

MINUTES

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

PRESENT: <u>Senators</u>	<u>Representatives</u>
Chenoweth	Parish
Stokowski	Moe
Mel Hansen	Biersdorf
McCutcheon	Beauchamp
Ogdahl	Patton
Gearty	St. Onge

The minutes of the March 18 meeting were approved.

Pension Conference

Sen. Hansen moved that the commission authorize commission members to attend the National Public Employees Retirement Conference. Motion carried.

Rep. Moe requested a change in the commission meeting time for the April 1 meeting because of a conflict in his schedule. The chairman requested the staff to check out the possibility of changing the meeting time to 7:00 P.M. on Tuesday, April 1st.

H.F. 864 (Moe) Chapter 356 - Actuarial Reporting Law

This bill is a reintroduction of a bill (1974 Session--H.F. 3023) which was passed by both houses of the Legislature in 1974, but the difference between the House and Senate versions were not resolved in Conference.

Dr. Smith, commission actuary, explained proposed amendments which would revise the amortization requirement. The revised amortization proposal replaces the present 1997 amortization date with a 30 year amortization period; and also all new deficits would have a 30 year amortization from the date of the new benefit increase.

Technical amendments were also explained which were written to clarify or revise certain terms and references.

Sen. D. Moe moved to amend H.F. 864 by accepting just the technical amendments as follows:

Page 2, line 12, after "board" insert "or administrative officials"

Page 2, at the end of line 16, insert the following:

"This requirement shall also apply to any fund which may be a successor to any organization enumerated in section 356.20, subdivision 2 or to any newly formed retirement fund or association operating under the control or supervision of any public employee group, governmental unit, or institution receiving a portion of its support through legislative appropriations, with the exception of any local police or fire fund now governed by chapter 69."

Page 2, line 24, strike "such report" and insert "each valuation"

Page 3, line 4, strike "December 1" and insert "June 1"

Page 3, line 5, strike "1974" and insert "1975"

Page 4, line 23, strike "Widows'" and insert "Surviving spouses'"

Page 5, line 19, after "in" insert "unfunded"

Page 6, line 27, strike "Widow" and insert "Surviving spouse"

Page 6, line 28, strike "Orphan" and insert "Surviving children " Motion carried

Sen. Stokowski moved to amend H.F. 864 by accepting the additional technical amendments which would exclude the St. Paul Bureau of Health Relief Association from M.S. 1974, Section 356.20, Subd. 2. Motion Carried

Sen. Mel Hansen moved that H.F. 864 as amended be recommended to pass. Carried

S.F. 366 (Chenoweth) Deferred Compensation Bill

This is now a "strike everything" amendment which incorporates the changes approved by the commission and removes the deferred compensation provision from Chapter 16A (Department of Finance) to Chapter 352 (MSRS).

Sen. Stokowski moved to strike the deferred compensation provision from Chapter 16A and the provision will then be put into Chapter 352 (MSRS)-- S.F. 366. Motion Carried.

Sen. Ogdahl moved to amend S.F. 366, the strike everything amendment, as follows:

"(352.96) (DEFERRED COMPENSATION.) Subdivision 1. (WRITTEN AGREEMENT FOR DEFERMENT.) At the request of an officer or employee of the state of Minnesota or any political subdivision thereof, or an employee covered by any of the public retirement funds enumerated in section 356.20, subdivision 2, the appointing authority shall by payroll deduction defer the payment of part of the compensation of the officer or employee as provided in a written agreement between the officer or employee and the state of Minnesota, the political subdivision, or other employing unit whose employees are covered by any of the public retirement funds enumerated in section 356.20, subdivision 2, in such a manner as will qualify the deferred amount for benefits afforded under federal and state tax laws, regulations, and rulings."

Motion Carried.

Sen. Ogdahl moved that S.F. 366, as amended be recommended to pass. Motion Carried.

S.F. 470 (Chenoweth)

H.F. 592 (Parish) - PERA Building Bill

Mr. Ousdigian explained the details of the building proposal. Discussion followed.

Mr. Ousdigian proposed an amendment to the bill which would state that the Legislative Retirement Study Commission should select the site. No action taken on the amendment.

The bill was laid over.

Eugene Stokowski, Sec.

E. Diebel
Steno