

1.1 ..... moves to amend H.F. No. ....; S.F. No. 208, as follows:

1.2 Page 1, before line 6, insert:

1.3 "Section 1. Minnesota Statutes 2022, section 352B.086, is amended to read:

1.4 **352B.086 FEDERALLY PROTECTED PURCHASE OF SERVICE CREDIT FOR**  
1.5 **PERIODS OF MILITARY SERVICE.**

1.6 (a) A member who is absent from employment by reason of service in the uniformed  
1.7 services, as defined in United States Code, title 38, section 4303(13), and who returns to  
1.8 state employment in a position covered by the plan upon discharge from service in the  
1.9 uniformed services within the time frame required in United States Code, title 38, section  
1.10 4312(e), may obtain service credit for the period of the uniformed service, provided that  
1.11 the member did not separate from uniformed service with a dishonorable or bad conduct  
1.12 discharge or under other than honorable conditions.

1.13 (b) The member may obtain credit by paying into the fund an equivalent member  
1.14 contribution based on the member contribution rate or rates in effect at the time that the  
1.15 uniformed service was performed multiplied by the full and fractional years being purchased  
1.16 and applied to the annual salary rate. The annual salary rate is the average annual salary  
1.17 during the purchase period that the member would have received if the member had continued  
1.18 to provide employment services to the state rather than to provide uniformed service, or if  
1.19 the determination of that rate is not reasonably certain, the annual salary rate is the member's  
1.20 average salary rate during the 12-month period of covered employment rendered immediately  
1.21 preceding the purchase period.

1.22 (c) The equivalent employer contribution and, if applicable, the equivalent employer  
1.23 additional contribution, must be paid by the employing unit, using the employer and employer  
1.24 additional contribution rate or rates in effect at the time that the uniformed service was

2.1 performed, applied to the same annual salary rate or rates used to compute the equivalent  
2.2 member contribution.

2.3 (d) If the member equivalent contributions provided for in this section are not paid in  
2.4 full, the member's allowable service credit must be prorated by multiplying the full and  
2.5 fractional number of years of uniformed service eligible for purchase by the ratio obtained  
2.6 by dividing the total member contributions received by the total member contributions  
2.7 otherwise required under this section.

2.8 (e) To receive allowable service credit under this section, the equivalent member  
2.9 contributions specified in paragraph (b) must be transmitted to the fund during the period  
2.10 which begins with the date on which the individual returns to state employment covered by  
2.11 the plan and which has a duration of three times the length of the uniformed service period,  
2.12 ~~but not to exceed or five years, whichever is longer. If the determined payment period is~~  
2.13 ~~calculated to be less than three years, the contributions required under paragraph (b) to~~  
2.14 ~~receive service credit must be transmitted to the fund within three years from the discharge~~  
2.15 ~~date.~~

2.16 (f) The amount of allowable service credit obtainable under this section may not exceed  
2.17 five years, unless a longer purchase period is required under United States Code, title 38,  
2.18 section 4312.

2.19 (g) The employing unit shall pay interest on all equivalent member and employer  
2.20 contribution amounts payable under this section. Interest must be computed at the applicable  
2.21 annual rate or rates specified in section 356.59, subdivision 2, compounded annually, from  
2.22 the end of each fiscal year of the leave or break in service to the end of the month in which  
2.23 payment is received.

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

2.25 Renumber the sections in sequence

2.26 Amend the title accordingly