

Amendment H3903-5A: Firefighter Relief Association Provisions Section-by-Section Summary

Article 10: VFRAS; Maximum Lump-Sum Pension Amount Increase

Sec.	Pg.Ln	Source	Statute	Plan	Summary
1	1.7	HF3921-Nelson, M.; SF3550-Rosen	424A.02, Subd. 3	Defined Benefit VFRAs	Increases the maximum amount per year of service that a defined benefit relief association can pay as a lump-sum benefit from \$10,000 to \$15,000.
2	10.24	HF3921-Nelson, M.; SF3550-Rosen	Repealer: Laws 2018, Ch. 211, Art. 14, Sec. 29	Plymouth VFRA	Repeals a 2018 session law permitting Plymouth to increase its lump-sum amount up to \$12,500 because, under Section 1, Plymouth would be able to continue at its current benefit level or increase the benefit level to up to \$15,000 per year or service.

Article 11: VFRAs; Allocation of Fire State Aid

Sec.	Pg.Ln	Source	Statute	Plan	Summary
1	11.4	HF3870-Nelson, M.; SF3547-Rosen	477B.04, Subd. 3	VFRAs	Requires a municipality affiliated with a relief association to distribute fire state aid in accordance with an aid allocation agreement if one exists.
2	12.1	HF3870-Nelson, M.; SF3547-Rosen	New § 477B.042	VFRAs	Authorizes municipalities with both career and volunteer firefighters to enter into an agreement with its fire relief association, which permits the municipality to use fire state aid to pay employer contributions to the PERA Police & Fire Plan.
3	14.1	Amendment H3870-1A & 2A to HF3870-Nelson, M.; SF3547-Rosen	Uncoded Session Law	Cities of Austin and Hibbing	Grandfathers current fire state aid allocation agreements for the cities of Austin and Hibbing, but requires any future agreements or modifications to comply with the new provisions of this article.
4	14.15	HF2925-Halverson; SF4399-Carlson	Uncoded Session Law	City of Eagan	Authorizes the city of Eagan to allocate fire state aid under an agreement between its relief association and its full time firefighters, retroactive to 1/1/2020, which authority expires June 30, 2022.

Article 11: VFRA; Allocation of Fire State Aid

Sec.	Pg.Ln	Source	Statute	Plan	Summary
5	15.16	Amendment H3870-2A to HF3870-Nelson, M.; SF3547-Rosen	Repealer: Laws 1980, Ch. 607, Art. XV, Sec. 13	VFRA; City of Hibbing	Repeals an obsolete 1980 special law for the city of Hibbing.

Article 12: VFRA; Relief Association Dissolution and Retirement Plan Termination

Sec.	Pg.Ln	Source	Statute	Plan	Summary
1-14	15.23	HF4107-Nelson, M.; SF4123-Rosen	424B.01, New Subd. 2a, 3a, 3b, 3c, 3d, 3f, 3g, 4a, 5a, 5b, 5c, 5d, & 7	VFRA	Adds new definitions to supplement definitions already provided in Minn. Stat. § 424B.01.
15	19.5	HF4107-Nelson, M.; SF4123-Rosen	New § 424B.22	VFRA	Revises the provisions regarding the dissolutions of relief associations, including full vesting of benefits and immediate distribution of benefits; permits the relief association to increase benefit levels up to 125% of the statutory maximum; and requires any surplus to be split equally between the city and relief association.
16	25.20	HF4107-Nelson, M.; SF4123-Rosen	Repealer: 424B.20, 424B.21	VFRA	Repeals current law on relief association dissolutions, since the process under current law is being entirely replaced.
17	25.22	HF4107-Nelson, M.; SF4123-Rosen	Effective Date	--	All sections are effective the day following final enactment.

Article 13: Brooklyn Park Firefighters' Relief Association; Dissolution of the Relief Association and Plan Termination

Sec.	Pg.Ln	Source	Statute	Plan	Summary
1	25.27	HF3153-Nelson, M.; SF3900-Hoffman, Amendment H3153-1A	Uncoded Session Law	Brooklyn Park Firefighters' Relief Assoc.; City of Brooklyn Park	Provides for the dissolution of the Brooklyn Park Firefighters Relief Association and termination of the retirement plan; effective upon approval of the city council and filing with the state.

Article 14: Ramsey Volunteer Firefighters' Relief Association; Division of the Relief Association

<u>Sec.</u>	<u>Pg.Ln</u>	<u>Source</u>	<u>Statute</u>	<u>Plan</u>	<u>Summary</u>
1	27.26	SF4424-Benson	Uncoded Session Law	Ramsey firefighter relief association; Cities or Ramsey and Nowthen	Provides for the division of the Ramsey Volunteer Firefighters' Relief Association and the transfer of accounts to a relief association affiliated with the city of Nowthen.

Article 15: VFRAs; Conversions from Defined Benefit Plan to Defined Contribution Plan

<u>Sec.</u>	<u>Pg.Ln</u>	<u>Source</u>	<u>Statute</u>	<u>Plan</u>	<u>Summary</u>
1-12	32.5	SF4438-Rosen	424B.01. New Subd. 2a, 3a, 3b, 3c, 3d, 3e, 3f, 3g, 4a, 5a, 5b, & 7	VFRAs	Adds new definitions to supplement definitions already provided in Minn. Stat. § 424B.01.
13	34.18	SF4438-Rosen	New § 424B.13	VFRAs	Authorizes and provides new procedures for relief associations that are defined benefit relief associations to convert their defined benefit plan to a defined contribution plan.
14	10.17	SF4438-Rosen	Effective Date	--	All sections are effective the day following final enactment.

Article 16: State Auditor Volunteer Firefighter Working Group Recommendations

<u>Sec.</u>	<u>Pg.Ln</u>	<u>Source</u>	<u>Statute</u>	<u>Plan</u>	<u>Summary</u>
1	40.22	HF3778-Nelson M.; SF3673-Rosen	424A.003	VFRAs	Revises the period of time in which a firefighter can dispute the fire chief's annual service credit certification from 60 days to 21 days.
2	41.24	HF3778-Nelson M.; SF3673-Rosen	424A.014, Subd. 1	VFRAs	Replaces "governmental auditing standards" with "auditing standards" in a section describing required audited financial statements.
3	42.25	HF3778-Nelson M.; SF3673-Rosen	424A.016, Subd. 4	VFRAs	Modifies the requirements for defined contribution plans to require that defined contribution plans credit inactive members with investment gains or losses.
4	44.9	HF3778-Nelson M.; SF3673-Rosen	424A.016, Subd. 6	VFRAs	Modifies the requirements for defined contribution plans to require that defined contribution plans credit deferred members with investment gains or losses.
5	45.28	HF3778-Nelson M.; SF3673-Rosen	424A.03	VFRAs	Clarifies provisions that require pension and retirement benefits to be based on service, not compensation.

Article 16: State Auditor Volunteer Firefighter Working Group Recommendations

Sec.	Pg.Ln	Source	Statute	Plan	Summary
6	46.14	HF3778-Nelson M.; SF3673-Rosen	424A.092, Subd. 1	VFRAs	Makes technical changes to the lump-sum relief association service pension provision.
7	46.26	HF3778-Nelson M.; SF3673-Rosen	424A.092, Subd. 2	VFRAs	Starting with calculations performed in 2021, accrued liability will be determined based on a method and factors to be updated and maintained in the Appendix to the Pension Commission's Standards for Actuarial Work, allowing the Commission to revise the table without needing to pass legislation.

Legislative Commission on Pensions and Retirement

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