State of Minnesota \setminus legislative commission on pensions and retirement

May 3, 1977 Meeting Room 14 State Office Bldg. 9:00 A.M.

MINUTES

The chairman, Al Patton, opened the meeting.

PRESENT: Representatives Al Patton, John Biersdorf, David Beauchamp, Donald M. Moe Senators Ogdahl, Strand, Renneke, Stokowski

SF 181 (Stokowski) Summary as amended by the Senate - Omnibus Bill The commission went over a summary of SF 181 as amended by the Senate.

Rep. Patton moved to delete Sections 11, 19 and part of Section 8 (Sec. 353.01, subdivision 2b (j) which provided that PERA covered employees may belong to another public fund for non PERA covered service performed at the same time. Carried

Sen. Ogdahl moved that SF 181 as amended be recommended to pass. Carried.

The following bills were considered as potential amendments to SF 181:

HF 1156 (Fugina); SF 1046 (Hughes) Coverage by the Unclassified Plan by Certain Employees of the Higher Education Coordinating Board The Board felt that the law was not clear; request that 11 employees be put in the unclassified plan.

Sen Ogdahl moved that the ll employees be included in the Unclassifed Plan. Carried.

HF 311 (Patton); SF 934 (Chmielewski) Elimination of the Workers Compensation Benefit Offset from Disability Benefits for the Major Statewide Funds The bill provides that the present offset provision for Workers' Compensation benefits from disability benefits in MSRS, PERA, PERA-P&F, and Highway Patrol shall be eliminated. The bill would be effective both for prospective disability benefits and any disability benefits payable after the effective date of the act. The bill as drafted does not include a similar provision for TRA law.

Rep. Moe moved that the bill be laid over for interim study.

B. 907 (Patton); SF 1030 (Stokowski) Authorization of Dues Deduction on Behalf of Retirement Benefit Improvement Groups

Laid over from 4/28/77 meeting; also laid over on 5/3/77.

C. HF 1043 (Patton); SF 915 (Stokowski) 15% Limit on High 5 Salary This proposal would make a minor exception to the law which restricts the impact of end-of-career salary increases on high-5 pension benefits of the major funds. The law, MS 356.34, will not take effect until July 1, 1977.

Sen. Stokowski moved to change the effective date to 6/30/78. Motion Carried

Sen. Stokowski moved that HF 1043 as amended be recommended to pass. HF 1043 was inserted into SF 181

HF 1047 (Patton); Establishment of a Coordinated Program for the St. Paul Teachers Retirement Fund Association

The bill, with amendments, provides that effective July 1, 1979, a coordinated program shall be established within the St. Paul Teachers Retirement Fund Assn.

Rep. Moe moved that amendments be drafted to SF 181 to coordinate the new teachers after 7/1/78, and to increase the benefit formula from 1.8% to 2% per year of service; also extend the Minneapolis Municipal Employees to 7/1/78. Motion Carried.

Rep. Moe moved that HF 1047 as amended be recommended to pass and inserted into SF 181. Motion carried.

HF 1363 (Patton); SF 1294 (Ogdahl) Delay in Coordination for the Minneapolis Teachers Retirement Fund. Assn.

The bill provides that the coordination of the Minneapolis Teachers (MTRFA) required for 7/1/77 shall be delayed until 7/1/79.

Rep. Biersdorf moved to change the date for coordination to 7/1/78. Carried HF 1363 was recommended to pass. (Inserted into SF 181)

SF 441 (Stokowski); HF 640 (Rice) Section 6: Formula Benefit and Augmentation for Certain Old Law Deferred Annuitants

The section was omitted from the administrative amendments added to HF 848. It provides that deferred annuitants who first receive retirement annuities after 1/1/77 may elect to retire under a formula plan rather than the two dollar bill money purchase plan.

No hearing

HF 847 (Patton) Early Normal Retirement for Certain Military Affairs Department Personnel The bill provides that employees of the military affairs department who are required to retired at age 60 under federal law shall be entitled to receive an unreduced normal retirement at age 60.

No hearing

HF 910 (Patton); SF 639 (Peterson) Miscellaneous Amendments for the Highway Patrolmen's Retirement Fund Laid over

HF 1555 (Faricy); SF 1479 (Gearty) Temporary Provision Requiring Certain District and Supreme Court Judges to Waive Sylvestre Rights The bill amends the recently enacted Executive, Judicial and Legislative Compensation Act; provides that each judge with rights under the <u>Sylvestre</u> decision shall not receive a salary increase until that judge waives the Sylvestre decision right.

Rep. Biersdorf moved that HF 1555 be recommended to pass. Carried

HF 793 (Reding); SF 554 (Olhoft) - HF 362 (Kalis); SF 1160 (Penny) Earnings Limitation on Reemployed PERA Annuitants No hearing

HF 1486 (Beauchamp Technical Amendments to the Police State Aid Program The bill makes a number of technical amendments required to correct ambiguities in the 1976 revision of the police state aid program.

Rep. Moe moved that HF 1486 be recommended to pass. Motion carried

HF 1436 (Moe); SF 1369 (Chenoweth) First Class City Firemen's Relief Assn. Surviving Spouse Marriage Requirement

Bill amends the special laws relating to Duluth, Minneapolis and St. Paul Firemen's Relief Associations and provides that a spouse of a retired firefighter is required to have been married to the firefighter one year prior to retirement instead of the three years prior to retirement.

Rep. Moe moved that HF 1436; SF 1369 be recommended to pass. Carried.

HF 1404 (Berkelman); SF 854 (Solon) Duluth Firemen's Relief Association: Surviving Spouse Marriage Requirement

HF 1436; SF 1369 takes care of the provisions in this bill which were intended only for Duluth; SF 1369 takes care of the first class cities, which includes Duluth.

E. Diebel Steno

Eugene Stokowski Secretary