

March 29, 1983
Room 123 Capitol
6:00 P.M.

MINUTES

The chairman, Sen. C.C. Peterson, opened the meeting.

PRESENT: Senators Peterson, Spear, Renneke, Frederickson, Moe
Representatives Sarna, Clawson, Metzen, Rodriguez F, Wigley

HF 911 (Sarna); SF 936: Adding retired Members to the Minneapolis Police Relief Board

Jim Heidelberg, explained the bill and discussion followed.

The bill as proposed adds a ninth member to the Minneapolis Police Relief Board. Every fourth year thereafter a retired member would replace an active member so that in 1999 the board would have 5 retirees, 1 active, and 3 ex officio.

Staff amendment to remove section 12 from the bill was approved.

Sen. Spear moved that HF 911 as amended be recommended to pass. Motion carried.

SF 900 (D. Moe); HF 891 (F. Rodriguez): TRA Administrative Bill
Jim Heidelberg explained the bill and discussion followed.

The bill adds "therapist" in the definition of teacher, changes definition of salary to exclude from pension calculations certain consultant contract payments made to administrators prior to resignation, changes a quarterly earnings limitation to an annual earnings limitation, reduces from 30 days to 15 the time period after which employer units must pay penalties to TRA on late TRA employee contributions, and includes persons whose effective retirement date is July 1 in the post retirement increases made 18 months later.

A staff amendment (1) was prepared to include July 1, 1982 retirees in the list of retirees eligible for post retirement increases in January 1984. Rep. Rodriguez moved the amendment. Motion carried.

Staff amendment (2) updates a citation by inserting section 356.61 for 356.60, subdivision 1, clause (a), also adds language to clarify that pension benefits are to be calculated on gross income (salary) not on take-home pay, and removes responsibility from the pension fund for sending year end tax statements to members. Sen. D. Moe moved the amendment. Motion carried.

Staff amendment (3) is a technical amendment to clarify the intent of section 2 of the bill. Rep. Metzen moved the amendment. Motion carried. Rep. Rodriguez moved that SF 900; HF 891 be recommended to pass. Motion carried.

Rep. Rodriguez moved that SF 900; HF 891 be recommended to pass. Motion carried.

HF 907 (Reif); SF 833 (Knaak): White Bear Lake Volunteer Firefighters Relief Association

Karen Dudley went over the memo and discussion followed. Richard Hansen, chairman of the White Bear Lake Pension Committee, explained the problem re the repeal of the incentive benefit program of the fund.

The bill reinstates the incentive benefit program, validates any actions taken during the time the incentive program was repealed, and repeals outdated and unnecessary special law provisions.

Rep. Rodriguez moved that HF 907; SF 833 be recommended to pass. Motion carried.

HF 793 (Schreiber); SF 827 (Jude): PERA; Optional Annuity Election for Disabled Member

Karen Dudley went over the explanatory memo and discussion followed.

The bill is written to take care of a person who did not sign up quickly enough to take a 30 day waiting period between the date of application for a disability benefit and the date that an optional annuity could become effective.

Rep. Clawson moved staff amendment number 1 which amends PERA and PERA-P&F law to remove the 30 day waiting period between the application for optional disability and the earliest effective date.

Rep. F. Rodriguez moved staff amendment number 3, which makes the bill retroactive to May 1, 1981.

Rep. F. Rodriguez moved that HF 793, SF 827 as amended be recommended to pass. Motion carried.

HF 546 (Sviggum); SF 720 (Renneke): Permitting the purchase of certain prior service credit for periods of active military service.

Staff was requested to submit an omnibus prior service credit bill purchase incorporating all the prior service bills. Karen Dudley explained the omnibus bill as presented to the Commission.

Section 1 authorizes the purchase of service credit for certain types of public service.

Section 2 adds a new section to Chapter 356 to govern calculations of service credit and to set deadlines for purchases of prior service.

Sections 3 and 4 removes the deadlines for purchases of prior service contained in the 1981 and 1982 general and special laws.

Concerning a problem with the Minneapolis Teachers Retirement Fund re calculating military buybacks, Karen Dudley explained the differences in the Minneapolis Teachers calculations.

St. Clair Beeman, Committee of 13, told the Commission that the trustees of the Minneaolis Teachers were willing to work with the Commission on this problem.

Sen. Donald Moe requested that the portion of the omnibus bill re military buybacks be taken out of the bill.

HF 546, SF 720 was laid over.

HF 467 (Sarna); SF 315 (C.C. Peterson): Rule of 85

A staff memo was presented containing cost estimates by the fund actuaries of three funds, TRA, PERA, MSRS. Jim Heidelberg went over memo.

The following spoke on the bill:

Mike McLaren, Exec. Dir. of PERA, Mayor of the City of Duluth, Harvey Schmidt, Exec. Dir. of TRA, Paul Groschen, Exec. Dir. of MSRS, Lyle Farmer, Sec/Treas of StPTRFA.

Rep. Sarna moved that the delete everything after the enacting clause to HF 467, SF 315 be recommended to pass. The Minneapolis Municipal Employees Retirement Fund was deleted and the Highway Patrol was added to the amendment. Motion carried.

Rep. Metzen moved that MERF be removed from the delete everything amendment. Motion carried.

Sen. Renneke moved that the Rule of 90 be removed. Motion carried

March 29, 1983 LCP&R Meeting Minutes continued:

Guarantee Bills: The staff memo provided background information on the subject of guarantee of pensions and reviewed a number of pension bills which were introduced re guarantee of pension rights.

Rep. Sarna moved that HF 247 (F. Rodriguez); SF 474 (Petty) be recommended to pass as amended. Motion carried.

Eleanor Diebel
Secretary