

**SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION**

S.F. No. 1420

(SENATE AUTHORS: MCEWEN)

DATE
02/08/2023

D-PG

Introduction and first reading
Referred to State and Local Government and Veterans

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to retirement; authorizing certain employees of the Fond du Lac Tribal
1.3 and Community College who are members of the higher education individual
1.4 retirement account plan to elect coverage by the Teachers Retirement Association
1.5 and receive retroactive service credit.

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

1.7 Section 1. TEACHERS RETIREMENT ASSOCIATION COVERAGE ELECTION
1.8 AUTHORITY FOR CERTAIN MINNESOTA STATE EMPLOYEES.

1.9 Subdivision 1. Authorization. Notwithstanding any provision of law to the contrary,
1.10 an eligible person described in subdivision 2 is authorized to become a member of the
1.11 Teachers Retirement Association and to receive service and salary credit in the Teachers
1.12 Retirement Association upon making an election and the contribution required under
1.13 subdivision 3.

1.14 Subd. 2. Eligible person. (a) An eligible person is a person described in paragraph (b),
1.15 (c), (d), or (e).

1.16 (b) An eligible person is a person who:

1.17 (1) was born on June 14, 1969;

1.18 (2) is employed by a Minnesota state college or university or the Board of Trustees of
1.19 the Minnesota State Colleges and Universities;

1.20 (3) was first employed on December 13, 2017, by the Fond du Lac Tribal and Community
1.21 College as an eLearning support specialist, with retirement coverage in the higher education
1.22 individual retirement account plan; and

2.1 (4) was not offered an election to be covered by the Teachers Retirement Association
2.2 as authorized by Minnesota Statutes 2017, section 354B.21.

2.3 (c) An eligible person is a person who:

2.4 (1) was born on October 9, 1992;

2.5 (2) is employed by a Minnesota state college or university or the Board of Trustees of
2.6 the Minnesota State Colleges and Universities;

2.7 (3) was first employed on June 12, 2019, by the Fond du Lac Tribal and Community
2.8 College as the Nandagikendan (Seek to Learn) Academy director with retirement coverage
2.9 in the higher education individual retirement account plan; and

2.10 (4) was not offered an election to be covered by the Teachers Retirement Association
2.11 as authorized by Minnesota Statutes 2019, section 354B.211.

2.12 (d) An eligible person is a person who:

2.13 (1) was born on November 12, 1983;

2.14 (2) is employed by a Minnesota state college or university or the Board of Trustees of
2.15 the Minnesota State Colleges and Universities;

2.16 (3) was first employed on February 18, 2020, by the Fond du Lac Tribal and Community
2.17 College as a youth education outreach coordinator with retirement coverage in the higher
2.18 education individual retirement account plan; and

2.19 (4) was not offered an election to be covered by the Teachers Retirement Association
2.20 as authorized by Minnesota Statutes 2020, section 354B.211.

2.21 (e) An eligible person is a person who:

2.22 (1) was born on September 3, 1982;

2.23 (2) is employed by a Minnesota state college or university or the Board of Trustees of
2.24 the Minnesota State Colleges and Universities;

2.25 (3) was first employed on June 11, 2018, by the Fond du Lac Tribal and Community
2.26 College as a farm manager with retirement coverage in the higher education individual
2.27 retirement account plan; and

2.28 (4) was not offered an election to be covered by the Teachers Retirement Association
2.29 as authorized by Minnesota Statutes 2018, section 354B.21.

2.30 Subd. 3. **Election, transfer, and payment.** (a) To elect coverage by the Teachers
2.31 Retirement Association, an eligible person must submit a written application to the executive

3.1 director of the Teachers Retirement Association on a form provided by the Teachers
3.2 Retirement Association. The application must include documentation demonstrating that
3.3 the person is an eligible person under subdivision 2 and any other relevant information that
3.4 the executive director may require.

3.5 (b) Membership in the Teachers Retirement Association commences after the date the
3.6 executive director receives the retirement coverage election and information described under
3.7 paragraph (a) and the contribution specified under paragraph (c), if any. Upon membership
3.8 commencement, the executive director must grant past service and salary credit for
3.9 employment with a Minnesota state college or university from the date the eligible person
3.10 was first employed as described under subdivision 2.

3.11 (c) If the eligible person makes the retirement coverage election under paragraph (a),
3.12 the eligible person must make a contribution to the Teachers Retirement Association equal
3.13 to the excess, if any, of the employee contributions that the eligible person would have made
3.14 if covered by the Teachers Retirement Association for the period of past service and salary
3.15 for which credit is to be granted under paragraph (b) over the employee contributions that
3.16 the eligible person made to the higher education individual retirement account plan for the
3.17 same period of past service and salary. The executive director of the Teachers Retirement
3.18 Association must determine the amount to be contributed under this paragraph and notify
3.19 the eligible person of the amount required and options for making the payment.

3.20 (d) Upon the election of retirement coverage under paragraph (a) and payment of the
3.21 contribution under paragraph (c), if a contribution is required, the value of the eligible
3.22 person's account in the higher education individual retirement account plan must be
3.23 transferred to the Teachers Retirement Association.

3.24 (e) Upon receipt of the amount transferred under paragraph (d), the Teachers Retirement
3.25 Association shall determine the required purchase payment amount calculated under
3.26 Minnesota Statutes, section 356.551, as if the coverage election was a prior service credit
3.27 purchase.

3.28 (f) From the amount calculated under paragraph (e), the executive director of the Teachers
3.29 Retirement Association must subtract the amounts received under paragraphs (c) and (d).
3.30 The Board of Trustees of the Minnesota State Colleges and Universities must transmit the
3.31 remaining amount, if any, to the executive director of the Teachers Retirement Association
3.32 within 60 days following the receipt of the amount transferred under paragraph (d).

3.33 Subd. 4. **Expiration.** The authority to make a retirement coverage election under this
3.34 section expires one year from the effective date of this section.

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