

# Legislative Commission on Pensions and Retirement

55 State Office Building

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St. Paul, MN 55155-1201

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## SENATE MEMBERS

Senator Julie A. Rosen, Chair  
Senator Sandra L. Pappas, Secretary  
Senator Gary H. Dahms  
Senator John R. Jasinski  
Senator Warren Limmer  
Senator Dan Schoen  
Senator David H. Senjem

## HOUSE MEMBERS

Representative Tim O'Driscoll, Vice Chair  
Representative Tony Albright  
Representative Sarah Anderson  
Representative Mary Murphy  
Representative Roz Peterson  
Representative Paul Thissen  
Representative Bob Vogel

## COMMISSION STAFF

Susan Lenczewski, Executive Director  
Rachel Barth, Deputy Director  
Lisa Diesslin, Commission Assistant  
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May 10, 2017

Room 1150, 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 8:45 a.m.

### Commission Members Present:

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

### Agenda Items

#### **LCPR17-035: PERA; Authorizing an eligible Duluth township employee to elect PERA General coverage and receive retroactive coverage.**

Rep. Murphy moved LCPR17-035 be recommended to pass and be incorporated into the 2017 omnibus pension bill. **MOTION PREVAILED**

#### **LCP17-036: MSRS Unclassified; Grandfathering current factors used in the calculation of annuities under the MSRS Unclassified Program.**

Rep. Murphy moved LCPR17-036 be recommended to pass and be incorporated into the 2017 omnibus pension bill. **MOTION PREVAILED.**

#### **S.F. 1705 (Rosen); H.F. 2126: 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 Amendment S1705-4A.

Amendment 1705-4A: Revising the augmentation rate reduction phase-in.

Sen. Limmer moved Amendment 1705-4A. **MOTION PREVAILED.** Division was requested and granted. **MOTION PREVAILED.**

Rep. O'Driscoll moved SF1705/HF2126, as amended, be recommended to pass and be incorporated into the 2017 omnibus pension bill. **MOTION PREVAILED.**

**LCPR17-038 Benefit and contribution changes.**

Ms. Lenczewski reviewed document LCPR17-038 and Amendment 17038-5A.

Amendment 17038-5A: Delays the post-retirement adjustment revisions by three years.

Sen. Pappas moved Amendment 17038-5A. **MOTION PREVAILED.**

Amendment 17038-7A: Technical corrections.

Rep. O'Driscoll moved Amendment 17038-7A. **MOTION PREVAILED.**

Amendment 17038-8A: TRA original sustainability proposal provisions.

Sen. Pappas moved Amendment 17038-8A. **MOTION FAILED.**

Amendment 17038-6A: PERA General original sustainability proposal provisions.

Rep. Thissen moved Amendment 17038-6A. **MOTION FAILED.**

Rep. O'Driscoll moved LCPR17-038, as amended, be recommended to pass and be incorporated into the 2017 omnibus pension bill. **MOTION PREVAILED.**

**Final Action on the 2017 Omnibus Retirement Bill.**

Rachel Barth, Deputy Director, Legislative Commission on Pensions and Retirement, reviewed the provisions of delete-all Amendment S0545-2A and Amendment S0545-5A.

Amendment S0545-5A: Department of Human Services requested changes to the MSRS-Correctional inclusion procedure.

Sen. Rosen moved Amendment S0545-5A. **MOTION PREVAILED.**

Amendment S0545-6A: Redirects VFRA fire state aid to the state general fund.

Rep. Thissen moved Amendment S0545-6A. Roll call was requested.

**Recess**

The meeting recessed to the call of the chair.

**Call to order**

Senator Rosen called the meeting back to order at 10:22 a.m.

Amendment S0545-6A: Redirects VFRA fire state aid to the state general fund.

Rep. Thissen renewed his motion on Amendment S0545-6A.

Members voting aye	Members voting nay	Absent members
None	Sen. Rosen Sen. Dahms Sen. Jasinski Sen. Limmer Sen. Pappas Sen. Senjem	Rep. Albright Rep. O'Driscoll Rep. Peterson Rep. Thissen Rep. Vogel Sen. Schoen Rep. Anderson Rep. Murphy

On a vote of zero ayes and 11 nays, **MOTION FAILED.**

Amendment S0545-7A: Former local police & fire plans surviving spouse and retiree benefit increase.  
Rep. Thissen moved Amendment S0545-7A. **MOTION FAILED.** Division was requested and granted.  
**MOTION FAILED.**

Amendment S0545-8A: Former local police & fire plans surviving spouse and retiree benefit increase - delays the start of funding to 2019.  
Rep. Thissen moved Amendment S0545-8A. **MOTION FAILED.**

Amendment S0545-9A: Fire State Aid Work Group membership.  
Sen. Pappas moved Amendment S0545-9A. **MOTION PREVAILED.**

Amendment S0545-10A: Technical corrections and conforming changes.  
Rep. O'Driscoll moved Amendment S0545-10A. **MOTION PREVAILED.**

Chair Rosen withdrew Amendment S0545-11A from consideration.

Amendment S0545-17-0442: Technical corrections removing redundant sections.  
Sen. Pappas moved Amendment 17-0442. **MOTION PREVAILED.**

Rep. O'Driscoll moved delete-all amendment S0545-2A, as amended, be adopted as the 2017 Omnibus Pension Bill. Roll call was requested. Rep. O'Driscoll temporarily withdrew his motion.

#### **Motion LCPR17-M3, Salary and Payroll Growth Assumptions.**

Ms. Lenczewski reviewed the motion to approve salary and payroll growth actuarial assumptions for MSRS, PERA, and SPTRFA.

Rep. O'Driscoll moved Motion LCPR17-M3. **MOTION PREVAILED.**

#### **Delete-All Amendment S0545-2A, the 2017 Omnibus Retirement Bill.**

Rep. O'Driscoll moved delete-all amendment S0545-2A, as amended, be adopted as the 2017 Omnibus Pension Bill. Roll call was requested.

Members voting aye		Members voting nay		Absent members	
Sen. Rosen	Rep. Anderson	Sen. Pappas	Rep. Murphy	Sen. Limmer	Rep. Albright
Sen. Dahms	Rep. O'Driscoll	Sen. Schoen	Rep. Thissen		
Sen. Jasinski	Rep. Peterson				
Sen. Senjem	Rep. Vogel				

On a vote of eight ayes and four nays, **MOTION PREVAILED.**

#### **Adjournment**

The meeting adjourned at 10:58 a.m.