

1.1 A bill for an act

1.2 relating to retirement; specifying coverage for certain Minnesota State Colleges
1.3 and Universities employees; requiring employer to provide certain notices;
1.4 amending Minnesota Statutes 2008, section 354B.21, subdivision 3, by adding a
1.5 subdivision.

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

1.7 Section 1. Minnesota Statutes 2008, section 354B.21, subdivision 3, is amended to read:

1.8 Subd. 3. **Default coverage.** (a) Prior to making an election under subdivision 2, or
1.9 if an eligible person fails to elect coverage by the plan under subdivision 2 or if the person
1.10 fails to make a timely election, the following retirement coverage applies:

1.11 (1) for employees of the board who are employed in faculty positions in the technical
1.12 colleges, in the state universities or in the community colleges, the retirement coverage
1.13 is by the plan established by this chapter;

1.14 (2) for employees of the board who are employed in faculty positions in the technical
1.15 colleges, the retirement coverage is by the plan established by this chapter unless on June
1.16 30, 1997, the employee was a member of the Teachers Retirement Association established
1.17 under chapter 354 and then the retirement coverage is by the Teachers Retirement
1.18 Association, or, unless the employee was a member of a first class city teacher retirement
1.19 fund established under chapter 354A on June 30, 1995, and then the retirement coverage
1.20 is by the Duluth Teachers Retirement Fund Association if the person was a member of
1.21 that plan on June 30, 1995, or the Teachers Retirement Association if the person was a
1.22 member of the former Minneapolis Teachers Retirement Fund Association on June 30,
1.23 1995, or the St. Paul Teachers Retirement Fund Association if the person was a member
1.24 of that plan on June 30, 1995; and

2.1 (3) for employees of the board who are employed in eligible unclassified
2.2 administrative positions, the retirement coverage is by the plan established by this chapter,
2.3 unless the employee has sufficient service credit in one or more plans listed in section
2.4 356.30, subdivision 3, to entitle the person to receive an annuity from one or more of those
2.5 plans upon reaching the plan's minimum age for receipt of an annuity, in which case the
2.6 retirement coverage is the Teachers Retirement Association.

2.7 (b) If an employee fails to correctly certify prior membership in the Teachers
2.8 Retirement Association to the Minnesota State colleges and Universities system, the
2.9 system shall not pay interest on employee contributions, employer contributions, and
2.10 additional employer contributions to the Teachers Retirement Association under section
2.11 354.52, subdivision 4.

2.12 **EFFECTIVE DATE.** This section is effective the day following final enactment
2.13 and applies to a person who on or after that date is appointed to, transferred to, or whose
2.14 position is reclassified to an eligible unclassified administrative position.

2.15 Sec. 2. Minnesota Statutes 2008, section 354B.21, is amended by adding a subdivision
2.16 to read:

2.17 **Subd. 7. Required notice; counseling.** This subdivision applies when a person
2.18 is appointed to, transferred to, or reclassified to an eligible unclassified administrative
2.19 position. Within five days of a person beginning work in a position subject to this
2.20 subdivision, the employer must give the employee the following information:

2.21 (1) the default retirement coverage for the person in the new position, including the
2.22 fact that the default coverage depends on whether the person is vested in other public
2.23 pension plans;

2.24 (2) how the person can choose coverage other than the default coverage;

2.25 (3) the name and telephone number of a contact person at the Teachers Retirement
2.26 Association, a contact person for retirement coverage under this chapter, and a link to
2.27 the Web site of the Teachers Retirement Association and the Web site for retirement
2.28 coverage under this chapter; and

2.29 (4) the name and telephone number of a contact person and a link to the Web site
2.30 of the person's current exclusive representative and of the person's former exclusive
2.31 representative if the person had a different exclusive representative within the Minnesota
2.32 State Colleges and Universities System immediately before starting the new position.

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