April 1, 1981 Meeting
Room 83 State Office Bldg.
10:00 A.M.

MINUTES

Rep. Sarna opened the meeting.

PRESENT: Representatives Sarna, Rice, Reding Kaley
          Senators Donald Moe, Collin Peterson, Renneke, Frederickson, Spear

Rep. Sarna, chairman, opened the meeting.

HF 567 (Olsen); SF   ): Teacher Funds: Designation of Beneficiary for
Optional Annuity
The bill authorizes certain types of survivor benefit coverage to be pro-
vided to a designated beneficiary instead of only a surviving spouse. It
also requires public pension funds to provide information concerning
optional annuity forms and requires the signature of the spouse of a member
on the retirement annuity.

Nina Rothchild, Economic Status of Women, spoke in opposition to HF 567.

Rep. S. Olson advised the Commission that the bill was requested because of
second marriages. Under present law, money cannot be left to surviving
children.

John Chenoweth, Exec. Dir. of the Minneapolis Municipal Employees Retirement
Association, suggested that all the funds be included in this bill.

Rep. Kaley moved the staff amendment.   Motion carried.
Rep. Kaley moved that HF 567 as amended be recommended to pass.   Motion carried

HF 82 (Stumpf); SF 62 (Hanson): Police Survivor Benefits in the City of
Thief River Falls. Bill increases the amounts to be paid as survivor
benefits for Thief River Falls Police. A staff amendment adds language
which would require the City of Thief River Falls to amortize.

Sen. Donald Moe moved the staff amendment.   Motion Carried
Sen. Donald Moe moved to recommend the bill to pass as amended. Motion Carried

HF 882 (Byrne); SF   ): St. Paul Firefighters Relief Association:
Specifying the Investment authority of the relief association.
The bill amends the special law governing the investment authority governing
the St. Paul Firefighters relief association to specifically provide that
the fund is governed by the general law which governs all local police and
salaried firefighters relief associations.

Rep. Rice moved the staff amendment and the bill as amended.   Motion carried

HF 694 (McEachern); SF   ): PERA: Minimum Salary Requirement
Maximum salary amounts are to be increased from $250 per month to $325 per
month or from $3,000 per year to $3,900 per year if the annual compensation
limit is stipulated in advance.

Rep. Reding moved the staff amendment.   Motion Carried
Rep. Reding moved to recommend HF 694 to pass as amended.   Motion Carried

HF 681 (Reding); SF 974 (Frederickson): Minnesota Post Retirement Investment
Fund; Amount of Interest Available for Increases.
Bill amends Minnesota Statutes, Section 11A.18, Subd. 9, which governs
the calculation of the amounts of a post retirement adjustment from the
Minnesota post retirement investment fund. It modifies the period of
time over which a deficiency in the assets of the Minnesota post retirement
investment fund when compared to the actuarially determined required reserves
will be retired, by reducing from 25 percent to five percent the amount of
interest income in excess of the actuarial requirement which will be deducted
from the amount available to pay post retirement adjustments.

The following spoke in favor of HF 681:
Mr. O. M. Ousdigian, PERA Retired Employees
C. Mike McLaren, Executive Director of PERA
Stan Enebo, PERA
Harvey Schmidt, Executive Director of Teachers Retirement Assn., stated
that his board will support the bill

Sen. Collin Peterson moved to recommend that HF 681; SF 974 be recommended
to pass.   Motion Carried

HF 976;(Sarna); SF   ( ): MTRFA; Establishment of Post Retirement Adjustment
Mechanism. The bill authorizes the Minneapolis Teachers Retirement Fund
to establish a post retirement adjustment program for the payment of annual
lump sum increases to annuitants and survivor benefit recipients who have
been receiving an annuity or survivor benefit for at least five years. It
also authorizes MTRFA to provide for the purchase of service credit for
periods of authorized parental leave.

HF 976 was recommended to pass as amended.

Rep. Leo Reding
Secretary

Eleanor Diebel
Staff Secretary