

STATEWIDE FUND SUBCOMMITTEE MEETING  
Thursday, Dec. 18, 1969, Room 123, 2:00 P.M.

PRESENT: Mel Hansen, chairman; Calvin Larson, Clifford Sommer

TRA PROBLEMS

Harvey Schmidt discussed and presented the following outline of corrective legislation for the subcommittee's consideration:

1. Retired Teachers
2. Consideration of Transferring the Required Reserves of 1915 annuitants to Adjustable Fixed Benefit Fund.
3. Survivor Benefits Under Basic Plan
  - (a) Death benefits regarding refundment of member's accumulated deductions.
  - (b) General review of basic schedule (page 6 of informational booklet).
4. Election procedure under House File #1 for teachers with less than 20 years of service and who did not teach during the 1968-69 school year.
5. Refund procedures.
6. TRA collections
7. Miscellaneous

COMMISSION ACTION ON TRA PROBLEMS

Point #4 - Should corrective language be prepared in H.F. 1?  
Will try to work out some corrective language.

Point #6 - TRA Collections - Want to get the State of Minnesota current on the social security tax. TRA pays the employer social security tax. Lag in time promotes a debt for the state of approximately \$11,457,238.

A memo is to be drawn up on this for the next meeting explaining how this debt happened.

Point #7 - Clarify formula coverage - amend the definition of formula service credit to include "future allowable service".

Draw up language in a bill.

(c) Amend to see that we did not intend to reduce benefits in H.F. 1. Have to add to the law that in no case will they get less.

PERA: Pension problems that will result from Metropolitan Transit Commission taking over operating the bus line:

Staff directed to take a look at this. Alternative would be PERA. Someone from the Transit Commission could appear at the next meeting; also, someone from the company.

Mr. Moulton will run this down.

#### CROOKSTON FIRE ASSOCIATION - Letters and Proposed Legislation:

Crookston Fire Association serves 18 townships - same personnel required to be in two funds - merged financially.

Will try to get an actuarial report if they intend to submit legislative proposals.

#### DEPUTY REGISTRARS - Memos

Chapter 1129 is permissive in nature. Will have to clarify what is income for the purpose of retirement.

Draft a bill that would clarify it.

Get an attorney general's opinion in behalf of this Commission on this.  
Can take legislative action next session.

Referred to main Commission.

There are only 23 deputy registrars since 1958. No new deputy registrar can be a member.

Sen. Sommer moved that the staff draft a bill on this for the next session.  
Carried.

Subcommittee Action: Staff to do more study -

- 1) What is gross income?
- 2) Are we going to reimburse MSRS?
- 3) Should we move in both directions at the same time?

(Paul Groschen would be satisfied with the actuarial liability.  
Could ask for the money necessary to make up the deficit.)