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**2019 OMNIBUS RETIREMENT BILL  
AS OF MARCH 19, 2019**

..... moves to amend H.F. No. ....; S.F. No. ...., as follows:

Delete everything after the enacting clause and insert:

**"ARTICLE 1  
MINNESOTA STATE RETIREMENT SYSTEM  
ADMINISTRATIVE PROVISIONS**

Section 1. Minnesota Statutes 2018, section 3A.02, is amended by adding a subdivision to read:

Subd. 7. **Application procedure.** The application for a benefit or refund made under this chapter must comply with section 352.115, subdivision 7a.

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

Sec. 2. Minnesota Statutes 2018, section 352.03, subdivision 1, is amended to read:

Subdivision 1. **Membership of board; election; term.** (a) The policy-making function of the system is vested in a board of 11 members known as the board of directors. This board shall consist of:

(1) three members appointed by the governor, one of whom must be a constitutional officer or appointed state official and two of whom must be public members knowledgeable in pension matters;

(2) four state employees elected by active ~~members~~ and ~~former~~ inactive vested members eligible for a deferred annuity from of the general state employees retirement plan and members with an account balance in the unclassified employees retirement program,

2.1 excluding employees and ~~deferred annuitants~~ inactive vested members for whom a board  
 2.2 member is designated under clause (3);

2.3 (3) one employee of the Metropolitan Council's transit operations or its successor agency  
 2.4 designated by the executive committee of the labor organization that is the exclusive  
 2.5 bargaining agent representing employees of the transit division;

2.6 (4) one employee who is a member of the State Patrol retirement plan elected by active  
 2.7 ~~members and former~~ inactive vested members ~~eligible for a deferred annuity from~~ of that  
 2.8 plan;

2.9 (5) one employee who is a member of the correctional state employees retirement plan  
 2.10 established under this chapter elected by active ~~members and former~~ inactive vested members  
 2.11 ~~eligible for a deferred annuity from~~ of that plan; and

2.12 (6) one retired employee of a plan included in the system, elected by disabled and retired  
 2.13 employees of the plans administered by the system at a time and in a manner determined  
 2.14 by the board.

2.15 (b) The terms of the four elected state employees under paragraph (a), clause (2), must  
 2.16 be staggered, with two of the state employee board positions elected each biennium, whose  
 2.17 terms of office begin on the first Monday in May after their election. Elected members and  
 2.18 the appointed member of the Metropolitan Council's transit operations hold office for a term  
 2.19 of four years and until their successors are elected or appointed, and have qualified.

2.20 (c) An employee or former employee of the system is not eligible for membership on  
 2.21 the board of directors. A state employee on leave of absence is not eligible for election or  
 2.22 reelection to membership on the board of directors.

2.23 (d) The term of any board member who is on leave for more than six months  
 2.24 automatically ends on expiration of the term of office.

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

2.26 Sec. 3. Minnesota Statutes 2018, section 352.03, subdivision 1b, is amended to read:

2.27 Subd. 1b. **Membership voting limitations.** (a) Active members and ~~former~~ inactive  
 2.28 vested members ~~eligible for a deferred annuity from~~ of a plan under this chapter ~~or~~ chapter  
 2.29 352B, or chapter 352D are eligible to vote in board elections as further specified and restricted  
 2.30 in this section.

2.31 (b) Retired members and ~~disabilitants~~ from a plan in the system may vote only for the  
 2.32 retired member position under subdivision 1, paragraph (a), clause (6).

3.1 ~~(c) If a former~~ an inactive vested member ~~eligible for a deferred annuity from~~ of a plan  
 3.2 under this chapter or, chapter 352B, or chapter 352D is a deferred annuitant from an inactive  
 3.3 vested member of more than one plan covered by the system, that person is eligible to vote  
 3.4 only in elections applicable for ~~deferred annuitants from~~ inactive vested members of the  
 3.5 plan in the system from which the person last received allowable service.

3.6 (d) If a person is an active member of a plan in the system and is ~~a deferred annuitant~~  
 3.7 an inactive vested member or a retiree from another plan or plans in the system, the person  
 3.8 is only eligible to vote in board elections applicable due to the active member plan  
 3.9 membership.

3.10 (e) If a person is ~~a deferred annuitant~~ an inactive vested member from a plan in the  
 3.11 system and is also a retiree from another plan in the system, the person is only eligible to  
 3.12 vote in elections applicable due to the retiree status.

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

3.14 Sec. 4. Minnesota Statutes 2018, section 352.113, subdivision 2, is amended to read:

3.15 Subd. 2. **Application; accrual of benefits.** (a) An employee making claim for a total  
 3.16 and permanent disability benefit, or someone acting on behalf of the employee upon proof  
 3.17 of authority satisfactory to the director, shall file a written application for benefits in the  
 3.18 office of the system on or before the deadline specified in subdivision 4, paragraph (g).

3.19 (b) The application must be in a form and manner prescribed by the executive director  
 3.20 and include the medical reports required by subdivision 4, paragraph (b).

3.21 (c) The benefit shall begin to accrue the day following the start of disability or the day  
 3.22 following the last day paid, whichever is later, but not earlier than 180 days before the date  
 3.23 the application is filed ~~with the director~~ in an office of the system.

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

3.25 Sec. 5. Minnesota Statutes 2018, section 352.115, subdivision 7, is amended to read:

3.26 Subd. 7. **Application for annuity.** Application for annuity or optional annuity payment  
 3.27 may be made by the employee at time of retirement, or by someone acting ~~in~~ on behalf of  
 3.28 the employee; upon proof of authority satisfactory to the director.

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

4.1 Sec. 6. Minnesota Statutes 2018, section 352.115, is amended by adding a subdivision to  
4.2 read:

4.3 Subd. 7a. **Application procedure.** (a) The filing of an application of an annuity, refund,  
4.4 disability benefit, survivor benefit, death benefit, or other monthly benefit authorized by  
4.5 this chapter, chapters 3A, 352B, 352D, or 490 must comply with this subdivision.

4.6 (b) Filing of an application under paragraph (a) is not complete until an original  
4.7 application and supporting documents are received in an office of the system or received  
4.8 by a person authorized by the director. An original application may not be an electronic  
4.9 copy or facsimile copy and if received in an office of the system, must be delivered by  
4.10 personal service or mail.

4.11 (c) In this subdivision, "supporting documents" are:

4.12 (1) documents sufficient to verify birth;

4.13 (2) documents sufficient to verify marital status or establish the terms of a divorce, if  
4.14 applicable;

4.15 (3) the acknowledgment required by section 356.46, subdivision 3, paragraph (b).

4.16 Supporting documents are not required to be original documents except as determined  
4.17 by the director.

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

4.19 Sec. 7. Minnesota Statutes 2018, section 352.23, is amended to read:

4.20 **352.23 TERMINATION OF RIGHTS; REPAYMENT OF REFUND.**

4.21 (a) When any employee accepts a refund as provided in section 352.22, all existing  
4.22 allowable service credits and all rights and benefits to which the employee was entitled  
4.23 before accepting the refund terminate.

4.24 (b) Terminated service credits and rights must not again be restored until the former  
4.25 employee acquires at least six months of allowable service credit after taking the last refund  
4.26 and repays all refunds previously taken from the retirement fund with interest as provided  
4.27 in paragraph (d). If an employee repays only part of a refund or repays a refund in partial  
4.28 payments as permitted under paragraph (d), service credit will be restored in accordance  
4.29 with section 356.44. An employee will not be considered as entitled to any other benefit,  
4.30 including benefits for which the employee may be eligible because of the employee's original  
4.31 hire date into public employment, until full repayment of all refunds has been made.

5.1 (c) Repayment of refunds entitles the employee only to credit for service covered by (1)  
 5.2 salary deductions; (2) payments previously made in lieu of salary deductions as permitted  
 5.3 under law in effect when the payment in lieu of deductions was made; (3) payments made  
 5.4 to obtain credit for service as permitted by laws in effect when payment was made; and (4)  
 5.5 allowable service previously credited while receiving temporary workers' compensation as  
 5.6 provided in section 352.01, subdivision 11, paragraph (a), clause (3).

5.7 (d) Payments under this section for repayment of refunds are to be paid with interest at  
 5.8 the applicable annual rate or rates specified in section 356.59, subdivision 2, compounded  
 5.9 annually, from the date the refund was taken until the date the refund is repaid. Repayment  
 5.10 may be made in partial payments consistent with section 356.44 during employment or in  
 5.11 a lump sum up to six months after termination from service.

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

5.13 Sec. 8. Minnesota Statutes 2018, section 352.85, subdivision 4, is amended to read:

5.14 Subd. 4. **Election of coverage.** To be covered by this section-352.85, any employee of  
 5.15 the Department of Military Affairs, described in subdivision 1, must file a notice with the  
 5.16 executive director of the system on a form prescribed by the executive director stating  
 5.17 ~~whether or not~~ that the employee elects to be covered. Notice must be filed within 90 days  
 5.18 of employment. Elected coverage is effective retroactively as of the first day of employment.  
 5.19 Amounts that would have been deducted from the employee's salary starting with the first  
 5.20 day of employment but were not deducted because the employee had not yet filed the election  
 5.21 must be deducted from the employee's future salary in accordance with a schedule of  
 5.22 deductions determined by the executive director and the Department of Military Affairs.  
 5.23 Elections are irrevocable during any period of covered employment. A failure to file a timely  
 5.24 notice is deemed a waiver of coverage by this section.

