

**S.F. 435**

(Betzold)

**H.F. 2114**

(Smith)

**Executive Summary of Commission Staff Materials**

<i>Affected Pension Plan(s):</i>	Statewide and Major Local Retirement Plans
<i>Relevant Provisions of Law:</i>	Minnesota Statutes, Section 352.04, Subdivision 8, and Related Provisions
<i>General Nature of Proposal:</i>	Omitted Salary Deduction Recovery Provisions Made More Uniform and Consistent
<i>Date of Summary:</i>	March 28, 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.

