

Amendment S3540-3A: Staff Technical Amendment

Prepared by: Chad Burkitt, Analyst

Date: March 22, 2022 (updated at 2:52 pm)

Introduction

Before final action on the omnibus pension bill each year, typically the Commission considers a technical bill or technical amendment prepared by Commission Staff. Amendment S3540-3A is this year's technical amendment. Amendment S3540-3A makes several changes that have been compiled over the last year. The changes generally don't apply directly to sections already being amended by the bill but are issues identified during the bill drafting process or by stakeholders. The changes are of a technical nature and correct errors, clarify ambiguous language, and update outdated language or references.

Section by Section Summary

Amendment S3540-3A inserts a new article into the omnibus pension bill. The article is made up of 23 sections. Each section is listed below by number along with the section or subdivision being amended and a description of the change:

Sec.	Section	Summary
1	352.87, Subd. 6	Corrects a cross-reference.
2	352.94	Corrects a cross-reference.
3	352.95, Subd. 6	Corrects a cross-reference.
4	352B.05	Clarifies that "executive director" refers to the executive director of the Minnesota State Retirement System (MSRS).
5	353.031, Subd. 7	Adds a cross-reference to an additional subdivision, clarifying the application of a penalty for failure to provide medical evidence.
6	353.32 Subd. 1a	Removes a cross-reference to a repealed section.
7	353.34, Subd. 5	Replaces the arcane term "refundment" with "right to a refund".
8	353.657, Subd. 2a	Removes a cross-reference to a repealed section.

Sec.	Section	Summary
9	353.68, Subd. 4	Corrects a cross-reference.
10	353.20, Subd. 2	Corrects a reference to the statewide volunteer firefighter plan by striking “lump-sum” from the name of the plan.
11	356.24, Subd. 3	Makes the following clarifying changes to the section governing deferred compensation plans: <ul style="list-style-type: none"> • replaces the term “custodian” with “vendor;” • inserts definitions for “plan administrator” and “vendor;” • exempts self-directed brokerage accounts from the fee disclosure requirements; • corrects a drafting error in paragraph (f) by inserting an exception to the employee matching requirement for contributions deducted from an employee’s sick leave, vacation leave, or severance pay; and • adds language to paragraph (g) to clarify that the match requirement and limit in paragraph (f) do not apply to contributions deducted from sick leave, vacation leave, or severance pay.
12	356.645	Clarifies that certain investments available to deferred compensation plans are also available to the voluntary firefighter relief associations. This change reflects current practice.
13	356A.06, Subd. 6	Removes the defunct Federal Savings and Loan Insurance Corporation from a list of authorized investments.
14	356A.06, Subd. 8a	Removes the defunct Federal Savings and Loan Insurance Corporation from a collateralization requirement.
15	424A.001, Subd. 4	Corrects a reference to the statewide volunteer firefighter plan by striking “lump-sum” from the name of the plan.
16	424A.08	Corrects references to the statewide volunteer firefighter plan by striking “lump-sum” from the name of the plan.
17	424A.10, Subd. 1	Corrects references to the statewide volunteer firefighter plan by striking “lump-sum” from the name of the plan.
18	424A.10, Subd. 2	Corrects references to the statewide volunteer firefighter plan by striking “lump-sum” from the name of the plan.
19	424A.10, Subd. 3	Corrects references to the statewide volunteer firefighter plan by striking “lump-sum” from the name of the plan.

Sec.	Section	Summary
20	424B.13, Subd. 5	Clarifies that that the relief association is the entity choosing between two distribution options required for a volunteer firefighter relief association that is converting from a defined benefit plan to a defined contribution plan.
21	424B.13, Subd. 8	Fixes a drafting error.
22	Effective date	Sets the effective dates as follows: <ul style="list-style-type: none">• sections 1 to 12 and 14 to 22 are effective the day following final enactment; and• section 13 is effective January 1, 2023.

Legislative Commission on Pensions and Retirement

600 State Office Building
Phone: 651-296-2750

100 Rev. Dr. Martin Luther King Jr. Blvd.
TDD: 651-296-9896; Fax: 651-297-3697

St. Paul, MN 55155-1201
www.lcpr.mn.gov

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