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

5.26 Sec. 9. Minnesota Statutes 2018, section 352.87, subdivision 8, is amended to read:

5.27 Subd. 8. **Election of coverage.** To be covered by this section, an employee of the  
 5.28 Department of Public Safety described in subdivision 1 who is employed in a position  
 5.29 described in that subdivision must file a notice with the executive director of the ~~Minnesota~~  
 5.30 ~~State Retirement~~ system on a form prescribed by the executive director stating ~~whether or~~  
 5.31 ~~not~~ that the employee elects to be covered by this section. Notice must be filed within 90  
 5.32 days of employment. Elected coverage is effective retroactively as of the first day of  
 5.33 employment. Amounts that would have been deducted from the employee's salary starting

6.1 with the first day of employment but were not deducted because the employee had not yet  
6.2 filed the election must be deducted from the employee's future salary in accordance with a  
6.3 schedule of deductions determined by the executive director and the Department of Public  
6.4 Safety. Elections are irrevocable during any period of covered employment. A failure to  
6.5 file a timely notice is deemed a waiver of coverage by this section.

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

6.7 Sec. 10. Minnesota Statutes 2018, section 352B.08, is amended by adding a subdivision  
6.8 to read:

6.9 Subd. 1a. **Application procedure.** The application for a benefit or refund made under  
6.10 this chapter must comply with section 352.115, subdivision 7a.

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

6.12 Sec. 11. Minnesota Statutes 2018, section 352D.05, subdivision 3, is amended to read:

6.13 Subd. 3. **Full or partial withdrawal.** After termination of covered employment or at  
6.14 any time thereafter, a participant is entitled, upon application, to withdraw the cash value  
6.15 of the participant's total shares or leave such shares on deposit with the supplemental  
6.16 retirement fund. The account is valued at the end of the most recent United States investment  
6.17 market day following receipt of the application for withdrawal. The application for  
6.18 withdrawal must be an original application, not an electronic or facsimile copy and must  
6.19 be received in an office of the system or by a person authorized by the executive director.  
6.20 Shares not withdrawn remain on deposit with the supplemental retirement fund until the  
6.21 former participant becomes at least 55 years old, and applies for an annuity under section  
6.22 352D.06, subdivision 1.

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

6.24 Sec. 12. Minnesota Statutes 2018, section 352F.04, subdivision 1, is amended to read:

6.25 Subdivision 1. **Enhanced augmentation rates.** The deferred annuity of a terminated  
6.26 hospital employee is subject to augmentation under Minnesota Statutes 1994, section 352.72,  
6.27 subdivision 2, except that the rate of augmentation to be applied each January 1 is set by  
6.28 this subdivision. For augmentation through December 31, 2018, the rate of augmentation  
6.29 is set under Minnesota Statutes 2016, section 352.04, subdivision 1. For augmentation  
6.30 beginning January 1, 2019, the rate of augmentation is the following:

- 7.1 January 1, 2019 4.5 percent
- 7.2 January 1, 2020 3.75 percent
- 7.3 January 1, 2021 3.0 percent
- 7.4 January 1, 2022 2.25 percent
- 7.5 January 1, 2023 1.5 percent
- 7.6 January 1, 2024 0.75 percent
- 7.7 After December 31, 2024, the deferred annuity must not be augmented.

7.8 Augmentation for each year is effective as of January 1 of that year.

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

7.10 Sec. 13. **[356.97] INFORMATION SERVICES AND TECHNOLOGY.**

7.11 The executive directors subject to the standard of fiduciary conduct under chapter 356A

7.12 and the boards to which they report are exempt from the requirements of chapter 16E. An

7.13 executive director or board may use services provided by the Office of MN.IT Services.

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

7.15 Sec. 14. Minnesota Statutes 2018, section 490.126, subdivision 3, is amended to read:

7.16 Subd. 3. **Application for annuity or refund.** An application for an annuity or a refund

7.17 under this chapter may be made by the potential annuitant or by someone authorized to act

7.18 for the potential annuitant. Every application for an annuity or refund, accompanied by a

7.19 proof of age and by a record of years of service when required, must be submitted to the

7.20 executive director of the Minnesota State Retirement System in a form prescribed by the

7.21 director. Except as provided for in this chapter, the application for an annuity, benefit, or

7.22 refund under this chapter must comply with the filing procedures in section 352.115,

7.23 subdivision 7a.

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

7.25 Sec. 15. **REPEALER.**

7.26 Minnesota Statutes 2018, section 352F.06, is repealed.

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

8.1 **ARTICLE 2**

8.2 **PUBLIC EMPLOYEES RETIREMENT ASSOCIATION PROVISIONS**

8.3 Section 1. Minnesota Statutes 2018, section 353.371, subdivision 1, is amended to read:

8.4 Subdivision 1. **Eligibility.** (a) This section applies to a basic or coordinated member of  
8.5 the general employees retirement plan of the Public Employees Retirement Association  
8.6 who:

8.7 (1) for at least the five years immediately preceding separation under clause (2), was  
8.8 regularly scheduled to work 1,044 or more hours per year in a position covered by the  
8.9 general employees retirement plan of the Public Employees Retirement Association not  
8.10 including positions that are elected offices;

8.11 (2) terminates membership as defined under section 353.01, subdivision 11b;

8.12 (3) at the time of termination under clause (2), was at least age 62 and met the age and  
8.13 service requirements necessary to receive a retirement annuity from the plan and satisfied  
8.14 requirements for the commencement of the retirement annuity in the month following  
8.15 termination;

8.16 (4) ~~agrees to accept a postretirement option position~~ accepts a phased retirement  
8.17 agreement to continue employment with the same or a different governmental subdivision,  
8.18 working a reduced schedule that is both:

8.19 (i) a reduction of at least 25 percent from the employee's number of previously regularly  
8.20 scheduled work hours; and

8.21 (ii) 1,044 hours or less in public service; and

8.22 (5) is not eligible for participation in the state employee postretirement option program  
8.23 under section 43A.346.

8.24 (b) For purposes of this section, the length of separation requirement and termination  
8.25 of public service requirement prohibiting return to work agreements under section 353.01,  
8.26 subdivisions 11a and 28, are not applicable except as specified in subdivision 7, paragraph  
8.27 (a).

8.28 **EFFECTIVE DATE.** This section is effective July 1, 2019.

8.29 Sec. 2. Minnesota Statutes 2018, section 353.371, subdivision 2, is amended to read:

8.30 Subd. 2. **Annuity reduction not applicable.** ~~Notwithstanding any law to the contrary;~~  
8.31 The provisions of section 353.37 governing annuities of reemployed annuitants do not apply



9.1 ~~for the duration of a terminated member's to employment in a postretirement option position~~  
 9.2 ~~under a phased retirement agreement.~~

9.3 **EFFECTIVE DATE.** This section is effective July 1, 2019.

9.4 Sec. 3. Minnesota Statutes 2018, section 353.371, subdivision 3, is amended to read:

9.5 Subd. 3. ~~**Governing body**~~ **Governmental subdivision discretion.** ~~The governing body~~  
 9.6 ~~of the~~ governmental subdivision has sole discretion to determine if and the extent to which  
 9.7 a ~~postretirement option~~ phased retirement position under this section is available to a  
 9.8 ~~terminated member~~ an employee. Any offer of such a position must be made in writing to  
 9.9 the ~~person~~ employee by the ~~governing body's designee~~ governmental subdivision in a manner  
 9.10 prescribed by the executive director.

9.11 **EFFECTIVE DATE.** This section is effective July 1, 2019.

9.12 Sec. 4. Minnesota Statutes 2018, section 353.371, subdivision 4, is amended to read:

9.13 Subd. 4. **Duration.** ~~Postretirement option employment may be for an initial period~~ The  
 9.14 term of employment under a phased retirement agreement must not to exceed one year five  
 9.15 years. At the end of the initial period, If the term of a phased retirement agreement is less  
 9.16 than five years, the agreement may be renewed for a period not to exceed a combined total  
 9.17 of five years. ~~The governing body~~ governmental subdivision has sole discretion to determine  
 9.18 ~~if the offer of a postretirement option position~~ a phased retirement agreement will be renewed,  
 9.19 renewed with modifications, or terminated. ~~Postretirement option employment may be~~  
 9.20 ~~renewed annually, but no more than four renewals may occur.~~

9.21 **EFFECTIVE DATE.** This section is effective July 1, 2019.

9.22 Sec. 5. Minnesota Statutes 2018, section 353.371, subdivision 5, is amended to read:

9.23 Subd. 5. **Copy to fund.** ~~The appointing authority~~ governmental subdivision shall provide  
 9.24 ~~the Public Employees Retirement Association~~ executive director with documentation, as  
 9.25 prescribed by the executive director, of the terms of any agreement entered into with a  
 9.26 ~~member~~ an employee who accepts continuing employment with the ~~appointing authority~~  
 9.27 governmental subdivision under the terms of this section, ~~and any subsequent renewal~~  
 9.28 ~~agreement.~~ The documentation must be provided before the employee's termination of  
 9.29 membership.

9.30 **EFFECTIVE DATE.** This section is effective July 1, 2019.

10.1 Sec. 6. Minnesota Statutes 2018, section 353.371, subdivision 6, is amended to read:

10.2 Subd. 6. **No service credit.** (a) Notwithstanding any law to the contrary, a person may  
10.3 not earn allowable service credit in the general employees retirement plan of the Public  
10.4 Employees Retirement Association for employment covered under this section, and employer  
10.5 contributions and payroll deductions for the retirement fund must not be made based on  
10.6 earnings of a person working under an agreement covered by this section. No change may  
10.7 be made to a monthly annuity or retirement allowance based on employment under this  
10.8 section.

