

## CHAPTER 437—H.F.No. 2287

*An act relating to retirement; local police and salaried firefighter relief associations; eliminating eligibility for amortization state aid and supplementary amortization state aid for relief associations and consolidation accounts with no unfunded actuarial accrued liability; amending Minnesota Statutes 1991 Supplement, section 423A.02.*

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

Section 1. Minnesota Statutes 1991 Supplement, section 423A.02, is amended to read:

**423A.02 LOCAL POLICE AND FIREFIGHTERS' RELIEF ASSOCIATION AMORTIZATION STATE AID.**

Subdivision 1. **AMORTIZATION STATE AID.** (a) ~~Any~~ A municipality in which is located a local police or salaried firefighters' relief association to which the provisions of section 69.77, apply, ~~unless the municipality has adopted a municipal resolution retaining the local relief association pursuant to section 423A.01, subdivision 1, shall be that had an unfunded actuarial accrued liability in the most recent relief association actuarial valuation, is entitled, upon application as required by the commissioner of revenue, to receive local police and salaried firefighters' relief association amortization state aid if the municipality and the appropriate relief association both comply with the applicable provisions of sections 69.031, subdivision 5, 69.051, subdivisions 1 and 3, and 69.77. If a municipality loses entitlement for amortization state aid in any year because its local relief association no longer has an unfunded actuarial accrued liability, the municipality is not entitled to amortization state aid in any subsequent year.~~

(b) The total amount of amortization state aid to all entitled municipalities must not exceed \$5,055,000.

(c) Subject to the adjustment for the city of Minneapolis provided in this paragraph, the amount of amortization state aid to which a municipality is entitled annually ~~shall be~~ is an amount equal to the level annual dollar amount required to amortize, by December 31, 2010, the unfunded actuarial accrued liability of the special fund of the appropriate relief association as reported in the December 31, 1978, actuarial valuation of the relief association prepared ~~pursuant to~~ under sections 356.215 and 356.216, reduced by the dollar amount required to pay the interest on the unfunded actuarial accrued liability of the special fund of the relief association for calendar year 1981 set at the rate specified in Minnesota Statutes 1978, section 356.215, subdivision 4, clause (4). For the city of Minneapolis, the amortization state aid amount thus determined must be reduced by \$747,232 on account of the Minneapolis police relief association and by \$772,768 on account of the Minneapolis fire department relief association. If the amortization state aid amounts determined under this paragraph exceed the amount appropriated for this purpose, the amortization state aid for actual allocation must be reduced pro rata.

New language is indicated by underline, deletions by ~~strikeout~~.

(d) Payment of amortization state aid to municipalities ~~shall~~ must be made directly to the municipalities involved in four equal installments on March 15, July 15, September 15 and November 15 annually. Upon receipt of amortization state aid, the municipal treasurer shall transmit the aid amount to the treasurer of the local relief association for immediate deposit in the special fund of the relief association.

(e) The commissioner of revenue shall prescribe and periodically revise the form for and content of the application for the amortization state aid.

Subd. 1a. **SUPPLEMENTARY AMORTIZATION STATE AID.** In addition to the amortization state aid under subdivision 1, there is a distribution of supplementary amortization state aid among ~~these~~ municipalities with local police and or salaried firefighters relief associations that receive amortization state aid as of the most recent July 15 under subdivision 1. The amount of the distribution is that proportion of the appropriation that the unfunded actuarial accrued liability of each relief association bears to the total unfunded actuarial accrued liabilities of all relief associations as reported in the most recent actuarial valuations of the relief associations receiving amortization state aid under subdivision 1. Money under this subdivision must be distributed to the relief associations at the same time that fire and police state aid is distributed under section 69.021.

Subd. 2. **CONTINUED ELIGIBILITY.** ~~Any A~~ municipality which that has qualified for amortization state aid under subdivision 1 ~~shall continue on December 31, 1984, and has an additional municipal contribution payable under section 353A.09, subdivision 5, paragraph (b), as of the most recent December 31, continues~~ upon application to be entitled to receive amortization state aid under subdivision 1 and supplementary amortization state aid ~~authorized by~~ under subdivision 1a, after the local police or salaried firefighters' relief association has been consolidated into the public employees police and fire fund. If a municipality loses entitlement for amortization state aid and supplementary amortization state aid in any year because of not having an additional municipal contribution, the municipality is not entitled to the aid amounts in any subsequent year.

## Sec. 2. **EFFECTIVE DATE.**

Section 1 is effective on the day following final enactment.

Presented to the governor April 6, 1992

Signed by the governor April 8, 1992, 4:40 p.m.

New language is indicated by underline, deletions by ~~strikeout~~.