

1.1 moves to amend S.F. No. 2620, the second engrossment, as follows:

1.2 Page 179, after line 1, insert:

1.3 "Sec. 25. Minnesota Statutes 2016, section 424B.20, is amended by adding a subdivision
1.4 to read:

1.5 Subd. 4a. **Disposition of surplus assets upon dissolution of certain volunteer**
1.6 **firefighters relief associations.** Notwithstanding any provision to the contrary in subdivision
1.7 4, if a volunteer firefighters relief association provides a lump-sum service pension equal
1.8 to \$9,500 or more for each year of service as of the effective date of this section, upon
1.9 dissolution under section 424B.20 and payment of the last service pension or benefit due
1.10 and owing, any remaining assets in the trust fund cancel as follows:

1.11 (1) if the municipality was required to make contributions to the relief association under
1.12 chapter 424A at any time during the ten years preceding the effective date of this section,
1.13 the remaining assets cancel to the general fund of the municipality; or

1.14 (2) if the municipality was not required to make contributions to the relief association
1.15 under chapter 424A at any time during the ten years preceding the effective date of this
1.16 section, the remaining assets cancel to the general fund of the state.

1.17 **EFFECTIVE DATE.** This section is effective the day following final enactment and
1.18 applies to dissolutions initiated retroactive to May 8, 2018."

1.19 Page 187, after line 3, insert:

1.20 "Sec. 29. **CERTAIN VOLUNTEER FIREFIGHTERS RELIEF ASSOCIATION**
1.21 **SERVICE PENSIONS.**

1.22 (a) As used in this section, "qualifying volunteer firefighters relief association" means
1.23 a volunteer firefighters relief association with a funding ratio of greater than 100 percent
1.24 as of the most recent fiscal year end, and which provides a lump sum pension benefit based
1.25 on a lump sum pension amount equal to \$9,500 or more, as of the effective date of this

2.1 section. For purposes of this section, "qualifying volunteer firefighters relief association"
 2.2 does not include an association whose maximum lump-sum pension amount is specifically
 2.3 established by other provisions of this bill.

2.4 (b) Notwithstanding any provision of Minnesota Statutes, section 424A.02, subdivision
 2.5 3, paragraph (d), to the contrary, the maximum lump-sum pension amount for each year of
 2.6 service credited that may be provided for in the bylaws of a qualifying volunteer firefighters
 2.7 relief association is the maximum service pension figure corresponding to the average
 2.8 amount of available financing per active covered firefighter for the applicable specified
 2.9 period:

	<u>Minimum Average Amount of Available Financing per Firefighter</u>	<u>Maximum Lump-Sum Service Pension Amount Payable for Each Year of Service</u>
2.13	<u>\$...</u>	<u>\$ 10</u>
2.14	<u>11</u>	<u>20</u>
2.15	<u>16</u>	<u>30</u>
2.16	<u>23</u>	<u>40</u>
2.17	<u>27</u>	<u>50</u>
2.18	<u>32</u>	<u>60</u>
2.19	<u>43</u>	<u>80</u>
2.20	<u>54</u>	<u>100</u>
2.21	<u>65</u>	<u>120</u>
2.22	<u>77</u>	<u>140</u>
2.23	<u>86</u>	<u>160</u>
2.24	<u>97</u>	<u>180</u>
2.25	<u>108</u>	<u>200</u>
2.26	<u>131</u>	<u>240</u>
2.27	<u>151</u>	<u>280</u>
2.28	<u>173</u>	<u>320</u>
2.29	<u>194</u>	<u>360</u>
2.30	<u>216</u>	<u>400</u>
2.31	<u>239</u>	<u>440</u>
2.32	<u>259</u>	<u>480</u>
2.33	<u>281</u>	<u>520</u>
2.34	<u>302</u>	<u>560</u>
2.35	<u>324</u>	<u>600</u>
2.36	<u>347</u>	<u>640</u>
2.37	<u>367</u>	<u>680</u>
2.38	<u>389</u>	<u>720</u>