10.9 (b) The governmental subdivision shall report to the executive director the salary earned  
10.10 by an employee in a phased retirement position. The report must include the number of  
10.11 compensated hours the employee worked and must be made on a pay period basis in a  
10.12 manner prescribed by the executive director. Reports must be submitted no later than 14  
10.13 calendar days following the last day of each pay period.

10.14 **EFFECTIVE DATE.** This section is effective July 1, 2019.

10.15 Sec. 7. Minnesota Statutes 2018, section 353.371, subdivision 7, is amended to read:

10.16 Subd. 7. **Termination and subsequent employment.** (a) Upon termination of  
10.17 employment under a phased retirement agreement, the governmental subdivision and  
10.18 employee must inform the executive director, in a manner prescribed by the executive  
10.19 director, of the effective date of the employee's termination of public service. The termination  
10.20 from public service must meet the termination and length of separation requirements under  
10.21 section 353.01, subdivisions 11a and 28.

10.22 (b) If a person ~~has been in a postretirement option position and~~ previously employed  
10.23 under a phased retirement agreement subsequently accepts employment with any other  
10.24 position in public service beyond the period of time for which the person participated in the  
10.25 postretirement option provided under this section governmental subdivision, the person  
10.26 may not earn allowable service credit in the general employees retirement plan of the Public  
10.27 Employees Retirement Association, no employer contributions or payroll deductions for  
10.28 the retirement fund may be made, and the provisions of section 353.37 apply to the  
10.29 subsequent employment.

10.30 **EFFECTIVE DATE.** This section is effective July 1, 2019.

11.1 Sec. 8. Minnesota Statutes 2018, section 353.665, subdivision 8, is amended to read:

11.2 Subd. 8. **Member and employer contributions.** (a) Except as provided in paragraph  
11.3 (b), (c), or (d), the employee contribution rate for merged former consolidation account  
11.4 active members is the rate specified in section 353.65, subdivision 2, and the regular  
11.5 municipal contribution rate on behalf of merged former consolidation account active members  
11.6 is the rate specified in section 353.65, subdivision 3.

11.7 (b) With respect to active members of the merged former Minneapolis Firefighters Relief  
11.8 Association and the merged former Minneapolis Police Relief Association, there are no  
11.9 employee contributions payable and the employer contribution on behalf of those active  
11.10 members is at the rate specified in section 353.65, subdivision 3, applied to the active  
11.11 member's salary. ~~In addition, an additional municipal contribution is payable by the city of  
11.12 Minneapolis annually on July 15, set at the amount calculated as of December 30, 2011, as  
11.13 sufficient to amortize, on a level annual dollar basis by December 31, 2031, the unfunded  
11.14 present value figure calculated as required by Minnesota Statutes 2012, section 353.667,  
11.15 subdivision 6, paragraph (a), and Minnesota Statutes 2012, section 353.668, subdivision 6,  
11.16 paragraph (a). If the postretirement or preretirement interest rate actuarial assumption  
11.17 applicable to the public employees police and fire retirement plan under section 356.215,  
11.18 subdivision 8, is modified from the rates specified in Minnesota Statutes 2010, section  
11.19 356.215, subdivision 8, the remainder present value of future benefits amount calculation  
11.20 under Minnesota Statutes 2012, section 353.667, subdivision 6, and Minnesota Statutes  
11.21 2012, section 353.668, subdivision 6, paragraph (a), updated for the passage of time, must  
11.22 be revised and the amortization contribution by the city of Minneapolis for the balance of  
11.23 the amortization period must be redetermined by the actuary retained under section 356.214  
11.24 and certified by the executive director to the city of Minneapolis.~~

11.25 (c) If there are assets of the former Fairmont Police Relief Association in excess of the  
11.26 present value of future benefits as of June 29, 2012, these assets must be credited to an  
11.27 interest-bearing suspense account within the public employees police and fire retirement  
11.28 fund, must be used to offset any amount payable under paragraph (a) until June 30, 2015,  
11.29 and, after June 30, 2015, must be paid to the city of Fairmont. The suspense account must  
11.30 be credited with the same rate of investment return as the public employees police and fire  
11.31 retirement fund. If, after June 29, 2012, the postretirement or preretirement interest rate  
11.32 actuarial assumption applicable to the public employees police and fire retirement plan  
11.33 under section 356.215, subdivision 8, is modified from the rates specified in Minnesota  
11.34 Statutes 2010, section 356.215, subdivision 8, the remainder present value of future benefits  
11.35 amount calculation under paragraph (a), updated for the passage of time, must be revised

12.1 and the amortization contribution by the city of Fairmont for the balance of the amortization  
 12.2 period must be redetermined by the actuary retained under section 356.214 and certified by  
 12.3 the executive director to the city of Fairmont.

12.4 (d) If there was a remainder present value of future benefits amounts under Minnesota  
 12.5 Statutes 2012, section 353.6691, subdivision 5, paragraph (a), the city of Virginia shall pay  
 12.6 an additional municipal contribution annually on or before December 31 sufficient to  
 12.7 amortize on a level annual dollar basis by December 31, 2020, that remainder present value  
 12.8 of future benefits amounts of the former Virginia fire department consolidation account. If,  
 12.9 after June 29, 2012, the postretirement or preretirement interest rate actuarial assumption  
 12.10 applicable to the public employees police and fire retirement plan under section 356.215,  
 12.11 subdivision 8, is modified from the rates specified in Minnesota Statutes 2010, section  
 12.12 356.215, subdivision 8, the remainder present value of future benefits amount calculation  
 12.13 under paragraph (a), updated for the passage of time, must be revised and any amortization  
 12.14 contribution by the city of Virginia for the balance of the amortization period must be  
 12.15 redetermined by the actuary retained under section 356.214 and certified by the executive  
 12.16 director to the city of Virginia.

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

12.18 Sec. 9. Minnesota Statutes 2018, section 353.665, is amended by adding a subdivision to  
 12.19 read:

12.20 **Subd. 8a. City of Minneapolis contribution for firefighters and police.** (a) Until July  
 12.21 15, 2018, the city of Minneapolis shall make a contribution annually to the public employees  
 12.22 police and fire retirement plan on July 15, set at the amount calculated as of December 30,  
 12.23 2011, as sufficient to amortize, on a level annual dollar basis by December 31, 2031, the  
 12.24 unfunded present value figure calculated as required by Minnesota Statutes 2012, sections  
 12.25 353.667, subdivision 6, paragraph (a), and 353.668, subdivision 6, paragraph (a).

12.26 (b) Beginning July 15, 2019, and every July 15 thereafter until and including July 15,  
 12.27 2031, the city of Minneapolis shall make a contribution annually to the public employees  
 12.28 police and fire retirement plan equal to \$3,188,735, attributable to the former Minneapolis  
 12.29 Firefighters Relief Association, and \$4,489,837, attributable to the former Minneapolis  
 12.30 Police Relief Association.

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

13.1 Sec. 10. **REPEALER.**

13.2 Minnesota Statutes 2018, section 353.371, subdivision 8, is repealed.

13.3 **EFFECTIVE DATE.** This section is effective July 1, 2019.

13.4 **ARTICLE 3**

13.5 **VOLUNTEER FIREFIGHTER RELIEF ASSOCIATION PROVISIONS**

13.6 Section 1. Minnesota Statutes 2018, section 69.051, subdivision 1, is amended to read:

13.7 Subdivision 1. **Financial report and audit.** (a) The board of the Bloomington Fire  
13.8 Department Relief Association and each volunteer firefighters relief association as defined  
13.9 in section 424A.001, subdivision 4, with assets of at least \$500,000 or liabilities of at least  
13.10 \$500,000 in the prior year or in any previous year, according to the applicable actuarial  
13.11 valuation or according to the financial report if no valuation is required, shall prepare a  
13.12 financial report covering the special and general funds of the relief association for the  
13.13 preceding fiscal year, file the financial report, and submit financial statements.

13.14 (b) The financial report must contain financial statements and disclosures which present  
13.15 the true financial condition of the relief association and the results of relief association  
13.16 operations in conformity with generally accepted accounting principles and in compliance  
13.17 with the regulatory, financing and funding provisions of this chapter and any other applicable  
13.18 laws. The financial report must be countersigned by:

13.19 (1) the municipal clerk or clerk-treasurer of the municipality in which the relief  
13.20 association is located if the relief association is a firefighters relief association which is  
13.21 directly associated with a municipal fire department; or

13.22 (2) by the municipal clerk or clerk-treasurer of the largest municipality in population  
13.23 which contracts with the independent nonprofit firefighting corporation if the volunteer  
13.24 firefighter relief association is a subsidiary of an independent nonprofit firefighting  
13.25 corporation and by the secretary of the independent nonprofit firefighting corporation; or

13.26 (3) by the chief financial official of the county in which the volunteer firefighter relief  
13.27 association is located or primarily located if the relief association is associated with a fire  
13.28 department that is not located in or associated with an organized municipality.

13.29 (c) The financial report must be retained in its office for public inspection and must be  
13.30 filed with the governing body of the government subdivision in which the associated fire  
13.31 department is located after the close of the fiscal year. One copy of the financial report must  
13.32 be furnished to the state auditor after the close of the fiscal year.

14.1 (d) Audited financial statements must be attested to by a certified public accountant or  
14.2 by the state auditor and must be filed with the state auditor within 180 days after the close  
14.3 of the fiscal year. Audits must be conducted in compliance with generally accepted  
14.4 governmental auditing standards and section 6.65 governing audit procedures. The state  
14.5 auditor may accept this report in lieu of the report required in paragraph (c).

