

This Document can be made available
in alternative formats upon request

State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH
SESSION

HOUSE FILE No. **1604**

March 1, 2007

Authored by Kahn

The bill was read for the first time and referred to the Committee on Governmental Operations, Reform, Technology and Elections

1.1 A bill for an act
1.2 relating to retirement; first-class city teacher retirement fund associations;
1.3 updating the sabbatical leave service credit provision based on recent Teachers
1.4 Retirement Association amendments; amending Minnesota Statutes 2006,
1.5 sections 354A.011, subdivision 23; 354A.092.

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

1.7 Section 1. Minnesota Statutes 2006, section 354A.011, subdivision 23, is amended to
1.8 read:

1.9 Subd. 23. **Sabbatical leave.** "Sabbatical leave" means an authorized sabbatical
1.10 leave of absence period as defined in section 122A.49 or in the applicable personnel
1.11 policy of the Minnesota State Colleges and Universities System that is certified by the
1.12 applicable employing unit and during which the member is compensated at a rate of
1.13 not less than one-third of the salary which the member received during the plan year
1.14 immediately preceding the granting of the leave.

1.15 Sec. 2. Minnesota Statutes 2006, section 354A.092, is amended to read:

1.16 **354A.092 SABBATICAL LEAVE.**

1.17 Subdivision 1. Credit for leave. ~~Any~~ A teacher in the coordinated program of
1.18 the St. Paul Teachers Retirement Fund Association or ~~any~~ a teacher in the new law
1.19 coordinated program of the Duluth Teachers Retirement Fund Association who is granted
1.20 a sabbatical leave ~~shall be~~ is entitled to receive allowable service credit in the applicable
1.21 association for ~~periods~~ a period of sabbatical leave.

2.1 Subd. 2. **Certification.** Upon granting a sabbatical leave, the employing unit
 2.2 granting the leave must certify the leave to the applicable association on a form specified
 2.3 by the executive director or executive secretary of the association.

2.4 Subd. 3. **Member and employer contributions.** To obtain the service credit, the
 2.5 employing unit of the teacher on sabbatical leave shall ~~make~~ deduct from the salary of
 2.6 the teacher an employee contribution at the applicable rate specified in section 354A.12,
 2.7 subdivision 1, to the applicable association. ~~No teacher shall be entitled to receive more~~
 2.8 than three years of allowable service credit pursuant to this section for a period or periods
 2.9 of sabbatical leave during any ten consecutive fiscal or calendar years, whichever is the
 2.10 applicable plan year for the teachers retirement fund association. If the teacher granted a
 2.11 sabbatical leave makes the employee contribution for a period of sabbatical leave pursuant
 2.12 to this section, the employing unit based on the full normal base contract salary that would
 2.13 have been paid to the teacher if the teacher were not on a sabbatical leave and shall make an
 2.14 employer contribution on behalf of the teacher to the applicable association for that period
 2.15 of sabbatical leave in the manner described in section 354A.12, subdivision 2a on the
 2.16 same salary base. ~~The employee and employer contributions shall be in an amount equal~~
 2.17 to the employee and employer contribution rates in effect for other active members of the
 2.18 association covered by the same program applied to a salary figure equal to the teacher's
 2.19 actual covered salary for the plan year immediately preceding the sabbatical leave period.
 2.20 Payment of the employee contribution authorized pursuant to this section shall be made by
 2.21 the teacher on or before June 30 of year next following the year in which the sabbatical
 2.22 leave terminated and shall be made without interest. For sabbatical leaves taken after June
 2.23 30, 1986, the required employer contributions shall be paid by the employing unit within
 2.24 30 days after notification by the association of the amount due. The employer must meet
 2.25 the reporting and remittance requirements under section 354A.12, subdivision 5.

2.26 Subd. 4. **Service credit.** A teacher may not receive more than three years of
 2.27 allowable service credit in any ten consecutive years under this section. Notwithstanding
 2.28 the provisions of any sabbatical agreements to the contrary, member and employer
 2.29 contributions may not be made to receive allowable service credit under this section if
 2.30 the teacher does not retain the right to full reinstatement of employment both during the
 2.31 sabbatical leave and at the end of the sabbatical leave. If the employee contributions for
 2.32 the sabbatical leave period are less than ~~an~~ the amount equal to the applicable contribution
 2.33 rate applied to a the base salary figure equal to the teacher's actual covered salary for the
 2.34 plan year immediately preceding the sabbatical leave period under subdivision 3, service
 2.35 credit ~~shall~~ must be prorated. The prorated service credit ~~shall~~ must be determined by the

3.1 ratio between the amount of the actual payment which was made and the full contribution
3.2 amount which was payable pursuant to under this section.

3.3 Sec. 3. **EFFECTIVE DATE.**

3.4 Sections 1 and 2 are effective July 1, 2007.