



April 2, 2013

Room 112 Capitol

LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT

MINUTES

Call to order:

Senator Sandra Pappas, Chair of the Legislative Commission on Pensions and Retirement, called the meeting to order at 4:40 p.m.

Commission Members Present:

Representatives Benson, Kahn, Lesch, Morgan, M. Murphy, Nelson, and O' Driscoll
Senators Goodwin, Hayden, Johnson, Pappas, Rosen, Saxhaug, and Thompson

Agenda Items

Approval of minutes

Sen. Hayden moved approval of the March 19, 2013, meeting minutes. **MOTION PREVAILED.**

S.F. 529 (Pappas); H.F. 650 (Nelson): TRA; Phase-in of actuarial equivalent early retirement reduction factors 2015-2019

Laurie Hacking, Executive Director, TRA, presented and testified in support of the bill.

Kim Crockett, Center of the American Experiment, testified in opposition to the bill.

Rep. Nelson moved S.F. 529/H.F. 650 be recommended to pass and be incorporated into Omnibus Pension Bill II. **MOTION PREVAILED.**

S.F. 1249 (Pappas); H.F. 1433 (Nelson); (S1249-E2): SPTRFA; Creating an additional state aid program; increasing employee and employer contributions; revising plan benefits

Paul Doane, Executive Director, SPTRFA, presented and testified in support of the bill. Mr. Doane also reviewed amendment S1249-14A, indicating that the school district supports the amendment.

Rep. Lesch moved amendment S1249-14A. **MOTION PREVAILED.**

Kim Crockett, Center of the American Experiment, testified in opposition to the bill.

Rep. Lesch moved S.F. 1235/H.F. 1330, as amended, be recommended to pass and be incorporated into Omnibus Pension Bill II.

A roll call was requested.

Members voting aye:

Sen. Pappas
Sen. Goodwin
Sen. Hayden
Sen. Johnson
Sen. Saxhaug
Rep. Kahn
Rep. Lesch
Rep. Morgan
Rep. Murphy
Rep. Nelson

Members voting nay:

Sen. Rosen
Sen. Thompson
Rep. Benson
Rep. O'Driscoll

There were 10 ayes and 4 nays. **MOTION PREVAILED.**

S.F. 1235 (Reinert); H.F. 1330 (Murphy, M.); Document S1235-E1: DTRFA; Increasing employee and employer contributions; revising plan benefits

David H. Johnson, attorney representing the DTRFA, testified in support of the bill.

Tom Threinen, retired Duluth school principal 1) testified in opposition to the bill, 2) provided handout materials and proposed that cost-of-living-adjustments only be provided to those retirees whose benefits have not kept up with inflation, and 3) requested that a group of interested parties be assembled to look at the future of Minnesota public pensions and to develop recommendations for the Commission.

Rep. Murphy moved S.F. 1235/H.F. 1330 be recommended to pass and be incorporated into Omnibus Pension Bill II. **MOTION PREVAILED.**

Final consideration of 2013 Omnibus Retirement Bill II (delete-all amendment S1191-1A)

Rep. Benson moved amendment S1191-2A relating to judges' retirement coverage revisions.

Nancy Haas, Messerli & Kramer, attorney representing the Minnesota Districts Judges Association, testified that the amendment would need to be reviewed by the judiciary.

David Bergstrom, Executive Director, MSRS, testified that the amendment may have a financial impact and would need more actuarial study and discussion.

Kim Crockett, Center of the American Experiment, testified in support of the amendment.

There was no action on the amendment. Sen. Pappas designated the topic for interim study.

Rep. Murphy moved delete-everything amendment S1191-1A, as amended, be adopted as the 2013 Omnibus Retirement Bill II. **MOTION PREVAILED.**

Non-Agenda Items

Bloomington Fire Department Relief Association Actuarial Assumption Changes

Mr. Martin distributed Motion LCPR13-M2, to adopt mortality assumption changes for the Bloomington Fire Department Relief Association.

Rep. Nelson moved motion LCPR13-M2. **MOTION PREVAILED.**

Adjournment

The meeting adjourned at 6:00 p.m.

Lisa Diesslin, Commission Assistant