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

14.7 Sec. 2. **[353G.18] TERMINATION OF PARTICIPATION AND DISTRIBUTION**  
14.8 **OF BENEFITS.**

14.9 Subdivision 1. **Application.** This section provides the procedures that apply if an entity  
14.10 wishes to terminate its participation in the retirement plan and authorize the distribution of  
14.11 all assets credited to the entity's account in the retirement fund held for the benefit of the  
14.12 entity's former firefighters. If this section conflicts with another section of this chapter, this  
14.13 section controls.

14.14 Subd. 2. **Definitions.** (a) For purposes of this section, the terms defined in this subdivision  
14.15 have the meanings given them unless the context clearly indicates otherwise.

14.16 (b) "Departing entity" means the entity seeking to terminate its participation in the  
14.17 retirement plan and the coverage of its departing firefighters by the retirement plan.

14.18 (c) "Departing firefighter" means each former firefighter of the departing entity who:

14.19 (1) is credited with one or more years of service under the retirement plan or under the  
14.20 relief association previously affiliated with the departing entity;

14.21 (2) has not yet received a distribution of the firefighter's pension benefit; and

14.22 (3) is entitled to a distribution of a pension benefit under this section.

14.23 (d) "Direct rollover" means a payment described under section 356.635, subdivisions 3  
14.24 to 7. Consistent with the definition of "distributee" under section 356.635, subdivision 7, a  
14.25 departing firefighter is a distributee for purpose of direct rollover election.

14.26 (e) "Distribution date" means the date as of which all assets in the entity's account are  
14.27 to be distributed in the form of a payment to each departing firefighter or the survivor of  
14.28 each deceased departing firefighter or as a direct rollover, if elected under section 356.635,  
14.29 subdivisions 3 to 7.

14.30 (f) "Entity" means a municipality, an independent nonprofit firefighting corporation, or  
14.31 a joint powers entity that operates or had operated a fire department with firefighters who  
14.32 are covered by the retirement plan.

15.1 (g) "Entity's account" means the pension plan that is a component of the retirement plan  
15.2 and under which the departing firefighters have accrued lump sum pension benefits and  
15.3 with which the departing entity is affiliated.

15.4 (h) "Executive director" means the executive director of the Public Employees Retirement  
15.5 Association.

15.6 (i) "Termination date" means the effective date of the termination of the pension plan  
15.7 that is the entity's account. The termination date shall precede the distribution date.

15.8 (j) "Year of service" means a year of good time service credit certified by the departing  
15.9 entity's fire chief under section 353G.07. For purposes of determining the amount of a  
15.10 departing firefighter's pension benefit under this section, year of service includes any service  
15.11 credit earned by the departing firefighter under the relief association previously affiliated  
15.12 with the departing entity, which must be certified under section 424A.003 beginning January  
15.13 1, 2019. Good time service credit ends when the departing firefighter's active service ends,  
15.14 notwithstanding a later termination date as defined in paragraph (j).

15.15 Subd. 3. **Eligibility.** An entity is eligible to terminate its participation in the retirement  
15.16 plan under this section if the entity satisfies the following conditions:

15.17 (1) the entity has eliminated its fire department or, if its fire department is ongoing, the  
15.18 fire department has ceased using the services of all departing firefighters and any other  
15.19 noncareer or volunteer firefighters; and

15.20 (2) the entity's account has assets sufficient to cover all liabilities, after taking into  
15.21 account the requirement to fully vest all departing firefighters and pay administrative  
15.22 expenses determined under subdivision 4, paragraph (c), clause (3).

15.23 Subd. 4. **Termination procedures.** (a) The participation of a departing entity in the  
15.24 retirement plan and the coverage of the departing firefighters by the retirement plan shall  
15.25 cease as of the date the requirements in this subdivision are completed and all assets credited  
15.26 to the entity's account are distributed.

15.27 (b) The governing board of the departing entity shall adopt the resolutions under  
15.28 subdivision 5 and deliver the resolutions to the executive director.

15.29 (c) The executive director shall:

15.30 (1) fully vest all departing firefighters as of the termination date and consider each  
15.31 departing firefighter 100 percent vested in the pension benefit accrued by the departing  
15.32 firefighter under the entity's account as of the termination date;

16.1 (2) determine the present value of each departing firefighter's accrued benefit as of the  
16.2 termination date, taking into account the benefit level under section 353G.11 or otherwise  
16.3 in effect for the departing firefighter as determined by the executive director;

16.4 (3) determine, as of the termination date, the value of accrued liabilities, including  
16.5 administrative expenses incurred or reasonably anticipated to be incurred through the  
16.6 distribution date, and the value of assets attributable to the entity's account; and

16.7 (4) to the extent necessary to minimize the risk of investment losses between the  
16.8 termination date and the distribution date, reinvest the assets credited to the entity's account  
16.9 in low risk investments.

16.10 (d) If the entity's account has assets in excess of accrued liabilities, the executive director  
16.11 shall allocate the excess among all departing firefighters in the same proportion that the  
16.12 present value of the accrued benefit for each departing firefighter bears to the total present  
16.13 value of the accrued benefits of all departing firefighters, and each departing firefighter's  
16.14 benefit, as determined under paragraph (c), clause (2), shall be increased by the departing  
16.15 firefighter's share of the excess.

16.16 (e) The executive director shall, as soon as practicable after the termination date, distribute  
16.17 to each departing firefighter, regardless of whether the departing firefighter has attained  
16.18 age 50, the firefighter's benefit as calculated by the executive director under paragraphs (c)  
16.19 and (d). The distribution shall be made in a lump sum, either as a payment to the departing  
16.20 firefighter or as a direct rollover, if elected by the firefighter. If the departing firefighter is  
16.21 deceased, then the firefighter's benefit shall be paid to the firefighter's survivor under section  
16.22 353G.12 or as a direct rollover, if elected by the survivor.

16.23 (f) The executive director shall pay supplemental benefits under section 424A.10, but  
16.24 only to the extent that the executive director will be reimbursed under section 424A.10,  
16.25 subdivision 3.

16.26 Subd. 5. **Entity board resolutions.** If an entity wishes to cease its participation in the  
16.27 retirement plan and end the coverage of its former firefighters by the retirement plan, the  
16.28 entity's governing board shall approve the following resolutions in a form satisfactory to  
16.29 the executive director:

16.30 (1) a statement of intent to terminate participation in the retirement plan and cease the  
16.31 coverage by the retirement plan of the entity's former firefighters; and

16.32 (2) the proposed termination date, which must be the last day of a month and at least 90  
16.33 days after the date the resolutions are to be delivered to the executive director.



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

17.2 Sec. 3. Minnesota Statutes 2018, section 356.219, subdivision 3, is amended to read:

17.3 Subd. 3. **Content of reports.** (a) The report required by subdivision 1 must include a  
17.4 written statement of the investment policy. Following that initial report, subsequent reports  
17.5 must include investment policy changes and the effective date of each policy change rather  
17.6 than a complete statement of investment policy, unless the state auditor requests submission  
17.7 of a complete current statement. The report must also include the information required by  
17.8 the following paragraphs, as applicable.

17.9 (b) If, after four years of reporting under this paragraph, the total portfolio time weighted  
17.10 rate of return, net of all investment related costs and fees, provided by the public pension  
17.11 plan differs by no more than 0.1 percent from the comparable return for the plan calculated  
17.12 by the Office of the State Auditor, and if a public pension plan has a total market value of  
17.13 ~~\$25,000,000~~ \$50,000,000 or more as of the beginning of the calendar year, and if the public  
17.14 pension plan's annual audit is performed by the state auditor or by the legislative auditor,  
17.15 the report required by subdivision 1 must include the market value of the total portfolio and  
17.16 the market value of each asset class included in the pension fund as of the beginning of the  
17.17 calendar year and as of the end of the calendar year. At the discretion of the state auditor,  
17.18 the public pension plan may be required to submit the market value of the total portfolio  
17.19 and the market value of each investment account, investment portfolio, or asset class included  
17.20 in the pension fund for each month, and the amount and date of each injection and withdrawal  
17.21 to the total portfolio and to each investment account, investment portfolio, or asset class. If  
17.22 the market value of a public pension plan's fund drops below ~~\$25,000,000~~ \$50,000,000 in  
17.23 a subsequent year, it must continue reporting under this paragraph for any subsequent year  
17.24 in which the public pension plan is not fully invested as specified in subdivision 1, paragraph  
17.25 (b), except that if the public pension plan's annual audit is not performed by the state auditor  
17.26 or legislative auditor, paragraph (c) applies.

17.27 (c) If paragraph (b) would apply if the annual audit were provided by the state auditor  
17.28 or legislative auditor, the report required by subdivision 1 must include the market value  
17.29 of the total portfolio and the market value of each asset class included in the pension fund  
17.30 as of the beginning of the calendar year and for each month, and the amount and date of  
17.31 each injection and withdrawal to the total portfolio and to each investment account,  
17.32 investment portfolio, or asset class.

17.33 (d) For public pension plans to which paragraph (b) or (c) applies, the report required  
17.34 by subdivision 1 must also include a calculation of the total time-weighted rate of return

18.1 available from index-matching investments assuming the asset class performance targets  
18.2 and target asset mix indicated in the written statement of investment policy. The provided  
18.3 information must include a description of indices used in the analyses and an explanation  
18.4 of why those indices are appropriate. This paragraph does not apply to any fully invested  
18.5 plan, as defined by subdivision 1, paragraph (b). Reporting by the State Board of Investment  
18.6 under this paragraph is limited to information on the Minnesota public pension plans required  
18.7 to be invested by the State Board of Investment under section 11A.23.

