

1.1 ..... moves to amend S.F. No. 1712; H.F. No. 1758, the delete everything  
1.2 amendment (S1712-1A), as follows:

1.3 Page 18, delete section 3 and insert:

1.4 "**Sec. 3. MSRS; SERVICE CREDIT PURCHASE PERMITTED FOR PERIOD OF**  
1.5 **EMPLOYMENT AS AN EXCLUDED EMPLOYEE.**

1.6 Subdivision 1. Definitions. For purposes of this section, the following definitions shall  
1.7 apply, unless the context indicates a different meaning is intended:

1.8 (1) "Effective date" means the effective date of section 1.

1.9 (2) "Eligible person" means a person who:

1.10 (i) is employed in state service on the effective date or terminated employment in state  
1.11 service during the lookback period;

1.12 (ii) was an excluded employee for any period of employment before the effective date;

1.13 and

1.14 (iii) before the effective date, became eligible for coverage under Minnesota Statutes  
1.15 2020, section 352.01, subdivision 2b, clause (14), or, on the effective date, became a state  
1.16 employee under the amendment made by section 1.

1.17 (3) "Excluded employee" means a person who was excluded from coverage under  
1.18 Minnesota Statutes 2020, section 352.01, subdivision 2b, clause (14).

1.19 (4) "Executive director" means the executive director of the Minnesota State Retirement  
1.20 System.

1.21 (5) "Lookback period" means the period that begins twelve months before the effective  
1.22 date of section 1 and ends on the effective date.

1.23 Subd. 2. Authorizing the purchase of service credit. (a) Notwithstanding any law to  
1.24 the contrary, the executive director must credit a person with allowable service credit for  
1.25 any period of employment during which contributions were not made for the person because  
1.26 the person was considered an excluded employee, if the person is an eligible person and  
1.27 the executive director receives the payment described in paragraph (b) or (c), as applicable.

1.28 (b) The eligible person or the employer, on behalf of the eligible person, may, no later  
1.29 than August 31, 2021, pay the missed employee contributions for any period of employment  
1.30 during which contributions were not made for the person because the person was considered

2.1 an excluded employee, by transmitting the amount of the missed employee contributions  
2.2 in a lump sum to the Minnesota State Retirement System.

2.3 (c) The eligible person may elect to pay missed employee contributions for less than the  
2.4 entire period of employment during which contributions were not made. The period of  
2.5 employment elected must be consecutive payroll periods and may be payroll periods during  
2.6 which the eligible person received the lowest salary. Upon payment of the missed employee  
2.7 contributions for the period of employment elected, the executive director must credit the  
2.8 eligible person with a proportionate amount of allowable service credit.

2.9 (d) If the missed employee contributions are paid, the eligible person's employer must,  
2.10 no later than September 30, 2021, pay the missed employer contributions plus interest,  
2.11 compounded annually, at the applicable annual rate or rates specified in Minnesota Statutes,  
2.12 section 356.59, subdivision (2), on both the employee contributions and the employer  
2.13 contributions, from the end of the year in which the contributions would have been made  
2.14 to the date on which the payment is made, by transmitting the amount of the missed employer  
2.15 contributions plus interest in a lump sum to the Minnesota State Retirement System. If the  
2.16 eligible person elects to pay missed employee contributions for less than the entire period  
2.17 of employment as permitted under paragraph (c), the employer must pay the missed employer  
2.18 contributions plus interest for the payroll periods elected by the eligible person.

2.19 (e) The executive director shall notify the eligible person's employer regarding the  
2.20 amount required under paragraph (d) and the basis for determining the amount. If the  
2.21 employer fails to make all or any portion of the payment required by paragraph (d), the  
2.22 executive director shall follow the procedures in Minnesota Statutes, section 352.04,  
2.23 subdivision 8, paragraph (b) to collect the unpaid amount.

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