



April 1, 1987
Basement Hearing Room
State Office Building

7th Meeting

LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT

MINUTES

Representative Wayne Simoneau, Chair of the Legislative Commission on Pensions and Retirement, called the meeting to order at 6:15 PM.

Commission members present:

Representatives:

Clark
B. Johnson
Knickerbocker
Reding
Simoneau

Senators:

D. Moe
Pogemiller
Renneke
Waldorf
Wegscheid

A quorum was present.

Rep. Simoneau asked if the Commission had received any correspondence. It was noted that a letter was received from the Executive Director of MERF responding to the Commission letters dated November 14, 1986 and February 12, 1987, and that a letter was received from an MSRS member, signed by several MSRS members, protesting the use of funds to attend the Hawaii conference.

Rep. Simoneau called for a report from the Commission Actuary. There was no report.

Rep. Simoneau called for reports from the Fund Administrators. Pat Alexander, Duluth Police Pension Fund, spoke asking the Commission for a hearing on the Duluth Consolidation bill.

James Hacking, PERA, requested Commission members to attend a public hearing on the new Joint and Survivor Annuity tables which will be effective July 1, 1987 for PERA. The public hearing will be May 4, 1987 at 1:00 P.M. in room 300S of the State Office Building.

Rep. Simoneau called for a report from the Executive Director of the State Board of Investment. There was no report.

Rep. Simoneau revised the order of the agenda and introduced item 7, H.F.463; S.F. 1063: 5 year vesting. Larry Martin, Executive Director of the LCP&R, reviewed the memo, bill, and 2 amendments on this issue. Mr. Martin commented that passing the first amendment would cover all statewide plans and the first class city teacher plans. The second amendment would provide general authorization for

the local police and paid firefighter plans to implement 5 year vesting through bylaw change. Mr. Martin introduced Mike Gunvalson of the Wyatt Company who was taking the place of Robert Perkins for this meeting. Discussion followed Mr. Martin's presentation.

Sen. Wegscheid moved to recommend both amendments and H.F. 463; S.F. 1063.
MOTION PREVAILED.

Rep. Simoneau introduced item 6 on the agenda, H.F. 1116; S.F. 980: Fiduciary Responsibility and Liability Regulation Codification. Larry Martin reviewed the fifteen items on the memo included in member's packets as well as the amendment. Discussion followed with comments from Howard Bicker, Paul Groschen, James Hacking, Elton Erdahl, Gene Waschbusch. The bill was laid over for further review.

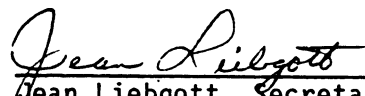
Rep. Simoneau introduced item 8 on the agenda, H.F. 614; S.F. 740: Minneapolis Teachers Retirement Fund Association Benefit Modification. Jim Heidelberg, Assistant Director of the LCP&R, reviewed the memo included in member's packets noting the bill would eliminate the 13th check, which is MTRFA's once a year post retirement adjustment.

Rep. Simoneau introduced Rep. Greenfield to speak for his bill. Discussion followed with comments by Morgan Fleming, lobbyist for MTRFA, who introduced Larry Riser, Lee Lundeen, Leona Hanson, Jim Heller, and Doug Hanson.

Mike Gunvalson, The Wyatt Company, reviewed the benefit restructuring tables. Larry Martin reviewed the memo from Robert Perkins, The Wyatt Company, as well as the amendment to the bill which addressed technical questions and noted the bill would allow the Minneapolis Teachers Retirement Fund Association to modify their articles of incorporation. Discussion followed with comments by Harry Adams, Executive Director MTRFA, and Mark Meyer, MTRFA actuary, who noted the bill would primarily benefit people aged 80 to 100 and he believed there would not be an increase in cost.

Rep. Knickerbocker moved to recommend the amendment and H.F. 614; S.F. 740.
MOTION PREVAILED.

The meeting adjourned at 9:00 P.M.


Jean Lieb Gott, Secretary