

House Subcommittee Meeting on Pensions  
Room 125, State Capitol  
April 10, 1973 - 3:00 P.M.

Present: Rep. Moe, chairman, Patton, Johnson, Parish, Cal Larson

H.F. 1355 - MSRS (Lindstrom)

Rep. Lindstrom explained the bill. The bill is the result of bargaining between the State of Minnesota as the employer and the 12 different bargaining organizations.

Appearing on the bill:

Mr. Paul Groschen, MSRS; Mr. Larkin McLellan, State Negotiator representing Mr. Brubacker and Mr. Jackson; Paul Goldberg, Asst. Director for Council 6

Rep. Patton moved that H.F. 1355 as amended be passed to the Governmental Operations Committee. Motion Carried.

(copy of amendments attached)

Rep. Johnson moved that Mr. Goldberg, Mr. Groschen, Blair Testin and Frank Moulton together with Dr. Smith work out some cost estimates as to length of service and age for the correction officers' provisions in this bill.

Mr. Groschen advised that the Department of Administration will assume the cost for checking this by Dr. Smith.

Rep. Cal Larson is of the opinion that the Appropriations Committee should have these figures.

Meeting adjourned at 5:15 P.M.

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Don Moe, Chairman

Eleanor Diebel  
Steno

Mr. \_\_\_\_\_ moves to amend H F. 1355, the typewritten bill, as follows:

Page 3, line 28, strike "59" and insert in lieu thereof "60"

Page 4, line 1, strike "57" and insert in lieu thereof "58"

Page 4, strike line 2

Page 18, after line 5, add a new paragraph as follows:

"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."

Page 39, line 18, strike "the monthly salary during the employees' " and insert in lieu thereof "the highest five consecutive years of"

Page 39, line 19, strike "highest 60 consecutive months of full"

Page 39, line 21, after "deductions" and before the period, insert "during his last ten years of allowable state service"

Page 39, line 26, strike "the applicable percentages indicated below" and insert in lieu thereof "1.1 percent for each year of allowable service and pro rata for completed months less than a full year"

Page 40, strike lines 1 thru 18

Page 40, strike all of Sec. 22 on lines 41, 42 and 43 and strike the balance of the section on page 41, lines 1 thru 4. Renumber the sections

Page 41, line 28, strike "35" and insert in lieu thereof "30"

Page 42, line 12, strike "four and one-half" and insert in lieu thereof "five"

Page 42, line 17, strike "four and one-half" and insert in lieu thereof "five"

Page 44, line 11, after "1973" and before the semicolon, insert "or thereafter"

Page 44, line 23, add a new sentence; "However an employee shall not be covered hereunder if on July 1, 1973 or at time of employment, whichever is later, because of his age and present and future service he could not qualify for an annuity as a correctional employee."

Page 45, line 18, strike "55" and insert in lieu thereof "58"

Page 45, line 22, strike "with respect to" and insert in lieu thereof "based only on"

Page 45, line 26, strike "60 consecutive months of full" and insert in lieu thereof "five consecutive years of"

Page 45, line 27, after "employee" and before the period add"during his last ten years of such service"

Page 46, lines 9 and 10, strike "be paid for an additional 84 full calendar months and then" and insert in lieu thereof ", the first of the month following the month in which he becomes age 65,"

Page 46, strike Subd. 5. on lines 27 and 28; and on page 47 strike the balance of Subd. 5 on lines 1 thru 6, and insert in lieu thereof a new Subd. 5.

"Subd. 5. A former correctional employee employed by the state in a position covered by the regular plan between the ages of 58 and 65 shall receive a partial return of his correctional contributions at retirement with 5% interest based on the following formula:

<u>Employee contributions contributed as</u>	<u>Years and complete months</u>
<u>correctional employee in excess of the</u>	<u>of regular service between</u>
<u>contributions such employee would have</u>	<u>ages 58 and 65</u>
<u>contributed as a regular employee</u>	<u>7</u>

Page 47, line 7, strike all of Subd. 6

Page 47, line 18, after "shall" insert the word "not"

Page 47, line 27, strike "55" and insert "58"

Page 48, line 24, strike "four and one half" and insert "five"

Page 49, line 24, strike the new language and reinstate the stricken language.

1. Remove all new references to refunds.
2. Strike Sec. 37 - to be incorporated in a general bill. (Members retiring before 6/30/73 will receive a 20% increase.
3. Strike Sec. 48 and reinstate the old language (Options).
4. Increase employer and employee contributions to 4% - Coordinated; (4 +  
8% - Basic

(Amendment)

Motion on H.F. 1214 (Ojala) McKinley Fire:

Page 1, line 10, after "may," insert "upon dissolution of the village of McKinley and the relief association,"

Amendment on H.F. 959 (LaVoy) - Town of Canosia: (Motion)

Page 1, strike all of line 10 and insert in lieu thereof "Minnesota Statutes, Section 69.771 thru 69.776."

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Mr. Dean Lund, League of Minnesota Municipalities spoke to the employers' concern on H.F. 1673.

Meeting adjourned at 12 noon.

E. Diebel

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Don Moe, Chairman