

**353A.10 MISCELLANEOUS PROVISIONS.**

Subdivision 1. **Prohibition on service credit purchases and repayment of refunds.** (a) No member of the Public Employees Retirement Association or of the fund who has credit for service rendered before the consolidation as a member of a local police or firefighters relief association which has consolidated with the fund shall be entitled to purchase credit for that prior local relief association service, make payments in lieu of member contribution deductions for that prior local relief association service, or repay any refund of member contributions previously taken.

(b) A person who has credit for service in more than one local police or firefighters relief association which have consolidated with the fund for service before the consolidation shall not be entitled to purchase credit for any of that local relief association service, but shall be entitled to receive allowable service credit for service previously credited by the most recent local relief association under section 353.01, subdivisions 11, 16, and 18, if the person elects coverage by the public employee police and fire fund benefit plan.

(c) No person who was a member of a local police or firefighters relief association which has consolidated with the fund shall be entitled to purchase credit in the fund for any prior service which at the time it was rendered was covered by the public employees retirement association, although a refund under section 353.34 may be repaid in accordance with section 353.35, 353.71, or 356.30.

(d) No person who was a member of a local police or firefighters relief association which has consolidated with the fund shall be entitled to make any payments in lieu of salary deductions, voluntary assessments, or purchases of credit for prior service to the fund in connection with any service for which the person has already received credit by the local relief association or by any other Minnesota public pension plan or for establishing a higher average salary rate than otherwise to the credit of the person.

Subd. 2. **Collection of late contributions.** In the event of a refusal by a municipality in which was located a local police or firefighters relief association which has consolidated with the fund to pay to the fund any amount or amounts due under section 353A.09, subdivisions 2 to 6, the executive director of the public employees retirement association may notify the Department of Revenue, the Department of Finance, and the state auditor of the refusal and commence the necessary procedure to collect the amount or amounts due from the amount of any state aid under sections 69.011 to 69.051, amortization state aid under section 423A.02, or supplemental amortization state aid under Laws 1984, chapter 564, section 48, as amended by Laws 1986, chapter 359, section 20, which is payable to the municipality or to certify the amount or amounts

due to the county auditor for inclusion in the next tax levy of the municipality or for collection from other revenue available to the municipality, or both.

**Subd. 3. Levy and bonding authority.** A municipality in which was located a local police or firefighters relief association that has consolidated with the fund may issue general obligation bonds of the municipality to defray all or a portion of the principal amounts specified in section 353A.09, subdivisions 2 to 6, or certify to the county auditor a levy in the amount necessary to defray all or a portion of the principal amount specified in section 353A.09, subdivisions 2 to 6, or the annual amount specified in section 353A.09, subdivisions 2 to 6. The municipality may pledge the full faith, credit, and taxing power of the municipality for the payment of the principal of and interest on the general obligation bonds. Any municipal bond may be issued without an election under section 475.58 and may not be included in the net debt of the municipality for purposes of any charter or statutory debt limitation, nor may any tax levy for the payment of bond principal or interest be subject to any limitation concerning rate or amount established by charter or law.

**Subd. 4. Refund of certain member contribution amounts.** (a) The following persons are entitled to receive a refund of certain member contribution amounts under paragraph (b):

(1) A person who was an active member of a local police or firefighters relief association upon its consolidation with the Public Employees Retirement Association, who does not elect the type of benefit coverage provided by the public employees police and fire benefit plan and who begins receipt of a service pension or a disability benefit from the consolidation account, or who defers receipt of a service pension under the local relief association plan upon application for the refund of excess contributions; or

(2) A person who is the surviving spouse, or if none, the surviving minor child, or if none, the designated beneficiary of a person who was an active member of a local police or firefighters relief association upon its consolidation with the fund, who did not elect the type of benefit coverage provided by the public employees police and fire benefit plan and who dies prior to receiving a service pension or a disability benefit from the consolidation account.

(b) The refund of certain member contribution amounts is the amount by which any member contributions made to the consolidation account under section 353A.09, subdivision 4, exceeds the amount of employee or member contributions which would have been payable to the local relief association as provided in the benefit plan in effect on the effective date of consolidation, plus interest at the rate of six percent, compounded quarterly, from the date on which the contribution was made until the first of the month in which the refund is paid.

(c) A refund of certain contribution amounts must occur as soon as practicable following receipt of a valid application from the appropriate person or the commencement of receipt of the service pension or disability benefit or official notification of death, whichever applies.

Subd. 5. **Savings clause.** Notwithstanding any law to the contrary, any person who has commenced receipt of a service pension, disability benefit, or survivor benefit, or who has become entitled to a deferred service pension from a local police or firefighters relief association before the effective date of consolidation with the fund, and who is or becomes a state employee as defined in section 352.01, subdivisions 2 and 2a, or a public employee as defined in section 353.01, subdivisions 2 and 2a, on or after the effective date of the consolidation shall be entitled to retain any amounts previously received and to receive that pension or benefit provided by the applicable local relief association benefit plan as of the effective date of the consolidation despite that status as an active state or public employee.

Subd. 6. **Allocation of state aid.** Any municipality in which was located a local police or firefighters relief association which has consolidated with the fund shall allocate to meet the municipal contribution and additional municipal contribution requirements as provided in section 353A.09, subdivision 6, an appropriate portion of any fire or police state aid under sections 69.011 to 69.051, any fire insurance premium tax surcharge, any amortization state aid under section 423A.02, or any supplemental amortization state aid under Laws 1984, chapter 564, section 48, as amended by Laws 1986, chapter 359, section 20. State aids for pension purposes referred to in this subdivision that were exclusively for payment to pension funds must continue to be dedicated to that purpose.

Subd. 6a. **Dissolution of consolidation account.** If a consolidation account no longer has current or potential future liabilities for the payment of annuities, benefits, refunds, or administrative expenses, the association shall transfer the remaining net assets, if any, for police and fire purposes only, to the municipality that made contributions to the account.

Subd. 7. **Applicability of chapter 353.** The provisions of chapter 353 shall govern in all instances where not inconsistent with the provisions of sections 353A.01 to 353A.10 for the administration of each local relief association consolidation account.

**History:** 1987 c 296 s 17; 1988 c 709 art 5 s 23; 1Sp1989 c 1 art 5 s 25; 1992 c 432 art 2 s 34,35; 1993 c 307 art 4 s 43