

February 23, 1978 Meeting
Room 123 State Capitol
8:00 P.M.

The chairman, Sen. Stokowski, opened the meeting.

PRESENT: Senators Stokowski, Collin Peterson, Ogdahl, Strand
Representatives Patton, Moe, Biersdorf, Reding

HF 2163 (Clawson) PERA: Disabilitant & Survivor Post Retirement Increases
SF 2082 (Stokowski) Major Funds: Disabilitant & Survivor Post Retirement Increases

Both bills provide that certain disability and survivor benefit recipients will be included in the Minnesota Adjustable Fixed Benefit Fund, included in future MAFB increases and be granted the recent 4% MAFB increase. HF 2163 (Clawson) provides that PERA disability and survivor benefit recipients shall be included in the MAFB. SF 2082 (Stokowski) provides that all disabilitants and survivor of deceased active member benefit recipients shall receive the same increase at the same time that the MAFB grants an increase.

A motion passed to accept the staff amendments to SF 2082, and to amend HF 2163 by striking everything after the enacting clause and inserting the contents of SF 2082 as amended into it. (Staff was instructed to draw the proper amendments.)

HF 2422; SF 2297

Revisor Draft: Elected State Officers Plan: Retirement Allowances and Survivor Benefits

The draft bill provides for an increase in the retirement allowances and survivor benefits from the Elected State Officers Plan; changing the retirement allowances from a career average salary since 1965 plan to a highest 5 successive years average salary plan. Normal retirement would be reduced from age 65 to age 60, with a 6% per year under age 62 actuarial reduction. Deferred annuities augmentation is added to the plan, portability with the legislators' plan and with other funds would be clarified.

SF 2020 (Strand); HF 2229 (Reding) Legislators' Plan--Computation of Retirement Allowances

The bill amends Minnesota Statutes, Section 3A.02, Subdivision 1, which governs the computation of the retirement allowance from the Legislators' Plan. For legislators who serve beyond the end of the current year, the bill would result in a reduction of prospective pension benefits.

Staff amendments were presented. John Mandeville went over the staff memo.

Amendment No. 1 -- Changes the annual rate of augmentation as of 7/1/78 for deferred annuitants from 5% to 3%, and starting in 1981, the plan's salary base would change gradually from final monthly salary to the average of the highest five successive years of salary. (Passed)

Amendment No. 3 -- Restores to the Legislators' Plan a provision (which was eliminated in 1977 with regard to anyone terminating after 1/1/79) allowing legislators who leave the legislature before the end of their 8th full year to receive the same percentage benefit as a legislator who completes 8 full years. (Passed)

Amendment No. 4 -- Drops the rate of augmentation for deferred annuitants from 5% to 3% for all of the public pensions plans that have deferred annuities augmentation similar to that in the Legislators' Plan. (Passed)

The Commission passed the following amendments offered by Sen. Ogdahl:

1. Change legislators' contribution from 8% to 9% of salary
2. Change retirement age from 62 to age 60.

Sen. Strand moved to recommend SF 2020; HF 2229, as amended to pass. Motion carried

The Constitutional Officers Plan was amended to conform with the Legislators Plan-- 9% contribution, 3% augmentation.

Sen. Strand moved that the commission recommend the constitutional officers plan as amended and that it be amended to add the Legislators Bill. Motion Carried.

SF 1732 (Stokowski) Limitation on Double Dipping

The bill is written to prevent the receipt of a pension and salary (double dipping). It provides that no person while receiving a Minnesota public pension shall be entitled to accept or retain a position in public employment in Minnesota.

Tom Triplett presented an amendment. (Language to be inserted)
The amendment was recommended to pass. Passed.

Rep, Patton moved that SF 1732 as amended be recommended to pass. Motion carried.

(The Double Dipping, SF 1732; to be added to the Legislators/Constitutional Officers Bill)

SF 2165 (Penny); HF 2286 (Kalis) Judges: Increased Benefits for Certain Former Probate Judges

The bill makes a number of changes relating to the amount and payment of benefits to former probates judges.

Sen. Strand moved a strike everything after the enacting clause amendment. Passed

Sen. Strand moved that SF 2165, HF 2286 as amended be recommended to pass. Passed

SF 1590 (Ueland A); HF 1770 (Cummiskey)

TRA: Exemption for Certain Area Vocational Technical Institute Teachers

The bill amends the definition of "teacher" contained in Minnesota Statutes 354.05, Subdivision 2, and provides that any person who is employed as a part time teacher in an area vocational-technical institute and who receives a salary of \$150 or less is excluded from TRA membership. Any person who is excluded from membership shall be entitled to receive a refund.

SF 1590; HF 1770 as amended was recommended to pass. Passed

E. Diebel
Steno