18.8 (e) If a public pension plan has a total market value of less than ~~\$25,000,000~~ \$50,000,000  
18.9 as of the beginning of the calendar year and was never required to file under paragraph (b)  
18.10 or (c), the report required by subdivision 1 must include the amount and date of each total  
18.11 portfolio injection and withdrawal. In addition, the report must include the market value of  
18.12 the total portfolio as of the beginning of the calendar year and for each quarter.

18.13 (f) Any public pension plan reporting under paragraph (b) or (c) must include computed  
18.14 time-weighted rates of return with the report, in addition to all other required information,  
18.15 as applicable. The chief administrative officer of the public pension plan submitting the  
18.16 returns must certify, on a form prescribed by the state auditor, that the returns have been  
18.17 computed by the pension plan's investment performance consultant or custodial bank. The  
18.18 chief administrative officer of the public pension plan submitting the returns also must  
18.19 certify that the returns are net of all costs and fees, including investment management fees,  
18.20 and that the procedures used to compute the returns are consistent with Bank Administration  
18.21 Institute studies of investment performance measurement and presentation standards set by  
18.22 the CFA Institute. If the certifications required under this paragraph are not provided, the  
18.23 reporting requirements of paragraph (c) apply.

18.24 (g) For public pension plans reporting under paragraph (e), the public pension plan must  
18.25 retain supporting information specifying the date and amount of each injection and  
18.26 withdrawal to each investment account and investment portfolio. The public pension plan  
18.27 must also retain the market value of each investment account and investment portfolio at  
18.28 the beginning of the calendar year and for each quarter. Information that is required to be  
18.29 collected and retained for any given year or years under this paragraph must be submitted  
18.30 to the Office of the State Auditor if the Office of the State Auditor requests in writing that  
18.31 the information be submitted by a public pension plan or plans, or be submitted by the State  
18.32 Board of Investment for any plan or plans for which the State Board of Investment is the  
18.33 investment authority under this section. If the state auditor requests information under this  
18.34 subdivision, and the public plan fails to comply, the pension plan is subject to penalties  
18.35 under subdivision 5, unless penalties are waived by the state auditor under that subdivision.

19.1 **EFFECTIVE DATE.** This section is effective January 1, 2020.

19.2 Sec. 4. Minnesota Statutes 2018, section 424A.001, is amended by adding a subdivision  
19.3 to read:

19.4 **Subd. 9a. Break in service.** "Break in service" means temporarily ceasing all of the  
19.5 following with a particular fire department:

19.6 (1) performing fire suppression duties;

19.7 (2) performing fire prevention duties;

19.8 (3) supervising fire suppression duties; and

19.9 (4) supervising fire prevention duties.

19.10 **EFFECTIVE DATE.** This section is effective January 1, 2020.

19.11 Sec. 5. Minnesota Statutes 2018, section 424A.01, subdivision 6, is amended to read:

19.12 **Subd. 6. Return to active firefighting after break in service.** (a) This subdivision  
19.13 governs the service pension calculation requirements of a firefighter who returns to active  
19.14 service after a break in service and applies to all breaks in service, except that the resumption  
19.15 service requirements of this subdivision do not apply to leaves of absence made available  
19.16 by federal statute, such as the Family Medical Leave Act, United States Code, title 29,  
19.17 section 2691, and the Uniformed Services Employment and Reemployment Rights Act,  
19.18 United States Code, title 38, section 4301, and do not apply to leaves of absence made  
19.19 available by state statute, such as the Parental Leave Act, section 181.941; the Leave for  
19.20 Organ Donation Act, section 181.9456; the Leave for Civil Air Patrol Service Act, section  
19.21 181.946; the Leave for Immediate Family Members of Military Personnel Injured or Killed  
19.22 in Active Service Act, section 181.947; or the Protection of Jurors' Employment Act, section  
19.23 593.50.

19.24 (b)(1) If a firefighter who has ~~ceased to perform or supervise fire suppression and fire~~  
19.25 ~~prevention duties for at least 60 days~~ a break in service of any duration resumes performing  
19.26 active firefighting with the fire department associated with the relief association, and if the  
19.27 bylaws of the relief association so permit, the firefighter may again become an active member  
19.28 of the relief association. ~~A firefighter who returns to active service and membership is~~  
19.29 ~~subject to,~~ subject to the requirements of this paragraph and the service pension calculation  
19.30 requirements under this section.

20.1 (2) A firefighter who has been paid a service pension or disability benefit must wait at  
20.2 least 60 days following receipt of the pension or benefit before resuming active firefighting  
20.3 with the fire department and active membership in the relief association.

20.4 ~~(2)~~ (3) A firefighter who has been granted an approved leave of absence not exceeding  
20.5 one year by the fire department or by the relief association is exempt from the minimum  
20.6 period of resumption service requirement of this section.

20.7 ~~(3)~~ (4) A person who has a break in service not exceeding one year but has not been  
20.8 granted an approved leave of absence ~~and who has not received a service pension or disability~~  
20.9 ~~benefit~~ may be made exempt from the minimum period of resumption service requirement  
20.10 of this section by the relief association bylaws.

20.11 ~~(4)~~ (5) If the bylaws so provide, a firefighter who returns to active relief association  
20.12 membership ~~under this paragraph~~ after a break in service of any duration may continue to  
20.13 collect a monthly service pension from the relief association, notwithstanding the ~~service~~  
20.14 ~~pension-eligibility requirements~~ requirement under chapter 424A section 424A.02,  
20.15 subdivision 1, that the firefighter has separated from active service.

20.16 (c) If a former firefighter who has ~~received~~ been paid a service pension or disability  
20.17 benefit returns to active relief association membership under paragraph (b), the firefighter  
20.18 may qualify for the receipt of a service pension from the relief association for the resumption  
20.19 service period if the firefighter meets the service requirements of section 424A.016,  
20.20 subdivision 3, or 424A.02, subdivision 2, as applicable, or meets the resumption minimum  
20.21 service requirements specified in the relief association's bylaws. No firefighter may be paid  
20.22 a service pension more than once for the same period of service.

20.23 (d) If a former firefighter who has not ~~received~~ been paid a service pension or disability  
20.24 benefit returns to active relief association membership under paragraph (b), the firefighter  
20.25 may qualify for the receipt of a service pension from the relief association for the original  
20.26 and resumption service periods if the firefighter meets the service requirements of section  
20.27 424A.016, subdivision 3, or 424A.02, subdivision 2, based on the original and resumption  
20.28 years of service credit.

20.29 (e) A firefighter who returns to active lump-sum relief association membership under  
20.30 paragraph (b) and who qualifies for a service pension under paragraph (c) must have, upon  
20.31 a subsequent cessation of duties, any service pension for the resumption service period  
20.32 calculated as a separate benefit. If a lump-sum service pension had been paid to the firefighter  
20.33 upon the firefighter's previous cessation of duties, a second lump-sum service pension for  
20.34 the resumption service period must be calculated by applying the service pension amount

21.1 in effect on the date of the firefighter's termination of the resumption service for all years  
21.2 of the resumption service.

21.3 (f) A firefighter who had not been paid a lump-sum service pension returns to active  
21.4 relief association membership under paragraph (b), who did not meet the minimum period  
21.5 of resumption service requirement specified in the relief association's bylaws, but who does  
21.6 meet the minimum service requirement of section 424A.02, subdivision 2, based on the  
21.7 firefighter's original and resumption years of active service, must have, upon a subsequent  
21.8 cessation of duties, a service pension for the original and resumption service periods  
21.9 calculated by applying the service pension amount in effect on the date of the firefighter's  
21.10 termination of the resumption service, or, if the bylaws so provide, based on the service  
21.11 pension amount in effect on the date of the firefighter's previous cessation of duties. The  
21.12 service pension for a firefighter who returns to active lump-sum relief association membership  
21.13 under this paragraph, but who had met the minimum period of resumption service requirement  
21.14 specified in the relief association's bylaws, must be calculated by applying the service  
21.15 pension amount in effect on the date of the firefighter's termination of the resumption service.

21.16 (g) If a firefighter receiving a monthly benefit service pension returns to active monthly  
21.17 benefit relief association membership under paragraph (b), and if the relief association  
21.18 bylaws do not allow for the firefighter to continue collecting a monthly service pension,  
21.19 any monthly benefit service pension payable to the firefighter is suspended as of the first  
21.20 day of the month next following the date on which the firefighter returns to active  
21.21 membership. If the firefighter was receiving a monthly benefit service pension, and qualifies  
21.22 for a service pension under paragraph (c), the firefighter is entitled to an additional monthly  
21.23 benefit service pension upon a subsequent cessation of duties calculated based on the  
21.24 resumption service credit and the service pension accrual amount in effect on the date of  
21.25 the termination of the resumption service. A suspended initial service pension resumes as  
21.26 of the first of the month next following the termination of the resumption service. If the  
21.27 firefighter was not receiving a monthly benefit service pension and meets the minimum  
21.28 service requirement of section 424A.02, subdivision 2, a service pension must be calculated  
21.29 by applying the service pension amount in effect on the date of the firefighter's termination  
21.30 of the resumption service for all years of service credit.