3.1	<u>410</u>	<u>760</u>
3.2	<u>432</u>	<u>800</u>
3.3	<u>486</u>	<u>900</u>
3.4	<u>540</u>	<u>1000</u>
3.5	<u>594</u>	<u>1100</u>
3.6	<u>648</u>	<u>1200</u>
3.7	<u>702</u>	<u>1300</u>
3.8	<u>756</u>	<u>1400</u>
3.9	<u>810</u>	<u>1500</u>
3.10	<u>864</u>	<u>1600</u>
3.11	<u>918</u>	<u>1700</u>
3.12	<u>972</u>	<u>1800</u>
3.13	<u>1026</u>	<u>1900</u>
3.14	<u>1080</u>	<u>2000</u>
3.15	<u>1134</u>	<u>2100</u>
3.16	<u>1188</u>	<u>2200</u>
3.17	<u>1242</u>	<u>2300</u>
3.18	<u>1296</u>	<u>2400</u>
3.19	<u>1350</u>	<u>2500</u>
3.20	<u>1404</u>	<u>2600</u>
3.21	<u>1458</u>	<u>2700</u>
3.22	<u>1512</u>	<u>2800</u>
3.23	<u>1566</u>	<u>2900</u>
3.24	<u>1620</u>	<u>3000</u>
3.25	<u>1672</u>	<u>3100</u>
3.26	<u>1726</u>	<u>3200</u>
3.27	<u>1753</u>	<u>3250</u>
3.28	<u>1780</u>	<u>3300</u>
3.29	<u>1820</u>	<u>3375</u>
3.30	<u>1834</u>	<u>3400</u>
3.31	<u>1888</u>	<u>3500</u>
3.32	<u>1942</u>	<u>3600</u>
3.33	<u>1996</u>	<u>3700</u>
3.34	<u>2023</u>	<u>3750</u>
3.35	<u>2050</u>	<u>3800</u>
3.36	<u>2104</u>	<u>3900</u>
3.37	<u>2158</u>	<u>4000</u>
3.38	<u>2212</u>	<u>4100</u>

4.1	<u>2265</u>	<u>4200</u>
4.2	<u>2319</u>	<u>4300</u>
4.3	<u>2373</u>	<u>4400</u>
4.4	<u>2427</u>	<u>4500</u>
4.5	<u>2481</u>	<u>4600</u>
4.6	<u>2535</u>	<u>4700</u>
4.7	<u>2589</u>	<u>4800</u>
4.8	<u>2643</u>	<u>4900</u>
4.9	<u>2697</u>	<u>5000</u>
4.10	<u>2751</u>	<u>5100</u>
4.11	<u>2805</u>	<u>5200</u>
4.12	<u>2859</u>	<u>5300</u>
4.13	<u>2913</u>	<u>5400</u>
4.14	<u>2967</u>	<u>5500</u>
4.15	<u>3021</u>	<u>5600</u>
4.16	<u>3075</u>	<u>5700</u>
4.17	<u>3129</u>	<u>5800</u>
4.18	<u>3183</u>	<u>5900</u>
4.19	<u>3237</u>	<u>6000</u>
4.20	<u>3291</u>	<u>6100</u>
4.21	<u>3345</u>	<u>6200</u>
4.22	<u>3399</u>	<u>6300</u>
4.23	<u>3453</u>	<u>6400</u>
4.24	<u>3507</u>	<u>6500</u>
4.25	<u>3561</u>	<u>6600</u>
4.26	<u>3615</u>	<u>6700</u>
4.27	<u>3669</u>	<u>6800</u>
4.28	<u>3723</u>	<u>6900</u>
4.29	<u>3777</u>	<u>7000</u>
4.30	<u>3831</u>	<u>7100</u>
4.31	<u>3885</u>	<u>7200</u>
4.32	<u>3939</u>	<u>7300</u>
4.33	<u>3993</u>	<u>7400</u>
4.34	<u>4047</u>	<u>7500</u>
4.35	<u>4101</u>	<u>7600</u>
4.36	<u>4155</u>	<u>7700</u>
4.37	<u>4209</u>	<u>7800</u>
4.38	<u>4263</u>	<u>7900</u>

5.1	<u>4317</u>	<u>8000</u>
5.2	<u>4371</u>	<u>8100</u>
5.3	<u>4425</u>	<u>8200</u>
5.4	<u>4479</u>	<u>8300</u>
5.5	<u>4533</u>	<u>8400</u>
5.6	<u>4587</u>	<u>8500</u>
5.7	<u>4641</u>	<u>8600</u>
5.8	<u>4695</u>	<u>8700</u>
5.9	<u>4749</u>	<u>8800</u>
5.10	<u>4803</u>	<u>8900</u>
5.11	<u>4857</u>	<u>9000</u>
5.12	<u>4911</u>	<u>9100</u>
5.13	<u>4965</u>	<u>9200</u>
5.14	<u>5019</u>	<u>9300</u>
5.15	<u>5073</u>	<u>9400</u>
5.16	<u>5127</u>	<u>9500</u>
5.17	<u>5181</u>	<u>9600</u>
5.18	<u>5235</u>	<u>9700</u>
5.19	<u>5289</u>	<u>9800</u>
5.20	<u>5343</u>	<u>9900</u>
5.21	<u>5397</u>	<u>10,000</u>
5.22	<u>5451</u>	<u>10,100</u>
5.23	<u>5505</u>	<u>10,200</u>
5.24	<u>5559</u>	<u>10,300</u>
5.25	<u>5613</u>	<u>10,400</u>
5.26	<u>5667</u>	<u>10,500</u>
5.27	<u>5721</u>	<u>10,600</u>
5.28	<u>5775</u>	<u>10,700</u>
5.29	<u>5729</u>	<u>10,800</u>
5.30	<u>5883</u>	<u>10,900</u>
5.31	<u>5937</u>	<u>11,000</u>
5.32	<u>5991</u>	<u>11,100</u>
5.33	<u>6045</u>	<u>11,200</u>
5.34	<u>6099</u>	<u>11,300</u>
5.35	<u>6153</u>	<u>11,400</u>
5.36	<u>6207</u>	<u>11,500</u>
5.37	<u>6261</u>	<u>11,600</u>
5.38	<u>6315</u>	<u>11,700</u>

