

# Legislative Commission on Pensions and Retirement

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**April 25, 2017**

Room 1200, Minnesota Senate Building

## MINUTES

### Call to order:

Senator Julie A. Rosen, Chair of the Legislative Commission on Pensions and Retirement, called the meeting to order at 5:35 p.m.

### Commission Members Present:

Representatives Albright, Anderson, Murphy, O'Driscoll, Thissen, and Vogel  
Senators Dahms, Jasinski, Limmer, Pappas, Rosen, Schoen, and Senjem

**Commission Member Absent:** Representative Peterson

## Agenda Items

### Approval of April 18, 2017, meeting minutes.

Sen. Jasinski moved approval of the April 18, 2017, meeting minutes.

Rep. Murphy moved to revise the description of Rick Heller's testimony, as follows: "Rick Heller, unofficial representing twice exceptional and print disability testified regarding accessibility of legislative documents and timely posting."

Sen. Jasinski renewed his motion to approve the April 18, 2017, meeting minutes, incorporating the Murphy revision. **MOTION PREVAILED.**

### **MSRS-Unclassified; Change in factors for converting an account to an annuity (eff. 7/1/17).**

Susan Lenczewski, Executive Director, Legislative Commission on Pensions and Retirement, reviewed the issue and the staff memo.

Rep. Albright requested staff to draft an amendment grandfathering current employees to the current conversion factors.

### **SF 1384 (Rosen); HF 1672 (Murphy, M.): VFRA's; Implementing the recommendations of the Volunteer Fire Relief Association Working Group**

Ron Johnson, Treasurer, Maple Grove Fire Relief Association, Minnesota State Fire Department Association, testified in support of the bill and reviewed the work of the Office of the State Auditor's Volunteer Fire Relief Association Working Group.

Nyle Zikmund, representing the Minnesota State Fire Chiefs Association, testified in support of the bill.

Mark Kerr, Special Investigations Director/Data Practices Official, Office of the State Auditor, testified in support of the bill, and will provide to the Commission further information about the expanded list investment provisions and what fees are deducted from fire state aid.

Rachel Barth, Deputy Director, Legislative Commission on Pensions and Retirement, reviewed amendment A17-0222.

Rep. O'Driscoll moved Revisor's technical amendment A17-0222. **MOTION PREVAILED.**

Rep. Anderson renewed her motion on Amendment S1384-1A. **MOTION PREVAILED.** Division was requested. **MOTION PREVAILED.**

Rep. O'Driscoll moved SF1384/HF1672, as amended, be recommended to pass and be incorporated into the 2017 omnibus pension bill. **MOTION PREVAILED.**

**SF 1705 (Rosen); HF 2126 (O'Driscoll): MSRS; Revising enhanced augmentation rates and the related exception from enhanced augmentation for certain terminated privatized employees (Fairview).**

Susan Lenczewski, Executive Director, Legislative Commission on Pensions and Retirement, reviewed the MSRS Board action last year and this year, and reviewed the amendments.

Chad Burkitt, Legislative Liaison, MSRS, clarified that the legislative amendments to Section 352F enacted in June 1997, after the sale and asset transfer, affected only the university physicians and did not change the enhanced augmentation for the original employees.

Erin Leonard, Executive Director, MSRS, testified that MSRS was instructed to do some member outreach and the Board revised their original proposal based on the feedback received. Ms. Leonard noted that in the past several years MSRS has modified benefits for other members and, in 2010, was served regarding COLA changes and MSRS prevailed due to the circumstances surrounding the changes. Ms. Leonard indicated that no mention of legal action related to this proposal has been shared with her.

Rep. Albright recommended pursuing a legal opinion on this matter.

There was no action on the bill.

### **Adjournment**

The meeting adjourned at 7:15 p.m.

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Lisa Diesslin, Commission Assistant