21.31 (h) A firefighter who was not receiving a monthly benefit service pension returns to  
21.32 active relief association membership under paragraph (b), who did not meet the minimum  
21.33 period of resumption service requirement specified in the relief association's bylaws, but  
21.34 who does meet the minimum service requirement of section 424A.02, subdivision 2, based  
21.35 on the firefighter's original and resumption years of active service, must have, upon a

22.1 subsequent cessation of duties, a service pension for the original and resumption service  
 22.2 periods calculated by applying the service pension amount in effect on the date of the  
 22.3 firefighter's termination of the resumption service, or, if the bylaws so provide, based on  
 22.4 the service pension amount in effect on the date of the firefighter's previous cessation of  
 22.5 duties. The service pension for a firefighter who returns to active relief association  
 22.6 membership under this paragraph, but who had met the minimum period of resumption  
 22.7 service requirement specified in the relief association's bylaws, must be calculated by  
 22.8 applying the service pension amount in effect on the date of the firefighter's termination of  
 22.9 the resumption service.

22.10 (i) For defined contribution plans, a firefighter who returns to active relief association  
 22.11 membership under paragraph (b) and who qualifies for a service pension under paragraph  
 22.12 (c) or (d) must have, upon a subsequent cessation of duties, any service pension for the  
 22.13 resumption service period calculated as a separate benefit. If a service pension had been  
 22.14 paid to the firefighter upon the firefighter's previous cessation of duties, and if the firefighter  
 22.15 meets the minimum service requirement of section 424A.016, subdivision 3, or meets the  
 22.16 resumption minimum service requirements specified in the relief association's bylaws, as  
 22.17 applicable, based on the resumption years of service, a second service pension for the  
 22.18 resumption service period must be calculated to include allocations credited to the firefighter's  
 22.19 individual account during the resumption period of service and deductions for administrative  
 22.20 expenses, if applicable.

22.21 (j) For defined contribution plans, if a firefighter who had not been paid a service pension  
 22.22 returns to active relief association membership under paragraph (b), and who meets the  
 22.23 minimum service requirement of section 424A.016, subdivision 3, based on the firefighter's  
 22.24 original and resumption years of service, must have, upon a subsequent cessation of duties,  
 22.25 a service pension for the original and resumption service periods calculated to include  
 22.26 allocations credited to the firefighter's individual account during the original and resumption  
 22.27 periods of service and deductions for administrative expenses, if applicable, less any amounts  
 22.28 previously forfeited under section 424A.016, subdivision 4.

22.29 **EFFECTIVE DATE.** This section is effective January 1, 2020.

22.30 Sec. 6. Minnesota Statutes 2018, section 424A.015, subdivision 6, is amended to read:

22.31 Subd. 6. **Governing benefit plan provisions.** A service pension or ancillary benefit  
 22.32 payable under this chapter is governed by and must be calculated under the general statute,  
 22.33 special law, relief association articles of incorporation, ~~and~~ or relief association bylaw  
 22.34 provisions applicable on the earlier of the following dates:

23.1 (1) the date on which the member ~~separated~~ separates from active service with the fire  
23.2 department and active membership in the relief association; or

23.3 (2) the date on which the member begins a break in service with the fire department that  
23.4 continues until the member separates from active service with the fire department and active  
23.5 membership in the relief association.

23.6 **EFFECTIVE DATE.** This section is effective January 1, 2020.

23.7 Sec. 7. Minnesota Statutes 2018, section 424A.016, subdivision 3, is amended to read:

23.8 Subd. 3. ~~Reduced Vesting schedule.~~ If the articles of incorporation or bylaws of a  
23.9 defined contribution relief association ~~so provide, a relief association may pay a reduced~~  
23.10 ~~service pension not to exceed the nonforfeitable percentage of the account balance to a~~  
23.11 ~~retiring member who has completed fewer than 20 years of service. The reduced service~~  
23.12 ~~pension may be paid when the retiring member meets the minimum age and service~~  
23.13 ~~requirements of subdivision 2. The nonforfeitable percentage of pension amounts are as~~  
23.14 ~~follows:~~ a vesting schedule that satisfies the requirements of this subdivision, the relief  
23.15 association may pay a reduced service pension to a retiring member. For purposes of this  
23.16 section, "vests," "vesting," or "vested" means a nonforfeitable, unconditional, or legally  
23.17 enforceable right. A member vests in the member's account in accordance with the vesting  
23.18 schedule set forth in the relief association's articles of incorporation or bylaws. Provided a  
23.19 member meets the minimum age and service requirements of subdivision 2, the member is  
23.20 entitled to a service pension equal to the member's account, but only to the extent vested as  
23.21 provided in the vesting schedule set forth in the articles of incorporation or bylaws. In no  
23.22 event may the articles of incorporation or bylaws:

23.23 (1) require that a member have more than 20 years of active service to become 100  
23.24 percent vested in the member's account; or

23.25 (2) provide for a larger vesting percentage than is provided in the following schedule  
23.26 with respect to the completed number of years of active service indicated in the schedule:

	Completed Years of <u>Active Service</u>	<del>Nonforfeitable</del> <u>Vested</u> Percentage of Pension Amount
23.29	5	40 percent
23.30	6	52 percent
23.31	7	64 percent
23.32	8	76 percent
23.33	9	88 percent
23.34	10 <del>and thereafter</del> <u>or more</u>	100 percent

24.1 **EFFECTIVE DATE.** This section is effective January 1, 2020.

24.2 Sec. 8. Minnesota Statutes 2018, section 424A.016, subdivision 6, is amended to read:

24.3 Subd. 6. **Deferred service pensions.** (a) A member of a relief association is entitled to  
24.4 a deferred service pension if the member separates from active service and membership and  
24.5 has completed the minimum service and membership requirements in subdivision 2. The  
24.6 requirement that a member separate from active service and membership is waived for  
24.7 persons who have discontinued their volunteer firefighter duties and who are employed on  
24.8 a full-time basis under section 424A.015, subdivision 1.

24.9 (b) The deferred service pension is payable when the former member reaches at least  
24.10 age 50, or at least the minimum age specified in the bylaws governing the relief association  
24.11 if that age is greater than age 50, and when the former member makes a valid written  
24.12 application.

24.13 (c) A defined contribution relief association may, if its governing bylaws so provide,  
24.14 credit interest or additional investment performance on the deferred lump-sum service  
24.15 pension during the period of deferral. If provided for in the bylaws, the interest must be  
24.16 ~~paid~~ credited:

24.17 (1) at the investment performance rate actually earned on that portion of the assets if the  
24.18 deferred benefit amount is invested by the relief association in a separate account established  
24.19 and maintained by the relief association;

24.20 (2) at the investment performance rate actually earned on that portion of the assets if the  
24.21 deferred benefit amount is invested in a separate investment vehicle held by the relief  
24.22 association; or

24.23 (3) at the investment return on the assets of the special fund of the defined contribution  
24.24 volunteer firefighters relief association in proportion to the share of the assets of the special  
24.25 fund to the credit of each individual deferred member account through the accounting date  
24.26 on which the investment return is recognized by and credited to the special fund.

24.27 (d) Unless the bylaws of a relief association that has elected to pay interest or additional  
24.28 investment performance on deferred lump-sum service pensions under paragraph (c) specifies  
24.29 a different interest or additional investment performance method, including the interest or  
24.30 additional investment performance period starting date and ending date, the interest or  
24.31 additional investment performance on a deferred service pension is creditable as follows:

24.32 (1) for a relief association that has elected to ~~pay~~ credit interest or additional investment  
24.33 performance under paragraph (c), clause (1) or (3), beginning on the date that the member



25.1 separates from active service and membership and ending on the accounting date immediately  
 25.2 before the deferred member commences receipt of the deferred service pension; or

25.3 (2) for a relief association that has elected to pay credit interest or additional investment  
 25.4 performance under paragraph (c), clause (2), beginning on the date that the member separates  
 25.5 from active service and membership and ending on the date that the separate investment  
 25.6 vehicle is valued immediately before the date on which the deferred member commences  
 25.7 receipt of the deferred service pension.

25.8 **EFFECTIVE DATE.** This section is effective January 1, 2020.

25.9 Sec. 9. Minnesota Statutes 2018, section 424A.02, subdivision 2, is amended to read:

25.10 Subd. 2. ~~Nonforfeitable portion of service pension~~ **Vesting schedule.** (a) If the articles  
 25.11 of incorporation or bylaws of a defined benefit relief association ~~so provide, the relief~~  
 25.12 ~~association may pay a reduced service pension to a retiring member who has completed~~  
 25.13 ~~fewer than 20 years of service. The reduced service pension may be paid when the retiring~~  
 25.14 ~~member meets the minimum age and service requirements of subdivision 1. a vesting~~  
 25.15 ~~schedule that satisfies the requirements of this subdivision, the relief association may pay~~  
 25.16 ~~a reduced service pension to a retiring member. For purposes of this section, "vests,"~~  
 25.17 ~~"vesting," or "vested" means a nonforfeitable, unconditional, or legally enforceable right.~~  
 25.18 A member vests in the member's accrued service pension in accordance with the vesting  
 25.19 schedule set forth in the relief association's articles of incorporation or bylaws. Provided a  
 25.20 member meets the minimum age and service requirements of subdivision 1, the member is  
 25.21 entitled to the member's accrued service pension, but only to the extent vested as provided  
 25.22 in the vesting schedule set forth in the articles of incorporation or bylaws. In no event may  
 25.23 the articles of incorporation or bylaws:

25.24 (b) ~~The amount of the reduced service pension may not exceed the amount calculated~~  
 25.25 ~~by multiplying the service pension appropriate for the completed years of service as specified~~  
 25.26 ~~in the bylaws multiplied by the applicable nonforfeitable percentage of pension.~~

