

House Subcommittee Meeting on Pensions and Retirement
Thursday, 4/12/73
Room B-9 - Highway Building

Chairman, Rep. Moe opened the meeting.

The following members were present; Don Moe, Cal Larson, Al Patton, Richard Parish, Robert Johnson.

The following House Files were on the agenda:

H.F. 827 (Enebo) - Mr. Enebo explained the bill. This bill would place the study of private pensions in Minnesota in the Department of Commerce.

The following appeared re H.F. 827:

J. P. Colosky, Asst. Commissioner of Insurance in the Dept. of Commerce and Don Lindstrom, Deputy Commissioner of Dept. of Commerce, support the bill.

Mr. Testin was instructed to write an amendment which would require all private companies in the State of Minnesota with 25 or more employees to be under this act.

Rep. Larson moved that the bill as amended be recommended to pass as per the amendment required to be worked out by the staff.

The Commerce Department was instructed to work with the LRSC in the completion of the final report and in the legislative recommendations.

It was decided to lay the bill over until the amendments are worked out.

The following bills were passed and placed on the Consent Calendar:

1. H.F. 607 (Moe) - MSRS Housekeeping
2. H.F. 748 (Salchert) - Minneapolis Police Assn.
3. H.F. 1578 (Patton) - Sauk Rapids Fire
4. H.F. 1319 (Laidig) - Stillwater Fire
5. H.F. 959 (LaVoy) - Town of Canosia - Passed to the Consent Calendar as amended
6. H.F. 1320 (Parish) - Investment Law - Passed to Consent Calendar.
7. H.F. 1214 (Ojala) - McKinley Fire - Passed to Consent Calendar as amended

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H.F. 358 (Moe) - TRA Benefit Bill - laid over

H.F. 1673 (Parish) PERA Benefit Bill laid over - Staff of PERA will incorporate the legislative intent into the bill to include the following:

Mr. Moe moved to amend H.F. 1673 as follows:

- 1) Page 5, line 21 (a), strike all of line 21
- 2) Page 32, Sec. 35, amend Sec. 35 so that those not presently in the MAFB Fund shall remain outside the MAFB Fund. However, they shall be given the 20% increases in the same manner that those in the MAFB Fund received them.
 - 1) On 7/1/73 - pay out 11 or 12%
 - 2) On 1/1/74 - pay out an amount to equal the 20% - total
 - 3) Each of the statewide funds are to add these provisions to their bill.
- 3) Page 72, line 27, after the figure "9" strike "; 355.301"
- 4) Strike "; and 355.301" from the last line of the bill title.

The subcommittee members were directed to study the benefit formulas on the material which was distributed - "1.1% too low".

The staff was directed to review this bill section section by section and have report ready for the Thursday, April 19, meeting.

Mrs. Meehan was directed to find out the rationale of the language on

Page 19, line 26, relative to "or 355"

Page 21, lines 2, 3, and 4 ", and such determination shall not be disturbed unless found to be arbitrary and capricious."

Page 26, line 28; page 27, lines 1, 2 and 3 ", provided, however, the association and the state social security agency may make proper adjustments of moneys taken as employee and employer deductions."

Page 35, the meaning of the new language in Subd. 6, pages 35 and 36.

Meeting adjourned at 8:00 P.M.

E. Diebel

Don Moe, Chairman