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State of Minnesota
HOUSE OF REPRESENTATIVES

**EIGHTY-FIFTH
SESSION**

HOUSE FILE No. 1783

March 7, 2007

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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; Teachers Retirement Association; authorizing a sabbatical
1.3 leave related salary credit purchase by certain Minneapolis school teachers.

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

1.5 Section 1. **TEACHERS RETIREMENT ASSOCIATION; SABBATICAL LEAVE**
1.6 **SALARY CREDIT PURCHASE.**

1.7 (a) Notwithstanding any provisions to the contrary of Minnesota Statutes, chapter
1.8 354 or 354A, an eligible person described in paragraph (b) is entitled to purchase credit
1.9 for the salary amount specified in paragraph (c) by making the payment required by
1.10 paragraph (d).

1.11 (b) An eligible person is a person who:

1.12 (1) was born on August 2, 1948;

1.13 (2) has 2.95 years of service credit from the Teachers Retirement Association for
1.14 teaching service rendered in the early 1970s;

1.15 (3) has 26 years of service credit from the former Minneapolis Teachers Retirement
1.16 Fund Association transferred to the Teachers Retirement Association under Laws 2006,
1.17 chapter 277, article 3, sections 5 and 9, subdivision 3;

1.18 (4) took a sabbatical leave from Special School District No. 1, Minneapolis, for the
1.19 2004-2005 school year;

1.20 (5) obtained full salary credit from the former Minneapolis Teachers Retirement
1.21 Fund Association for the 2004-2005 school year under the applicable law and benefit
1.22 plan provisions; and

1.23 (6) has uncredited full-time equivalent salary from the 2005-2006 school year based
1.24 on a reduced salary figure related to the sabbatical leave arrangement.

2.1 (c) The salary amount is an amount equal to the difference between the salary credit
2.2 the eligible person received from the former Minneapolis Teachers Retirement Fund
2.3 Association for the 2005-2006 school year and the full-time equivalent salary of the
2.4 eligible person for the 2005-2006 school year.

2.5 (d) The required payment amount is an amount equal to 13.64 percent of the salary
2.6 amount determined under paragraph (c), plus interest at an 8.5 percent compound rate
2.7 from the date on which the contribution amounts would have been made if made in a
2.8 timely fashion and the date on which the amount is actually paid. The amount is payable
2.9 only in a lump sum.

2.10 (e) The eligible person shall provide any relevant documentation related to the
2.11 eligibility to make this purchase that is required by the executive director of the Teachers
2.12 Retirement Association.

2.13 (f) Authority for an eligible person to make the purchase under this section expires
2.14 June 30, 2008.

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