

353.34 RIGHTS UPON TERMINATION OF MEMBERSHIP.

Subdivision 1. **Refund or deferred annuity.** (a) A former member is entitled to a refund of accumulated employee deductions under subdivision 2, or to a deferred annuity under subdivision 3. Application for a refund may not be made before the date of termination of public service. Except as specified in paragraph (b), a refund must be paid within 120 days following receipt of the application unless the applicant has again become a public employee required to be covered by the association.

(b) If an individual was placed on layoff under section 353.01, subdivision 12 or 12c, a refund is not payable before termination of service under section 353.01, subdivision 11a.

(c) An individual who terminates public service covered by the Public Employees Retirement Association general employees retirement plan, the Public Employees Retirement Association police and fire retirement plan, or the public employees local government corrections service retirement plan, and who is employed by a different employer and who becomes an active member covered by one of the other two plans, may receive a refund of employee contributions plus six percent interest compounded annually from the plan from which the member terminated service.

Subd. 2. **Refund with interest.** Except as provided in subdivision 1, any person who ceases to be a public employee shall receive a refund in an amount equal to accumulated deductions with interest to the first day of the month in which the refund is processed at the rate of six percent compounded annually based on fiscal year balances. If a person repays a refund and subsequently applies for another refund, the repayment amount, including interest, is added to the fiscal year balance in which the repayment was made.

Subd. 3. **Deferred annuity; eligibility; computation.** A member with at least three years of allowable service when termination of public service or termination of membership occurs has the option of leaving the accumulated deductions in the fund and being entitled to a deferred retirement annuity commencing at normal retirement age or to a deferred early retirement annuity under section 353.30, subdivision 1a, 1b, 1c, or 5. The deferred annuity must be computed under section 353.29, subdivision 3, on the basis of the law in effect on the date of termination of public service or termination of membership, whichever is earlier, and must be augmented as provided in section 353.71, subdivision 2. A former member qualified to apply for a deferred retirement annuity may revoke this option at any time before the commencement of deferred annuity payments by making application for a refund. The person is entitled to a refund of accumulated member contributions within 30 days following date of receipt of the application by the executive director.

Subd. 3a. **Deferred annuity; certain hospital employees.** Any member employed by a public hospital, as defined in section 355.01, subdivision 3k, who has at least three years of allowable service credit on the date the public hospital is taken over by a private corporation or organization, may elect to receive a deferred annuity pursuant to subdivision 3 notwithstanding the length of service requirement contained therein.

Subd. 3b. [Repealed, 1Sp2005 c 8 art 10 s 81]

Subd. 4. [Repealed, 1971 c 106 s 40]

Subd. 5. **Refundment generally unlimited.** The right of refundment provided in this chapter, and laws amendatory thereof, is not restricted as to time unless specifically provided and the statute of limitation does not apply thereto.

Subd. 6. **Additions to fund.** The board of trustees may credit to the fund any moneys received in the form of contributions, donations, gifts, appropriations, bequests, or otherwise.

Subd. 7. [Repealed, 2007 c 134 art 2 s 50]

History: 1957 c 935 s 14; 1959 c 650 s 22-24,49; 1963 c 641 s 26-29; 1969 c 940 s 11; 1971 c 106 s 31; 1971 c 412 s 1; 1973 c 753 s 57-59; 1975 c 102 s 6; 1976 c 329 s 26; 1978 c 796 s 36; 1979 c 216 s 15; 1981 c 224 s 89; 1983 c 58 s 1; 1983 c 73 s 8; 1984 c 564 s 27; 1984 c 574 s 10; 1985 c 261 s 4; 1986 c 444; 1987 c 284 art 5 s 10; 1987 c 372 art 9 s 17; 1988 c 709 art 5 s 20; 1989 c 319 art 3 s 17; art 13 s 40-42; 1991 c 341 s 20; 1992 c 432 art 2 s 16; 1993 c 307 art 4 s 27,28; 2000 c 461 art 3 s 18; 2005 c 10 art 5 s 2; 2006 c 271 art 3 s 28; 2007 c 134 art 2 s 30