

1.1 moves to amend H.F. No. 1199; S.F. No. 1308, as follows:

1.2 Page 1, after line 19, insert:

1.3 "Sec. 2. Minnesota Statutes 2022, section 356.551, subdivision 2, is amended to read:

1.4 Subd. 2. **Determination.** (a) Unless the minimum purchase amount set forth in paragraph
1.5 (c) applies, the prior service credit purchase amount is an amount equal to the actuarial
1.6 present value, on the date of payment, as calculated by the chief administrative officer of
1.7 the pension plan and reviewed by the actuary retained under section 356.214, of the amount
1.8 of the additional retirement annuity obtained by the acquisition of the additional service
1.9 credit in this section.

1.10 (b) Calculation of this amount must be made using the investment return assumption
1.11 applicable to the public pension plan specified in section 356.215, subdivision 8, and the
1.12 mortality table adopted for the public pension plan.

1.13 (1) Unless clause (2) applies, the calculation must assume continuous future service in
1.14 the public pension plan until, and retirement at, the age at which the minimum requirements
1.15 of the fund for normal retirement or retirement with an annuity unreduced for retirement at
1.16 an early age, including section 356.30, are met with the additional service credit purchased.
1.17 The calculation must also assume a full-time equivalent salary, or actual salary, whichever
1.18 is greater, and a future salary history that includes annual salary increases at the applicable
1.19 salary increase rate for the plan specified in section 356.215, subdivision 8.

1.20 (2) This clause applies when the calculation is being done for purposes of section 352.272;
1.21 352B.087; 353.0141, subdivision 3; 354.544; ~~or 354A.0961~~; or 490.1211, subdivision 2.
1.22 The calculation must include continuous future service in the public pension plan until, and
1.23 retirement at, any age at or after which the minimum requirements of the fund for early
1.24 retirement or retirement with an annuity unreduced for retirement at an early age, including

2.1 section 356.30, are met with the additional service credit purchased. The calculation must
2.2 be determined using the retirement age that provides the most valuable benefit to the member.
2.3 The calculation must also assume a full-time equivalent salary, or actual salary, whichever
2.4 is greater, and a future salary history that includes annual salary increases at the applicable
2.5 salary increase rate for the plan specified in section 356.215, subdivision 8.

2.6 (c) The prior service credit purchase amount may not be less than the amount determined
2.7 by applying, for each year or fraction of a year being purchased, the sum of the employee
2.8 contribution rate, the employer contribution rate, and the additional employer contribution
2.9 rate, if any, applicable during that period, to the person's annual salary during that period,
2.10 or fractional portion of a year's salary, if applicable, plus interest at the applicable annual
2.11 rate or rates specified in section 356.59, subdivision 2, 3, 4, or 5, whichever applies,
2.12 compounded annually, from the end of the year in which contributions would otherwise
2.13 have been made to the date on which the payment is received.

2.14 (d) Unless otherwise provided by statutes governing a specific plan, payment must be
2.15 made in one lump sum within one year of the prior service credit authorization or prior to
2.16 the member's effective date of retirement, whichever is earlier. Payment of the amount
2.17 calculated under this section must be made by the applicable eligible person.

2.18 (e) However, the current employer or the prior employer may, at its discretion, pay all
2.19 or any portion of the payment amount that exceeds an amount equal to the employee
2.20 contribution rates in effect during the period or periods of prior service applied to the actual
2.21 salary rates in effect during the period or periods of prior service, plus interest at the
2.22 applicable annual rate or rates specified in section 356.59, subdivision 2, 3, 4, or 5, whichever
2.23 applies, compounded annually, from the date on which the contributions would otherwise
2.24 have been made to the date on which the payment is made. If the employer agrees to
2.25 payments under this subdivision, the purchaser must make the employee payments required
2.26 under this subdivision within 90 days of the prior service credit authorization. If that
2.27 employee payment is made, the employer payment under this subdivision must be remitted
2.28 to the chief administrative officer of the public pension plan within 60 days of receipt by
2.29 the chief administrative officer of the employee payments specified under this subdivision.

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

2.31 Page 4, delete lines 9 to 12

2.32 Page 4, line 17, delete "that occurred before becoming a judge or"

2.33 Renumber the sections in sequence

3.1 Amend the title accordingly