6.1	<u>6369</u>	<u>11,800</u>
6.2	<u>6423</u>	<u>11,900</u>
6.3	<u>6477</u>	<u>12,000</u>
6.4	<u>6531</u>	<u>12,100</u>
6.5	<u>6585</u>	<u>12,200</u>
6.6	<u>6639</u>	<u>12,300</u>
6.7	<u>6693</u>	<u>12,400</u>
6.8	<u>6747</u>	<u>12,500</u>
6.9	<u>any amount in excess of 6747</u>	<u>12,500</u>

6.10 (c) The maximum monthly service pension amount per month for each year of service
6.11 credited that may be provided for in the bylaws of the volunteer firefighters relief association
6.12 must be set pursuant to Minnesota Statutes, section 424A.02, subdivision 3, paragraph (c).

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

6.14 Page 187, after line 11, insert:

6.15 "Sec. 31. **RELIEF ASSOCIATION WORK GROUP.**

6.16 (a) The executive director of the Legislative Commission on Pensions and Retirement
6.17 shall convene a work group immediately following the end of the regular 2018 legislative
6.18 session to study the following:

6.19 (1) the statutes governing conversions from a defined benefit plan to a defined
6.20 contribution plan and aspects of such conversions that are not addressed or that are addressed
6.21 by statutes that are ambiguous or unclear;

6.22 (2) the statutes governing dissolution of relief associations and the disposition of surplus
6.23 assets;

6.24 (3) the prevalence of overfunded defined benefit relief associations in the state and the
6.25 status of transitions underway at fire departments in the state from using the services of
6.26 volunteer firefighters to employing salaried firefighters;

6.27 (4) alternatives for determining accrued benefits, vesting, and surplus assets upon
6.28 conversion and for allocating surplus assets among firefighters, the affiliated municipality,
6.29 or the state in the form of a reversion of fire state aid;

6.30 (5) alternatives for legislation that amends or supplements the statutes identified in
6.31 clauses (1) and (2); and

6.32 (6) any related issues identified by the work group.

7.1 (b) Members of the work group shall include as many of the following individuals as
7.2 are available, not to exceed twelve individuals:

7.3 (1) at least two municipal officials, each from a municipality with an affiliated defined
7.4 benefit relief association, designated by the League of Minnesota Cities;

7.5 (2) one representative from the League of Minnesota Cities;

7.6 (3) at least two fire chiefs, designated by the Minnesota State Fire Chiefs Association,
7.7 from fire departments that use both volunteers covered by a defined benefit relief association
7.8 and salaried firefighters covered by the public employees police and fire retirement plan;

7.9 (4) at least two active volunteer firefighters covered by a defined benefit relief association,
7.10 designated by the Minnesota State Fire Departments Association;

7.11 (5) a fire chief or volunteer of an independent nonprofit firefighting corporation affiliated
7.12 with a defined benefit relief association;

7.13 (6) one representative of the Office of the State Auditor, designated by the state auditor;
7.14 and

7.15 (7) any other individual or individuals designated by the Legislative Commission on
7.16 Pensions and Retirement.

7.17 (c) Participation in the activities of the work group shall not be considered lobbying
7.18 under Minnesota Statutes, chapter 10A. A municipality or relief association may not retaliate
7.19 against an individual because of the individual's participation in the work group.

7.20 (d) The work group shall elect a chair from among its members.

7.21 (e) The work group shall submit a report by December 31, 2018, that summarizes the
7.22 findings of the work group and provides the work group's recommendations to the chair
7.23 and vice-chair of the Legislative Commission on Pensions and Retirement.

7.24 (f) The work group shall disband as of the end of the 2019 legislative session and any
7.25 special session thereafter.

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

7.27 Renumber the sections in sequence and correct the internal references

7.28 Amend the title accordingly