

February 27, 1980 Meeting
Room 112, Capitol
5:00 P.M.

The chairman, Rep. Al Patton, opened the meeting.

PRESENT: Representatives Al Patton, Kaley, Sarna, Moe
Senators Ogdahl, Strand, Renneke, Peterson, Schmitz

SF 1824 (Hughes); HF (): TRA; Extended Leaves of Absence Program;
Payment of Contributions

The bill makes two modifications in the payment of contributions for the extended leaves of absence program; (1) base the contribution amount on the contract salary of the teacher rather than the salary received during the year immediately prior to the leave of absence under the current law.

Sen Hughes explained the bill and discussion followed. Larry Martin went over the staff memo.

Sen. Ogdahl moved that SF 1824 be laid over and that the subject of teacher mobility be studied during the inteim. Motion carried.

SF 1712 (Strand) Teachers Retirement Funds; Increase in Employer
Financing

The bill provides for specified periodic increases in the amount of state financed employer contributions to the Teachers Retirement Association and the teachers retirement fund associations of the cities of the first class. The aggregate increase in the employer support as a percentage of payroll annually during the phase-in is one half of one percent of payroll, and after the end of the eleven year period is 4.73% of payroll.

HF 1964 (Moe): Increase in Employer Financing for Teachers Retirement Fund

The bill provides for an increased state financed contribution to the four teachers retirement funds in the state in an amount sufficient to bring the current level of total support up to the support level required to amortize the unfunded accrued liabilities of the four funds within thirty years (by the year 2009). The aggregate increase in the employer support as a percentage of payroll is 3.74%, which will require an additional appropriation from the general fund of \$111.1 million per biennium for the next 30 years.

Sen. Ogdahl moved that SF 1712 and HF 1964 be recommended to pass. Motion carried.

HF 2078 (Patton); SF 2066 (Peterson) Judges Retirement Funds; Modification
in Retirement Benefits and Member Contributions

The bill provides for two benefit improvements for the Judges Retirement Fund. The bill provides for an increase in the benefit accrual rate (formula percentage) for all years of service after June 30, 1980 from 2.5% to 3%, retaining the current benefit accrual rate for all service prior to July 1, 1980, and increasing the maximum retirement annuity percentage.

Rep. Patton moved that the contributions on HF 2078; SF 2066 be raised as follows: 6.8% on 1/1/81; 7.5% on 1/1/82; 7.8% on 1/1/84.

Staff was directed to draw up appropriate language.

Rep. Moe moved to lay HF 2078; SF 2066 over.

Rep. Patton directed staff to draft up corrected versions and amendments.

Roger Strand
Secretary

E. Diebel
Steno