

Legislative Commission on Pensions and Retirement

55 State Office Building

100 Rev. Dr. Martin Luther King Jr. Blvd.

St. Paul, MN 55155-1201

HOUSE MEMBERS

Michael V. Nelson, Vice Chair
Tim O'Driscoll, Secretary
Kaela Berg
Luke Frederick
Kaohly Her
Mary Murphy
Jordan Rasmusson

SENATE MEMBERS

Julie A. Rosen, Chair
Nick A. Frentz
Jeff R. Howe
John R. Jasinski
Sandra L. Pappas
Jason Rarick
David H. Senjem

COMMISSION STAFF

Susan Lenczewski, Executive Director
Chad Burkitt, Analyst
Lisa Diessler, Commission Assistant
Phone: 651-296-2750
TDD: 651-296-9896
Fax: 651-297-3697
website: www.lcpr.leg.mn

March 16, 2021

REMOTE MEETING

MINUTES

Call to order:

Senator Julie Rosen called the meeting to order at 5:00 p.m. The meeting was conducted through Zoom and broadcast via YouTube.

Commission Members Present:

Representatives Berg, Frederick, Her, Murphy, Nelson, O'Driscoll, and Rasmusson
Senators Frentz, Howe, Jasinski, Pappas, Rarick, Rosen, and Senjem

Agenda Items

Approval of March 2, 2021, meeting minutes.

Sen. Jasinski moved approval of the March 2, 2021, meeting minutes. **MOTION PREVAILED.**

HF 1107 (Murphy): PERA Statewide Volunteer Firefighter Plan; Permits the allocation of fire state aid between the SVF plan and the municipality.

Chad Burkitt, Analyst, Legislative Commission on Pensions and Retirement reviewed the bill.

Doug Anderson, Executive Director, Public Employees Retirement Association, testified in support of the bill.

Nyle Zikmund, Moundsview City Administrator, and representing joint powers cities of Spring Lake Park, Blaine, and Moundsview, testified in support of the bill.

Mark Rosenblum, President, Minnesota State Fire Department Association, testified in support of the bill.

Rep. Murphy moved HF1107 be recommended to pass and be incorporated into the 2021 omnibus pension bill. **MOTION PREVAILED.**

SF 2056 (Rosen); HF 2145 (Nelson, M.): State Auditor's fire relief association working group recommendations.

Susan Lenczewski, Executive Director, Legislative Commission on Pensions and Retirement, reviewed the bill.

State Auditor Julie Blaha presented and testified in support of the bill.

Rose Hennessy-Allen, Pension Division Director, Office of the State Auditor, presented and testified in support of the bill.

Ron Johnson, member of the working group and member of the Minnesota State Fire Department Association, testified in support of the bill.

Rep. Nelson moved SF 2056; HF 2145 be recommended to pass and be incorporated into the 2021 omnibus pension bill. **MOTION PREVAILED.**

SF 1925 (Abeler); HF 2192 (Heinrich): Ramsey Fire Relief Association and Nowthen firefighters; Provides full vesting and distribution of accounts to firefighters assigned to the Nowthen fire station.

Ms. Lenczewski reviewed the bill.

Matt Kohner, Ramsey Fire Chief, testified in support of the bill.

Jeff Pilon, Mayor of Nowthen, testified in support of the bill.

Sen. Howe moved SF 1925; HF 2192 be recommended to pass and be incorporated into the 2021 omnibus pension bill. **MOTION PREVAILED.**

SF 950 (Pappas); HF 407 (Nelson, M.): Increases the benefit for a former Department of Labor & Industry employee due to erroneous benefit estimate information from MSRS.

Mr. Burkitt reviewed the bill.

David Musielewicz, the person affected by the bill, testified in support of the bill.

Erin Leonard, Executive Director, MSRS, testified that they take full responsibility for the error, that they reviewed accounts but found no additional errors, and that the Board supports the bill.

Sen. Pappas moved SF 950; HF 407, be recommended to pass and be incorporated into the 2021 omnibus pension bill. **MOTION PREVAILED.**

Report on the LCPR Study of Postretirement Adjustments (COLAs).

Chad Burkitt reviewed Amendment COLA-1A and the motion alternatives.

Brian Rice, representing the Minnesota Police Fraternal Association and Minnesota Professional Fire Fighters on behalf of Chris Parsons, provided a letter and testified 1) Minnesota has never gotten these COLAs right, 2) we do pensions on the cheap in Minnesota (47th nationally), 3) LCPR has tried to do its best and there has always been a principle to protect inflation; and in support of amendment COLA-1A.

Louise Sundin, Minneapolis Committee of Thirteen and retired teachers chapter 59, testified that retirees have accepted the lower COLAs but they will never get that back, and asked the Commission to consider the realities of increased cost of living.

Ethan Vogel, Legislative Director, AFSCME Council 5, testified on behalf of and provided a letter from the Public Employees' Pension Coalition in support maintaining the purchasing power of the benefit. Mr. Vogel indicated that they have not yet vetted the amendment, but it appears to address their concerns.

David Johnson, representing the Minnesota Municipal Retirement Association, provided a handout and testified to his concern that the COLA study and the LCPR principles have different standards regarding addressing the decline of the benefit, that the Commission should review the principles, and that his concerns are addressed by alternative motion and the amendment.

Tim Moynihan, Vice-President, Retired Educators Association of Minnesota (REAM), legislative committee co-chair, testified that retirees bear the largest portion of the 2018 legislation, in support of maintain COLAs, and that REAM's position is included with the report.

There was no action on the item.

Adjournment

The meeting adjourned at 7:20 p.m.