25.27 (c) ~~For a defined benefit volunteer firefighters relief association that pays a lump-sum~~  
 25.28 ~~service pension, a monthly benefit service pension, or a lump-sum service pension or a~~  
 25.29 ~~monthly benefit service pension as alternative benefit forms, the nonforfeitable percentage~~  
 25.30 ~~of pension amounts are as follows:~~

25.31 (1) require that a member have more than 20 years of active service to become 100  
 25.32 percent vested in the member's accrued service pension; or

26.1 (2) provide for a larger vesting percentage than is provided in the following schedule  
 26.2 with respect to the completed number of years of active service indicated in the schedule:

26.3	Completed Years of <u>Active Service</u>	<del>Nonforfeitable</del> <u>Vested</u> Percentage of
26.4		Pension Amount
26.5	5	40 percent
26.6	6	<del>44</del> <u>52</u> percent
26.7	7	<del>48</del> <u>64</u> percent
26.8	8	<del>52</del> <u>76</u> percent
26.9	9	<del>56</del> <u>88</u> percent
26.10	<del>10</del>	<del>60</del> percent
26.11	<del>11</del>	<del>64</del> percent
26.12	<del>12</del>	<del>68</del> percent
26.13	<del>13</del>	<del>72</del> percent
26.14	<del>14</del>	<del>76</del> percent
26.15	<del>15</del>	<del>80</del> percent
26.16	<del>16</del>	<del>84</del> percent
26.17	<del>17</del>	<del>88</del> percent
26.18	<del>18</del>	<del>92</del> percent
26.19	<del>19</del>	<del>96</del> percent
26.20	<u>20 10 and thereafter or more</u>	100 percent

26.21 **EFFECTIVE DATE.** This section is effective January 1, 2020.

26.22 Sec. 10. Minnesota Statutes 2018, section 424A.02, subdivision 7, is amended to read:

26.23 Subd. 7. **Deferred service pensions.** (a) A member of a defined benefit relief association  
 26.24 is entitled to a deferred service pension if the member separates from active service and  
 26.25 membership and has completed the minimum service and membership requirements in  
 26.26 subdivision 1. The requirement that a member separate from active service and membership  
 26.27 is waived for persons who have discontinued their volunteer firefighter duties and who are  
 26.28 employed on a full-time basis under section 424A.015, subdivision 1.

26.29 (b) The deferred service pension is payable when the former member reaches at least  
 26.30 age 50, or at least the minimum age specified in the bylaws governing the relief association  
 26.31 if that age is greater than age 50, and when the former member makes a valid written  
 26.32 application.

26.33 (c) A defined benefit relief association that provides a lump-sum service pension governed  
 26.34 by subdivision 3 may, when its governing bylaws so provide, ~~pay~~ credit interest on the

27.1 deferred lump-sum service pension during the period of deferral. If provided for in the  
27.2 bylaws, interest must be ~~paid~~ credited in one of the following manners:

27.3 (1) at the investment performance rate actually earned on that portion of the assets if the  
27.4 deferred benefit amount is invested by the relief association in a separate account established  
27.5 and maintained by the relief association;

27.6 (2) at the investment performance rate actually earned on that portion of the assets if the  
27.7 deferred benefit amount is invested in a separate investment vehicle held by the relief  
27.8 association; or

27.9 (3) at an interest rate of up to five percent, compounded annually, as set by the board of  
27.10 trustees.

27.11 (d) Any change in the interest rate set by the board of trustees under paragraph (c), clause  
27.12 (3), must be ratified by the governing body of the municipality or joint powers entity served  
27.13 by the fire department to which the relief association is directly associated, or by the  
27.14 independent nonprofit firefighting corporation, as applicable.

27.15 (e) Interest under paragraph (c), clause (3), is ~~payable~~ credited beginning on the January  
27.16 1 next following the date on which the deferred service pension interest rate as set by the  
27.17 board of trustees was ratified by the governing body of the municipality or joint powers  
27.18 entity served by the fire department to which the relief association is directly associated, or  
27.19 by the independent nonprofit firefighting corporation, as applicable.

27.20 (f) Unless the bylaws of a relief association that has elected to ~~pay~~ credit interest or  
27.21 additional investment performance on deferred lump-sum service pensions under paragraph  
27.22 (c) specifies a different interest or additional investment performance method, including  
27.23 the interest or additional investment performance period starting date and ending date, the  
27.24 interest or additional investment performance on a deferred service pension is creditable as  
27.25 follows:

27.26 (1) for a relief association that has elected to ~~pay~~ credit interest or additional investment  
27.27 performance under paragraph (c), clause (1) or (3), beginning on the first day of the month  
27.28 next following the date on which the member separates from active service and membership  
27.29 and ending on the last day of the month immediately before the month in which the deferred  
27.30 member commences receipt of the deferred service pension; or

27.31 (2) for a relief association that has elected to ~~pay~~ credit interest or additional investment  
27.32 performance under paragraph (c), clause (2), beginning on the date that the member separates  
27.33 from active service and membership and ending on the date that the separate investment

28.1 vehicle is valued immediately before the date on which the deferred member commences  
28.2 receipt of the deferred service pension.

28.3 (g) For a deferred service pension that is transferred to a separate account established  
28.4 and maintained by the relief association or separate investment vehicle held by the relief  
28.5 association, the deferred member bears the full investment risk subsequent to transfer and  
28.6 in calculating the accrued liability of the volunteer firefighters relief association that pays  
28.7 a lump-sum service pension, the accrued liability for deferred service pensions is equal to  
28.8 the separate relief association account balance or the fair market value of the separate  
28.9 investment vehicle held by the relief association.

28.10 **EFFECTIVE DATE.** This section is effective January 1, 2020.

28.11 Sec. 11. Minnesota Statutes 2018, section 424A.02, subdivision 9, is amended to read:

28.12 Subd. 9. **Limitation on ancillary benefits.** A defined benefit relief association, including  
28.13 any volunteer firefighters relief association governed by Laws 2013, chapter 111, article 5,  
28.14 sections 31 to 42, or any volunteer firefighters division of a relief association governed by  
28.15 chapter 424, may only pay ancillary benefits which would constitute an authorized  
28.16 disbursement as specified in section 424A.05 subject to the following requirements or  
28.17 limitations:

28.18 (1) with respect to a defined benefit relief association in which governing bylaws provide  
28.19 solely for a lump-sum service pension to a retiring member, or provide a retiring member  
28.20 the choice of either a lump-sum service pension or a monthly service pension and the  
28.21 lump-sum service pension was chosen, no ancillary benefit may be paid to any former  
28.22 member or paid to any person on behalf of any former member after the former member (i)  
28.23 terminates active service with the fire department and active membership in the relief  
28.24 association; and (ii) commences receipt of a service pension as authorized under this section;  
28.25 and

28.26 (2) with respect to any defined benefit relief association, no ancillary benefit paid or  
28.27 payable to any member, to any former member, or to any person on behalf of any member  
28.28 or former member, may exceed in amount the total earned service pension of the member  
28.29 or former member. The total earned service pension must be calculated by multiplying the  
28.30 service pension amount specified in the bylaws of the relief association at the time of death  
28.31 or disability, whichever applies, by the years of service credited to the member or former  
28.32 member. The years of service must be determined as of (i) the date the member or former  
28.33 member became entitled to the ancillary benefit; or (ii) the date the member or former  
28.34 member died entitling a survivor or the estate of the member or former member to an

29.1 ancillary benefit. The ancillary benefit must be calculated without regard to whether the  
29.2 member had attained the minimum amount of service and membership credit specified in  
29.3 the governing bylaws. For active members, the amount of a permanent disability benefit or  
29.4 a survivor benefit must be equal to the member's total earned service pension except that  
29.5 the bylaws of a defined benefit relief association may provide for the payment of a survivor  
29.6 benefit in an amount not to exceed five times the yearly service pension amount specified  
29.7 in the bylaws on behalf of any member who dies before having performed five years of  
29.8 active service in the fire department with which the relief association is affiliated. For  
29.9 deferred members, the amount of a permanent disability benefit or a survivor benefit must  
29.10 be calculated using the service pension amount in effect on the date specified in section  
29.11 424A.015, subdivision 6, unless the bylaws of the relief association specify a different  
29.12 service pension amount to be used for the calculation.

29.13 (3)(i) If a lump sum survivor or death benefit is payable under the articles of incorporation  
29.14 or bylaws, the benefit must be paid:

29.15 (A) as a survivor benefit to the surviving spouse of the deceased firefighter;

29.16 (B) as a survivor benefit to the surviving children of the deceased firefighter if no  
29.17 surviving spouse;

29.18 (C) as a survivor benefit to a designated beneficiary of the deceased firefighter if no  
29.19 surviving spouse or surviving children; or

29.20 (D) as a death benefit to the estate of the deceased active or deferred firefighter if no  
29.21 surviving children and no beneficiary designated.

29.22 (ii) If there are no surviving children, the surviving spouse may waive, in writing, wholly  
29.23 or partially, the spouse's entitlement to a survivor benefit.

29.24 (4)(i) If a monthly benefit survivor or death benefit is payable under the articles of  
29.25 incorporation or bylaws, the benefit must be paid:

29.26 (A) as a survivor benefit to the surviving spouse of the deceased firefighter;

29.27 (B) as a survivor benefit to the surviving children of the deceased firefighter if no  
29.28 surviving spouse;

29.29 (C) as a survivor benefit to a designated beneficiary of the deceased firefighter if no  
29.30 surviving spouse or surviving children; or

29.31 (D) as a death benefit to the estate of the deceased active or deferred firefighter if no  
29.32 surviving spouse, no surviving children, and no beneficiary designated.

