353F.02 DEFINITIONS.

Subdivision 1. **Generally.** As used in this chapter, unless the context clearly indicates otherwise, each of the terms in the following subdivisions has the meaning indicated.

Subd. 2. **Allowable service.** "Allowable service" has the meaning provided in section 353.01, subdivision 16, of the edition of Minnesota Statutes published in the year before the year in which the privatization occurred.

Subd. 2a. **Association.** "Association" means the Public Employees Retirement Association established under chapter 353.

[See Note.]

Subd. 3. **Effective date of privatization.** "Effective date of privatization" means the date that a governmental subdivision becomes a privatized employer or the date that a governmental subdivision is purchased in a privatization and active membership in the association consequently terminates.

[See Note.]

Subd. 3a. **Executive director.** "Executive director" means the executive director of the Public Employees Retirement Association.

Subd. 3b. **Funding ratio.** "Funding ratio" means the actuarial value of assets of the general employees retirement fund, divided by the present value of accrued benefits for the fund, expressed as a percentage.

[See Note.]

Subd. 3c. **General employees retirement fund.** "General employees retirement fund" means the general employees retirement fund as defined under section 353.27, subdivision 1.

[See Note.]

Subd. 3d. **General employees retirement plan.** "General employees retirement plan" or "general plan" means the general employees retirement plan of the association established under chapter 353.

[See Note.]

Subd. 3e. **Governmental subdivision.** "Governmental subdivision" has the meaning given in section 353.01, subdivision 6.

[See Note.]

Subd. 4. [Repealed, 2013 c 111 art 3 s 31]

Subd. 4a. **Medical facility.** "Medical facility" means a facility that has the primary purpose of providing medical care and that satisfies the definition of governmental subdivision under section 353.01, subdivision 6.

[See Note.]

Subd. 4b. **Privatization.** "Privatization" means the process of privatizing, through which a governmental subdivision ceases to be a governmental subdivision for any reason other than that the governmental subdivision closes or permanently ceases to operate.

[See Note.]

Subd. 4c. **Privatize or privatizing.** "Privatize" or "privatizing" means to engage in a transaction, including a sale to, acquisition by, or merger with an entity or a sale to or acquisition by one or more individuals, or a series of such transactions that result in a governmental subdivision ceasing to be a governmental subdivision on or after the effective date of privatization. Privatize or privatizing does not mean ceasing to be a governmental subdivision because the subdivision closed or permanently ceased to operate.

[See Note.]

Subd. 5. [Repealed, 2013 c 111 art 3 s 31]

Subd. 5a. **Privatized employer.** "Privatized employer" means an entity that was a governmental subdivision on the day before the effective date of privatization and whose employees are privatized employees.

[See Note.]

Subd. 6. **Privatized employee.** (a) "Privatized employee" means a person who, before the effective date of the privatization of a governmental subdivision:

(1) was employed by the governmental subdivision; and

(2) was a member of the general employees retirement plan for the period of employment with the governmental subdivision.

(b) Privatized employee does not mean a person who, on the day before the effective date of privatization, was simultaneously employed with the privatized employer and by a governmental subdivision and who, after the effective date of privatization, continues to accrue service credit under section 353.01, subdivision 16, through simultaneous employment with a governmental subdivision.

[See Note.]

Subd. 6a. **Privatizing active employee.** "Privatizing active employee" means a privatized employee who was employed by the privatizing governmental subdivision on the day before the effective date of the privatization.

[See Note.]

Subd. 7. **Years of allowable service.** "Years of allowable service" means the total number of years of allowable service under section 353.01, subdivision 18, of the edition of Minnesota Statutes published in the year before the year in which the privatization occurred.

History: *1999 c 222 art 1 s 2; 2000 c 461 art 8 s 1; 2002 c 392 art 5 s 1; 1Sp2003 c 12 art 5 s 1; 2004 c 267 art 12 s 1; 1Sp2005 c 8 art 6 s 1; 2006 c 271 art 5 s 2,4,5; 2007 c 134 art 5 s 1; 2008 c 349 art 5 s 26; art 7 s 1,2; 2009 c 169 art 4 s 20; 2010 c 359 art 5 s 17; 2012 c 286 art 7 s 1; 2013 c 111 art 3 s 13-16; 2015 c 68 art 12 s 28,29; 2018 c 211 art 10 s 14; 2020 c 108 art 3 s 1-3; 2025 c 37 art 4 s 2-12,25*

NOTE: Subdivisions 2a, 3b, 3c, 3d, 3e, 4c, and 6a, as added by Laws 2025, chapter 37, article 4, sections 2, 4, 5, 6, 7, 9, and 12, are effective July 1, 2027. Laws 2025, chapter 37, article 4, section 26.

NOTE: The amendments to subdivisions 3, 4b, 5a, and 6 by Laws 2025, chapter 37, article 4, sections 3, 8, 10, and 11, are effective July 1, 2027. Laws 2025, chapter 37, article 4, section 26.

NOTE: Subdivision 4a is repealed by Laws 2025, chapter 37, article 4, section 25, effective July 1, 2027. Laws 2025, chapter 37, article 4, section 26.