

424B.01 DEFINITIONS.

Subdivision 1. **Generally.** Unless the context of the provision indicates that a different meaning is intended, each of the terms in the following subdivisions has the meaning indicated.

Subd. 2. **Applicable municipality.** "Applicable municipality" means the municipality or municipalities in which a consolidating relief association is located and to which a consolidating relief association is associated by virtue of the presence of at least one municipal official on the relief association board of trustees under section 424A.04.

Subd. 2a. **Board of trustees.** "Board of trustees" means the governing board of a relief association.

Subd. 3. **Consolidating relief association.** "Consolidating relief association" means a volunteer firefighters relief association organized under chapter 317A and governed by chapter 424A that has initiated or has completed the process of consolidating with one or more other relief associations under this chapter.

Subd. 3a. **Conversion effective date.** "Conversion effective date" means the date on which the assets of the defined benefit plan have been allocated to accounts under the defined contribution plan.

Subd. 3b. **Defined benefit plan.** "Defined benefit plan" means a retirement plan that provides a retirement benefit that is a lump sum, the amount of which is determined by multiplying the applicable lump-sum service pension amount under section 424A.02, subdivision 3, paragraph (d), by years of service, or a monthly pension, the amount of which is determined by multiplying the applicable monthly pension amount under section 424A.02, subdivision 3, paragraph (c), by years of service. A defined benefit plan may provide both a lump-sum benefit and a monthly pension.

Subd. 3c. **Defined benefit relief association.** "Defined benefit relief association" means a relief association that has established and administers a retirement plan that is a defined benefit plan.

Subd. 3d. **Defined contribution plan.** "Defined contribution plan" means a retirement plan that provides a retirement benefit based on the member's individual account balance.

Subd. 3e. **Defined contribution relief association.** "Defined contribution relief association" means a relief association that has established and administers a retirement plan that is a defined contribution plan.

Subd. 3f. **Firefighting corporation.** "Firefighting corporation" means an independent nonprofit firefighting corporation that is organized under chapter 317A and that operates primarily for firefighting purposes.

Subd. 3g. **Member.** (a) "Member" means a person:

(1) who is a member of a fire department or independent nonprofit firefighting corporation;

(2) who has been credited with at least one year of service toward a retirement benefit under the retirement plan of a relief association that is affiliated with the fire department or independent nonprofit firefighting corporation; and

(3) whose retirement benefit under the retirement plan has not yet been distributed in a lump sum or has not yet begun to be distributed in periodic installments or as a monthly pension.

(b) A member may be an active firefighter, an inactive firefighter, or a former firefighter who has a benefit under the retirement plan but has not become eligible to receive the benefit.

Subd. 3h. **Municipality.** "Municipality" means a city or township that has established a fire department with which the relief association is affiliated, a city or township that has entered into a contract with an independent nonprofit firefighting corporation with which the relief association is affiliated, or a city or township that has entered into a joint powers agreement under section 471.59 with one or more cities or townships to operate a fire department with which the relief association is affiliated. A reference in chapter 424B to municipality in connection with a power that may be exercised by or a requirement that is imposed on the municipality means each city or township that is party to a joint powers agreement, unless the joint powers agreement identifies one city or township with the authority to act on behalf of the other parties to the agreement or with the responsibility for fulfilling requirements imposed on the other parties to the agreement.

Subd. 3i. **Other benefit recipient.** "Other benefit recipient" means:

(1) a person who is entitled to receive all or a portion of the benefit of a member under a retirement plan due to the person having one of the following relationships to the member:

(i) the member's surviving spouse;

(ii) the member's former spouse who is the alternate payee under a state domestic relations order that meets the requirements of section 414(p) of the Internal Revenue Code or who is a recipient of a court-ordered distribution of marital property, as provided in section 518.58; or

(iii) a nonspousal beneficiary of the member; or

(2) the member's estate.

Subd. 4. **Prior relief associations.** "Prior relief associations" means the two or more volunteer firefighters relief associations that have initiated the consolidation process under this chapter by action of the board of trustees of the relief association.

Subd. 4a. **Relief association.** (a) "Relief association" or "volunteer firefighter relief association" means a nonprofit corporation incorporated under or governed by chapter 317A that is a governmental entity that receives and manages public money to provide retirement benefits for individuals providing the governmental services of firefighting and emergency first response, is subject to chapter 424A, and is affiliated with:

(1) a fire department established by municipal ordinance;

(2) an independent nonprofit firefighting corporation incorporated under chapter 317A; or

(3) a fire department operated as or by a joint powers entity.

(b) Relief association or volunteer firefighters relief association does not mean the statewide volunteer firefighter plan governed by chapter 353G.

Subd. 5. **Relief association membership.** "Relief association membership" means all active members of the volunteer firefighters relief association, all deferred retirees and other vested inactive members of the volunteer firefighters relief association, and any persons regularly receiving a service pension or other retirement benefit from the volunteer firefighters relief association.

Subd. 5a. **Required contribution.** "Required contribution" means a contribution made by the municipality to the special fund of a relief association in satisfaction of a minimum municipal obligation required under section 424A.092 or 424A.093.

Subd. 5b. **Retiree in pay status.** "Retiree in pay status" means a former member who left employment or service as an active firefighter, has reached at least age 50, and is receiving a monthly pension or periodic installment payments from a retirement plan.

Subd. 5c. **Retirement benefit.** "Retirement benefit" means the benefit to which a member is entitled under a retirement plan.

Subd. 5d. **Retirement plan.** "Retirement plan" means the defined benefit plan or defined contribution plan established and administered by a relief association.

Subd. 6. **Subsequent relief association.** "Subsequent relief association" means the volunteer firefighters relief association that is designated to be the successor relief association in the consolidation initiative resolutions of the board of trustees of the prior relief associations or the volunteer firefighters relief association organized under chapters 317A and 424A for the purpose of operating as the successor relief association after consolidation under this chapter.

Subd. 7. **Surplus.** "Surplus" means the amount by which the assets in a defined benefit plan exceed accrued liabilities.

History: 2000 c 461 art 16 s 1; 2020 c 108 art 7 s 9; art 12 s 1-14; art 15 s 1-12;