30.1 (ii) If there are no surviving children, the surviving spouse may waive, in writing, wholly  
30.2 or partially, the spouse's entitlement to a survivor benefit.

30.3 (iii) For purposes of this clause, if the relief association bylaws authorize a monthly  
30.4 survivor benefit payable to a designated beneficiary, the relief association bylaws may limit  
30.5 the total survivor benefit amount payable.

30.6 (5) For purposes of this section, for a monthly benefit volunteer fire relief association  
30.7 or for a combination lump-sum and monthly benefit volunteer fire relief association where  
30.8 a monthly benefit service pension has been elected by or a monthly benefit is payable with  
30.9 respect to a firefighter, a designated beneficiary must be a natural person. For purposes of  
30.10 this section, for a lump-sum volunteer fire relief association or for a combination lump-sum  
30.11 and monthly benefit volunteer fire relief association where a lump-sum service pension has  
30.12 been elected by or a lump-sum benefit is payable with respect to a firefighter, a trust created  
30.13 under chapter 501C may be a designated beneficiary. If a trust is payable to the surviving  
30.14 children organized under chapter 501C as authorized by this section and there is no surviving  
30.15 spouse, the survivor benefit may be paid to the trust, notwithstanding a requirement of this  
30.16 section to the contrary.

30.17 **EFFECTIVE DATE.** This section is effective January 1, 2020.

30.18 Sec. 12. Minnesota Statutes 2018, section 424A.02, subdivision 10, is amended to read:

30.19 Subd. 10. **Local approval of bylaw amendments; filing requirements.** (a) Each defined  
30.20 benefit relief association to which this section applies must file a revised copy of its governing  
30.21 bylaws with the state auditor upon the adoption of any amendment to its governing bylaws  
30.22 by the relief association or upon the approval of any amendment to its governing bylaws  
30.23 granted by the governing body of ~~each~~ the municipality served by the fire department to  
30.24 which the relief association is directly associated or by the independent nonprofit firefighting  
30.25 corporation, as applicable. Failure of the relief association to file a copy of the bylaws or  
30.26 any bylaw amendments with the state auditor disqualifies the municipality from the  
30.27 distribution of any future fire state aid until this filing requirement has been completed.

30.28 (b) If the special fund of the relief association does not have a surplus over full funding  
30.29 under section 424A.092, subdivision 3, paragraph (c), clause (5), or 424A.093, subdivision  
30.30 4, and if the municipality is required to provide financial support to the special fund of the  
30.31 relief association under section 424A.092 or 424A.093, no bylaw amendment which would  
30.32 affect the amount of, the manner of payment of, or the conditions for qualification for service  
30.33 pensions or ancillary benefits or disbursements other than administrative expenses authorized  
30.34 under section 69.80 payable from the special fund of the relief association is effective until

31.1 it has been ratified as required under section 424A.092, subdivision 6, or 424A.093,  
31.2 subdivision 6. If the special fund of the relief association has a surplus over full funding  
31.3 under section 424A.092, subdivision 3, or 424A.093, subdivision 4, and if the municipality  
31.4 is not required to provide financial support to the special fund under this section, the relief  
31.5 association may adopt or amend without municipal ratification its articles of incorporation  
31.6 or bylaws which increase or otherwise affect the service pensions or ancillary benefits  
31.7 payable from the special fund if authorized under section 424A.092, subdivision 6, or  
31.8 424A.093, subdivision 6.

31.9 (c) If the relief association pays only a lump-sum pension, the financial requirements  
31.10 are to be determined by the board of trustees following the preparation of an estimate of  
31.11 the expected increase in the accrued liability and annual accruing liability of the relief  
31.12 association attributable to the change. If the relief association pays a monthly benefit service  
31.13 pension, the financial requirements are to be determined by the board of trustees following  
31.14 either an updated actuarial valuation including the proposed change or an estimate of the  
31.15 expected actuarial impact of the proposed change prepared by the actuary of the relief  
31.16 association. If a relief association adopts or amends its articles of incorporation or bylaws  
31.17 without municipal ratification under this subdivision, and, subsequent to the amendment or  
31.18 adoption, the financial requirements of the special fund under this section are such so as to  
31.19 require financial support from the municipality, the provision which was implemented  
31.20 without municipal ratification is no longer effective without municipal ratification, and any  
31.21 service pensions or ancillary benefits payable after that date must be paid only in accordance  
31.22 with the articles of incorporation or bylaws as amended or adopted with municipal  
31.23 ratification.

31.24 **EFFECTIVE DATE.** This section is effective January 1, 2020.

31.25 Sec. 13. Minnesota Statutes 2018, section 424A.10, subdivision 1, is amended to read:

31.26 Subdivision 1. **Definitions.** For purposes of this section:

31.27 (1) "qualified recipient" means a volunteer firefighter who receives a lump-sum  
31.28 distribution of pension or retirement benefits from a volunteer firefighters relief association  
31.29 or from the voluntary statewide lump-sum volunteer firefighter retirement plan;

31.30 (2) "survivor of a deceased active or deferred volunteer firefighter" means the surviving  
31.31 spouse of a deceased active or deferred volunteer firefighter or, if none, the surviving child  
31.32 or children of a deceased active or deferred volunteer firefighter, or, if none, the designated  
31.33 beneficiary of the deceased active or deferred volunteer firefighter, or, if no beneficiary has  
31.34 been designated, the estate of the deceased active or deferred volunteer firefighter;

32.1 (3) "active volunteer firefighter" means a person who:

32.2 (i) regularly renders fire suppression service, the performance or supervision of authorized  
32.3 fire prevention duties, or the performance or supervision of authorized emergency medical  
32.4 response activities for a fire department;

32.5 (ii) has met the statutory and other requirements for relief association membership; and

32.6 (iii) is deemed by the relief association under law and its bylaws to be a fully qualified  
32.7 member of the relief association or from the voluntary statewide lump-sum volunteer  
32.8 firefighter retirement plan for at least one month;

32.9 (4) "deferred volunteer firefighter" means a former active volunteer firefighter who:

32.10 (i) terminated active firefighting service, the performance or supervision of authorized  
32.11 fire prevention duties, or the performance or supervision of authorized emergency medical  
32.12 response activities; and

32.13 (ii) has sufficient service credit from the applicable relief association or from the voluntary  
32.14 statewide lump-sum volunteer firefighter retirement plan to be entitled to a service pension  
32.15 under the bylaws of the relief association, but has not applied for or has not received the  
32.16 service pension; and

32.17 (5) "volunteer firefighter" includes an individual whose services were utilized to perform  
32.18 or supervise fire prevention duties if authorized under section 424A.01, subdivision 5, and  
32.19 individuals whose services were used to perform emergency medical response duties or  
32.20 supervise emergency medical response activities if authorized under section 424A.01,  
32.21 subdivision 5a.

32.22 **EFFECTIVE DATE.** This section is effective January 1, 2020, and applies to  
32.23 supplemental benefits paid by a relief association in 2019 and thereafter for the death of an  
32.24 active or deferred volunteer firefighter that occurred on or after January 1, 2019.

32.25 Sec. 14. Laws 2018, chapter 211, article 14, section 26, is amended to read:

32.26 Sec. 26. **CITY OF AUSTIN; ALLOCATION OF FIRE STATE AID FOR**  
32.27 **FIREFIGHTERS.**

32.28 (a) Notwithstanding any law to the contrary, the city of Austin must annually:

32.29 (1) determine the amount of state aid required under the bylaws of the Austin Parttime  
32.30 Firefighters Relief Association to fund the volunteer firefighters' service pensions;



33.1 (2) transmit to the Austin Parttime Firefighters Relief Association any supplemental  
33.2 state aid received under Minnesota Statutes, section 423A.022;

33.3 (3) transmit to the Austin Parttime Firefighters Relief Association an amount of fire  
33.4 state aid under Minnesota Statutes, sections 69.011 to 69.051, equal to the difference between  
33.5 the amount determined under clause (1) and the amount transmitted under clause (2); and

33.6 (4) transmit the remaining balance of fire state aid under Minnesota Statutes, sections  
33.7 69.011 to 69.051, for the payment of the employer contribution requirements for firefighters  
33.8 covered by the public employees police and fire retirement plan under Minnesota Statutes,  
33.9 section 353.65, subdivision 3.

33.10 (b) Notwithstanding Minnesota Statutes, section 69.031, subdivision 5, the city of Austin  
33.11 has no liability to the relief association related to payments it made or will make to the  
33.12 public employees police and fire retirement plan from fire state aid for 2013, 2014, 2015,  
33.13 2016, 2017, ~~and 2018,~~ and 2019.

33.14 (c) ~~This section~~ Paragraph (a) expires July 1, ~~2019~~ 2020.

33.15 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
33.16 city of Austin and its chief clerical officer comply with Minnesota Statutes, section 645.021,  
33.17 subdivisions 2 and 3.

33.18 Sec. 15. **GRANDFATHERING PREVIOUSLY APPROVED TERMINATIONS.**

33.19 For any entity with a governing board that approved resolutions to terminate participation  
33.20 in the statewide volunteer firefighter plan established by chapter 353G before the effective  
33.21 date of this act, the termination date is September 30, 2019, and the termination process  
33.22 and disposition of assets set forth in the resolutions shall control, notwithstanding the  
33.23 provisions of this act.

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

33.25 Sec. 16. **REPEALER.**

33.26 Minnesota Statutes 2018, section 353G.15, is repealed.

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

33.28 Amend the title accordingly