



March 28, 1990  
Room 118 Capitol

18th Meeting

### LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT

#### MINUTES

Senator Donald M. Moe, Chair of the Legislative Commission on Pensions and Retirement, called the meeting to order at 8:25 A.M.

#### Commission members present:

Senators Donald Moe, Steven Morse, Lawrence Pogemiller, Earl Renneke and Gene Waldorf  
Representatives Robert A. Johnson, Gerald Knickerbocker, Rich O'Connor, Leo Reding and Tom Rukavina (representing Wayne Simoneau)

Senator Moe introduced the seventh item on the agenda, Teacher Retirement Plans; Medical Leave Service Credit. Lawrence A. Martin, Executive Director of the Commission, again reviewed his memo dated March 23, 1990, and two amendments, LCPR116 and LCPR125.

Mr. Elton Erdahl, Teachers Retirement Association, noted that he is not opposed to medical leave service credit but he was concerned about the retroactivity in this bill.

Mr. Eugene Waschbusch, St. Paul Teachers Retirement Fund Association, spoke in support of one year medical leave service credit and requested that it apply to Basic members as well as Coordinated. Mr. Waschbusch was also concerned about retroactivity.

Rep. Johnson spoke in support of this bill.

Sen. Moe moved approval of LCPR116, LCPR125 and an amendment providing medical leave service credit to StPTRFA. **MOTION PREVAILED.**

Senator Moe introduced the ninth item on the agenda, PERA; Establishment of the Local Government Elected Official Retirement Program. Mr. Martin reviewed his memo and an amendment, LCPR98-1.

Rep. Reding stated that Rep. Simoneau has introduced a bill, H.F. 2625, which changes the name of the Ambulance Service Personnel Retirement Plan, a PERA defined contribution plan, to the Public Employees Defined Contribution Plan to address this same issue.

Mr. James Hacking, PERA, reviewed H.F. 2625 and provided a comparison between this proposed defined contribution plan and the MSRS Unclassified Plan.

Sen. Moe asked if there was any objection to including local government elected officials in PERA's renamed ambulance plan. There were no objections.

Rep. Johnson stated that he would prefer the benefit coverage for elected officials be optional rather than mandatory.

Sen. Moe suggested changing the name of the PERA Ambulance Service Plan to the PERA Defined Contribution Plan, broaden coverage to include local elected officials voluntarily, permit current and future elected officials to participate, and allow officials who currently are PERA members to switch to the PERA Defined Contribution Plan. Sen. Moe moved approval subject to a review of the draft language by Representative Reding and Senator Moe. **MOTION PREVAILED.**

Senator Moe introduced the Community College proposal and asked Mr. Martin to review this proposal and amendments LCPR128, LCPR129, and LCPR130.

Sen. Morse requested that the state university system be included in LCPR128. A motion was made to approve LCPR128. **MOTION PREVAILED.**

Senator Moe introduced the tenth item on the agenda, Report of Commission's Subcommittee on Actuarial Services. Mr. Martin reviewed the report of the Subcommittee. Discussion followed.

Sen. Moe moved approval of the proposal drafted by the Subcommittee. **MOTION FAILED.**

Rep. Johnson requested that the Commission consider H.F. 2626. He reviewed the bill for members.

Mr. Paul Groschen, MSRS, spoke in support of this bill.

Mr. James Hacking, PERA, reviewed Article 3, Sections 4 and 8 regarding payment to the Department of Jobs and Training for rehabilitation expenses incurred for pension plan disabilitants. Discussion followed.

Sen. Moe moved approval of H.F. 2626 omitting Article 3, Sections 4 and 8. **MOTION PREVAILED.**

Rep. Johnson requested that the Commission consider H.F. 2199, a housekeeping bill. It was agreed that Sen. Moe and Rep. Reding would review this bill for further action.

The meeting adjourned at 10:00 A.M.