

S.F. 435
(Betzold)

H.F. 2114
(Smith)

Executive Summary of Commission Staff Materials

Affected Pension Plan(s): Statewide and Major Local Retirement Plans
Relevant Provisions of Law: Minnesota Statutes, Section 352.04, Subdivision 8, and Related Provisions
General Nature of Proposal: Omitted Salary Deduction Recovery Provisions Made More Uniform and Consistent
Date of Summary: March 29, 2005

Specific Proposed Change(s)

- Omitted deduction recovery provisions added to plans lacking provision, the member responsibility for payment made uniform, an employer obligation for late omitted deductions added where lacking, and a three-year limit on the recovery of omitted deductions is added where no limit currently applies.

Policy Issues Raised by the Proposed Legislation

1. Appropriateness of adding omitted deduction recovery provisions for plans without provision.
2. Appropriateness of standardizing member responsibility for short-duration omitted deductions.
3. Appropriateness of adding employer responsibility for long-duration omitted deductions where responsibility is lacking.
4. Appropriateness of delaying employer responsibility for short-duration omitted deductions.
5. Appropriateness of adding consistent three-year statute of limitations on payment of omitted deductions for plans lacking limit.

Potential Amendments

No technical or substantive amendments.