State of Minnesota \setminus legislative commission on pensions and retirement

March 12, 1979 Meeting Room 118 State Capitol 5:00 P.M.

MINUTES

Sen. Stokowski, the chairman, opened the meeting.

PRESENT: Senators Stokowski, Ogdahl, Renneke, Strand, Peterson Representatives Patton, Sarna, Moe, Biersdorf, Kaley

The bill from Dr. Franklin Smith, Commission actuary, for actuarial services for the period January 1, 1979 to February 28, 1979 was approved for payment.

SF 816 (Ogdahl); HF 746 (Patton): TRA Increase in employer contribution. L. Martin explained that the bill was redrawn to include Commission amendments previously approved by the commission and has been introduced.

Rep. Moe moved that the Commission recommend passage of SF 816 and HF 746 as redrawn and introduced. Motion carried.

SF 90 (Moe); HF 590 (Eken): PERA: Disability Benefit for Certain Applicant, The bill provides that a member of the PERA and an employee of the Clearwater County who has become totally and permanently disabled shall be entitled to receive a total and permanent disability benefit even though the period of 10 years of service required for vesting for the benefit for a member under age 50 were acquired in part by the repayment of a refund and a restoration of service credit which took place after the occurrence of the disability. Larry Martin went over the memo and discussion followed. Rep. Eken spoke in behalf of the bill. No action taken.

SF 80 (Solon): PERA; Reinstatement of a Disability Benefit to a Certain Member The bill authorizes the restoration of a total and permanent disability benefit from the PERA to a former PERA member who had been receiving a PERA disability but who had the PERA disability discontinued.

Larry Martin went over the memo and discussion followed.

Sen. Solon spoke in behalf of the bill. Sen. Solon was requested to procure a statement explaining the second disability. The member is 60 years of age.

SF 209 (Tennessen); HF 86 (Long): MMER; Clarifying Construction of Age Requirement for Payment of a Retirement Annuity to an Elected Official The bill provides that Minnesota Statutes, Section 422A.09, Subdivision 3, Clause (2), a provision of the MMER law which defines which elective officers of the city are exempt and which are included in membership in the fund, shall not be interpreted as authorizing the payment of a retirement allowance or other retirement benefit to any former, present or future elective officer of the city at an age earlier than age 60.

L. Martin went over the memo and discussion followed.

Sen. Strand moved to accept the staff amendment. Motion carried. (copy of amendment attached) Sen. Tennessen spoke in behalf of the bill and stated that he approved the amendment. Sen. Tennessen stated that it is his belief that a pension is not designed to be a guaranteed income.

Parker Trostel, 7th Ward Alderman, representing the Independent-Republican caucus of the City of Minneapolis spoke in behalf of the bill and stated that a pension is for income and retirement when a person is not expected to work; that she would like the bill passed in its present form.

Staff will obtain clarification of the data.

<u>SF 250 (Davies); HF 115 (Enebo): PERA; Purchase of Prior Service by Certain</u> <u>Court Reporters</u>

The bill provides that a Hennepin County court reporter who is a member of the Public Employees Retirement Association who had previously been employed as a court reporter by the City of Minneapolis and purchased credit for that prior service in PERA shall be entitled to purchase one year of service credit for military service during a leave of absence from employment with the City of Minneapolis.

L. Martin went over the memo and discussion followed.

Mr. Paul Ness, for whom the bill was drawn, testified. Mr. Ness is 61 years of age. He was employed from 1/1943 to 9/1955.

There are several policy decisions involved in this bill. No action taken.

SF 293 (Ulland J.); HF 45 (Berkelman): Judges Retirement Fund: Purchase of Prior Service as Judge in Duluth Conciliation Court The bill provides that a certain judge of the 6th Judicial District with prior

service as a conciliation court judge in the municipal court of the City of Duluth shall be granted part credit for that service and may purchase part credit for that service in the Judges Retirement Fund.

Sen. Ulland presented a strike everything amendment which provides that "the conciliation court of the city of Duluth shall be deemed to have been a court of record by the statute in effect on 12/31/73".

Sen. Renneke moved to accept the strike everything amendment. Motion carried (amendment attached)

Bill will be taken under advisement.

Sen. Strand moved to approve the minutes of the March 2 and 6, 1979 minutes. Motion carried.

SF 65 (Davies): All Public Retirement Funds; Restriction on Vesting of all Pension Benefit Increases. This bill was held over.

R. Strand Secretary

Eleanor Diebel Commission Sec.