

353G.06 DISESTABLISHMENT OF PRIOR VOLUNTEER FIREFIGHTER RELIEF ASSOCIATION SPECIAL FUND UPON RETIREMENT COVERAGE CHANGE.

Subdivision 1. **Special fund disestablishment.** On the December 31 immediately prior to the effective date of the coverage change, the special fund of the applicable volunteer firefighter relief association, if one exists, ceases to exist as a pension fund of the association and legal title to the assets of the special fund transfers to the State Board of Investment, with the undivided beneficial title to the assets of the special fund remaining in the applicable volunteer firefighters as a group.

Subd. 2. **Other relief association changes.** In addition to the transfer and disestablishment of the special fund under subdivision 1, notwithstanding any provisions of chapter 424A or 424B to the contrary, upon the effective date of the change in coverage, if the relief association membership elects to retain the relief association as a nonprofit organization after the coverage election, the following changes must be implemented with respect to the relief association:

(1) the relief association is not authorized to receive any state aid or any municipal funds; and

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

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

History: 2009 c 169 art 9 s 15; 2010 c 359 art 6 s 3; 2015 c 68 art 8 s 15; 2020 c 108 art 7 s 9; 2023 c 47 art 10 s 9; art 11 s 1,2