

Legislative Retirement Study Commission
Monday evening, March 19, 1973
Room 15, State Capitol
7 P.M.

MINUTES

The LRSC meeting was called to order by the chairman, Sen. Chenoweth.

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| PRESENT: | <u>Senators</u> | <u>Representatives</u> |
| | John Chenoweth | Donald M. Moe |
| | Jack Kleinbaum | Richard Parish |
| | Eugene Stokowski | Al Patton |
| | Mel Hansen | Cal Larson |
| | | Robert Johnson |

S.F. 302 (J. Anderson)

H.F. 225 (St. Onge) - Severance Pay Bill.

Sen. Anderson explained the bill.

Sen. Stokowski moved to amend S.F. 302, the typewritten bill, as follows:

Page 1, line 15, after "employment." insert "Such severance pay shall be excluded from retirement deductions and from any calculations in retirement benefits, and shall be paid over a period not to exceed five years from termination of employment. In the event that a terminated employee dies before all or a portion of the severance pay has been disbursed, that balance due shall be paid to a named beneficiary or, lacking same, to the deceased's estate. In no event shall severance pay provided for an employee leaving employment exceed any amount equivalent to and measured by 100 days of sick leave. Subject to this maximum, the amount may not depend solely upon the actual accrual of sick leave days."

Motion carried

Mr. Davis Roenisch, actuary, Arthur Stedry Hanson, Inc.

Mr. Roenisch announced that his talk would be based upon an illustration

of the way in which the State Teachers Retirement System of California has approached the problems of financing, and that if "these items are acceptable to recommend to the commission to consider legislation to put them into effect." Mr. Roenisch demonstrated his talk with slides and charts.

Sen. Stokowski moved that the 3 1/2% salary assumption be maintained.

Motion carried.

S.F. 540 (H.F. 812) - Mr. Blixt discussed an amendment to S.F. 540. In as much as the House file (H.F. 812) had already passed the House, the chairman stated that this amendment can be put on the bill by the Senate Pension Subcommittee. (No motion taken on the amendment). Copy attached.

Chapter 356 - Mr. Roenish explained the proposed changes in Chapter 356. (copy of tape will be attached to this).

Rep. Cal Larson requested that a transcript be made of the tape.

S.F. 728; H.F. 821 - Highway Patrol Recodification bill was laid over.

Meeting adjourned at 9:30 P.M.

Donald M. Moe, Sec.

E. Diebel Steno.