



Rep. Kaley moved that advice be sought from the Attorney General. Staff was directed to draft a letter to the Attorney General requesting an interpretation of the current law.

Paul Groschen, Executive Director of MSRS, spoke about the problems with crediting part-time service. He stated this was no problem under the career average plan.

Relative to maximum allowable earnings for re-employed MSRS, PERA or TRA annuitants to match the current Social Security re-employment benefit earnings maximum amount:

Paul Groschen, MSRS, stated he approved of raising the limits to correspond with the Social Security maximums;

Lyle Farmer, St. Paul Teachers, stated he approved of removing the limitation;

Gordon Williams, PERA, stated that PERA has no problem with this; that not more than 5 or 10 members go over the maximum earnings;

Harvey Schmidt, TRA, is of the opinion that some kind of a ceiling is good..

# State of Minnesota \ LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT

September 21, 1979 Meeting  
Room 118 Capitol  
9:00 A.M.

PRESENT: Representatives Al Patton, John Biersdorf, Donald More, John Sarns,  
Dick Kaley  
Senators Renneke, Collin Peterson, Roger Strand

SF 1199 (Strand); HF 1221 (Moe): MSRS Administrative Bill

"The bill is essentially the same as it was when recommended by the Legislative Commission on Pensions and Retirement, except for amendments made by the Senate to include the substance of a bill which was not heard or acted upon by the Commission and two other provisions not reviewed by the Commission."

"The bill was not considered by the full House prior to the adjournment of the 1979 regular session." The bill passed the Senate.

Paul Groschen, MSRS, discussed some of the problems relative to lump sum payments. Mr. Groschen will give the Commission more information in this area.

SF 1128 (Stokowski, Ogdahl); HF 1192 (Patton): Local Police and Salaried Firefighters Relief Associations; Increase in Member Contributions

The major changes provided for in the bill are:

- (1) a two percent of salary increase in the minimum required member contribution set in statute as a condition for further receipt of police or fire state aid;
- (2) various modifications applicable to the St. Cloud Police Relief association, an increase in the surviving spouse benefit amount, an increase in the required member and municipal contributions and a clarification of the administration of the relief association as it phases out into PERA-Police and Fire Fund;
- (3) membership for the current Bloomington police chief in PERA-P&F;
- (4) membership for certain part-time St. Anthony firefighters in PERA-P&F.

Discussion:

Stan Kehl, City of Minneapolis, advised that an agreement had been reached with the Minneapolis police and fire:

- 1) employee contributions to increase to 7% July 1, 1980;
- 2) contributions to increase to 8% January 1, 1981;
- 3) retirements and disability retirements; benefit increase to begin January 1, 1981
- 4) city to begin increased normal cost payments for increased benefit January 1, 1981.

Lloyd Berg, Minnesota Police Pension Council, stated they are not in agreement with the City of Minneapolis.

Bob Wetherille, Minneapolis Fire, stated that 96 1/2% support the increase proposal.

Chuck Anderson, St. Paul Police and Minnesota Police Pension Council, spoke about some type of cost of living increase.

Roger Strand  
Secretary

Eleanor Diebel  
Commission Secretary