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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-THIRD SESSION

H. F. No. 2777

03/09/2023

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The bill was read for the first time and referred to the Committee on State and Local Government Finance and Policy

1.1 A bill for an act

1.2 relating to retirement; statewide volunteer firefighter retirement plan; amending

1.3 requirements applicable to a relief association after the affiliated fire department

1.4 joins the statewide volunteer firefighter retirement plan; amending Minnesota

1.5 Statutes 2022, section 353G.06, subdivisions 2, 3.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2022, section 353G.06, subdivision 2, is amended to read:

1.8 Subd. 2. **Other relief association changes.** In addition to the transfer and

1.9 disestablishment of the special fund under subdivision 1, notwithstanding any provisions

1.10 of chapter 424A or 424B to the contrary, upon the effective date of the change in ~~volunteer~~

1.11 ~~firefighter retirement~~ coverage, if the relief association membership elects to retain the relief

1.12 association as a ~~fraternal~~ nonprofit organization after the ~~benefit~~ coverage election, the

1.13 following changes must be implemented with respect to the ~~applicable volunteer firefighter~~

1.14 relief association:

1.15 ~~(1) the relief association board of trustees membership is reduced to five, comprised of~~

1.16 ~~the fire chief of the fire department and four trustees elected by and from the relief association~~

1.17 ~~membership;~~

1.18 ~~(2) the relief association may only maintain a general fund, which continues to be~~

1.19 ~~governed by section 424A.06;~~

1.20 ~~(3) (1) the relief association is not authorized to receive the proceeds of any state aid or~~

1.21 ~~to receive any municipal funds; and~~

2.1 ~~(4)~~ (2) the relief association may not pay any service pension or benefit that was not  
 2.2 authorized as a general fund disbursement under the articles of incorporation or bylaws of  
 2.3 the relief association in effect immediately prior to the plan coverage election process.

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

2.5 Sec. 2. Minnesota Statutes 2022, section 353G.06, subdivision 3, is amended to read:

2.6 Subd. 3. **Successor in interest.** Upon the disestablishment of the special fund of the  
 2.7 ~~volunteer firefighter~~ relief association under this section, the ~~statewide volunteer firefighter~~  
 2.8 retirement plan is the successor in interest of the special fund of the ~~volunteer firefighter~~  
 2.9 relief association for all claims against the special fund other than a claim against the special  
 2.10 fund, the ~~volunteer firefighter~~ relief association, the municipality, the fire department, or  
 2.11 any person connected with the ~~volunteer firefighter~~ relief association in a fiduciary capacity  
 2.12 under chapter 356A or common law that was based on any act or acts which were not  
 2.13 performed in good faith and which constituted a breach of a fiduciary obligation. As the  
 2.14 successor in interest of the special fund of the ~~volunteer firefighter~~ relief association, the  
 2.15 ~~statewide volunteer firefighter~~ retirement plan may assert any applicable defense in any  
 2.16 judicial proceeding which the board of trustees of the ~~volunteer firefighter~~ relief association  
 2.17 or the municipality would have been entitled to assert.

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