universities or in the community colleges, the retirement coverage is by the plan established by this chapter;

(2) for employees of the board who are employed in faculty positions in the technical colleges, the retirement coverage is by the plan established by this chapter unless on June 30, 1997, the employee was a member of the Teachers Retirement Association established under chapter 354 and then the retirement coverage is by the Teachers Retirement Association, or, unless the employee was a member of a first class city teacher retirement fund established under chapter 354A on June 30, 1995, and then the retirement coverage is by the Duluth Teachers Retirement Fund Association if the person was a member of that plan on June 30, 1995, or the Minneapolis Teachers Retirement Fund Association if the person was a member of that plan on June 30, 1995, or the St. Paul Teachers Retirement Fund Association if the person was a member of that plan on June 30, 1995; and

(3) for employees of the board who are employed in eligible unclassified administrative positions, the retirement coverage is by the plan established by this chapter.

(b) If an employee fails to correctly certify prior membership in the Teachers Retirement Association to the Minnesota State colleges and Universities system, the system shall not pay interest on employee contributions, employer contributions, and additional employer contributions to the Teachers Retirement Association under section 354.52, subdivision 4.

[For text of subs 3a to 6, see M.S.2004]

History: *1Sp2005 c 8 art 4 s 7,8*

354B.25 INDIVIDUAL RETIREMENT ACCOUNT PLAN ADMINISTRATION.

[For text of subs 1 and 1a, see M.S.2004]

Subd. 2. **Investment options.** (a) The plan administrator shall arrange for the purchase of investment products.

(b) The investment products must be purchased with contributions under section 354B.23 or with money or assets otherwise provided by law by authority of the board.

(c) Various investment accounts offered through the Minnesota supplemental investment fund established under section 11A.17 and administered by the State Board of Investment may be included as investment products for the individual retirement account plan. Direct access must also be provided to lower expense and no-load mutual funds, as those terms are defined by the federal Securities and Exchange Commission, including stock funds, bond funds, and balanced funds. Other investment products or combination of investment products which may be included are:

(1) savings accounts at federally insured financial institutions;

(2) life insurance contracts, fixed and variable annuity contracts from companies that are subject to regulation by the commerce commissioner;

(3) investment options from open-ended investment companies registered under the federal Investment Company Act of 1940, United States Code, title 15, sections 80a-1 to 80a-64;

(4) investment options from a firm that is a registered investment advisor under the federal Investment Advisers Act of 1940, United States Code, title 15, sections 80b-1 to 80b-21; and

(5) investment options of a bank as defined in United States Code, title 15, section 80b-2, subsection (a), paragraph 2, or a bank holding company as defined in the Bank Holding Company Act of 1956, United States Code, title 12, section 1841, subsection (a), paragraph (1).

[For text of subs 3 to 5, see M.S.2004]

History: *1Sp2005 c 8 art 8 s 1*

354B.33 IRON RANGE RESOURCES AND REHABILITATION; EARLY SEPARATION INCENTIVE PROGRAM AUTHORIZATION.

(a) Notwithstanding any law to the contrary, the commissioner of Iron Range resources and rehabilitation, in consultation with the commissioner of employee relations, may offer a targeted early separation incentive program for employees of the commissioner who have attained the age of 60 years and have at least five years of allowable service credit under chapter 352, or who have received credit for at least 30 years of allowable service under the provisions of chapter 352.

(b) The early separation incentive program may include one or more of the following:

(1) employer-paid postseparation health, medical, and dental insurance until age 65; and

(2) cash incentives that may, but are not required to be, used to purchase additional years of service credit through the Minnesota State Retirement System, to the extent that the purchases are otherwise authorized by law.

(c) The commissioner of Iron Range resources and rehabilitation shall establish eligibility requirements for employees to receive an incentive.

(d) The commissioner of Iron Range resources and rehabilitation, consistent with the established program provisions under paragraph (b), and with the eligibility requirements under paragraph (c), may designate specific programs or employees as eligible to be offered the incentive program.

(e) Acceptance of the offered incentive must be voluntary on the part of the employee and must be in writing. The incentive may only be offered at the sole discretion of the commissioner of Iron Range resources and rehabilitation.

(f) The cost of the incentive is payable solely by funds made available to the commissioner of Iron Range resources and rehabilitation by law, but only on prior approval of the expenditures by a majority of the Iron Range Resources and Rehabilitation Board.

(g) This section expires June 30, 2006.

History: *1Sp2005 c 1 art 4 s 98*