

March 25, 1981 Meeting
Room 83 State Office Bldg.
10:00 to 12:00

MINUTES

Rep. Sarna, chairman, opened the meeting.

PRESENT: Representatives Sarna, Reding, Rodriguez, Kaley
Senators Donald Moe, Renneke, Frederickson, Spear

The Commission considered the following bills which provide post retirement increases for pre-1973 retired or disabled public employees:

HF 781 (SF 420) and SF 930 provide for lump sum adjustments equal to \$15 per year of service credit.

HF 295 (SF 355); HF 311 (SF 402); SF 428 amend the dollar per year of service amounts to \$16 per year of service credit for 1981 and \$17 per year of service credit for 1982. The effective date of each bill is July 1, 1981.

The following discussed retirement problems:

John Longstreet, Retired Educations Association, recommended passage of HF 295.

Eddie Anderson, Executive Secretary and Treasurer of PERA, those who retired prior to July 1, 1973, recommended future PERA increases on the basis of years of service.

Robert Schultz, Chairman S E Legislative Commission REAM, advised that the retired Basic members are receiving less than \$200 per month and that the retired Coordinated members are receiving less than \$150 per month.

Arnie Entzel, Transit Union Local 1005, MSRS, requested that the Transit Commission be included in the post retirement increase.

Robert Renner, Governor's Office, stated that there is \$11.3 million in the Governor's budget. The \$11.3 million will be sufficient to fund the bill; they are unable to increase the amount.

Discussion followed relative to the increase in the cost to include the MTC people. There would be a \$200,000 difference to finance an increase for the MTC people. Mr. Renner restated that the Governor prefers the bill providing the \$16.00 and \$17.00 increase.

Curtis Johnson, Retired Educators Association of Minnesota (REAM), told the Commission that the pre-73 increases should not go below the \$16 and \$17.

Sen. Donald Moe moved that the Metro Transit people be included in the post retirement increase. Motion carried

Ed Guerin, Retired Municipal Employees Association.

Sen. Chenoweth, Exec. Dir. of MMER, explained the inequity to a small group of people in the MMER plan; people retired in 1955; 1100 retirees with an average annuity of \$250 per month and no Social Security. Mr. Chenoweth stated that there was an assumption that these retirees had the 5-high year plan which is not true. These retirees were also left out of the 25% increase to all pre-1973 retirees.

Rep. Kaley moved that HF 295 be recommended to pass as amended. Motion carried

HF 194 (Hoberg) TRA; Recomputation of Benefits for Pre-1973 retirees - no action
SF 619 (Schmitz) PERA; Recomputation of Benefits for Pre-1973 retirees - no action