Legislative Commission on Pensions and Retirement

600 State Office Building

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

St. Paul. MN 55155-1201

HOUSE MEMBERS

Representative Kaohly Vang Her, Chair Representative Tim O'Driscoll, Secretary Representative Kaela Berg Representative Ethan Cha Representative Danny Nadeau Representative Michael Nelson Representative Dan Wolgamott

SENATE MEMBERS

Senator Nick A. Frentz, Vice Chair Senator Jeff R. Howe Senator Erin P. Murphy Senator Carla J. Nelson Senator Sandra L. Pappas Senator Jordan Rasmusson Senator Judy Seeberger

COMMISSION STAFF

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February 27, 2023

Room 120, State Capitol

MINUTES

Call to order:

Chair Her called the meeting to order at 8:30 a.m.

Commission Members Present:

Representatives Her, Berg, Cha, Nadeau, Nelson, O'Driscoll, Wolgamott Senators Frentz, Howe, Nelson, Murphy, Pappas, Rasmusson, Seeberger

Agenda Items

Approval of meeting minutes

Sen. Pappas moved approval of the February 20, 2023, meeting minutes. MOTION PREVAILED.

<u>SF 1910 (Frentz)</u>: Higher Education Individual Retirement Account Plan (IRAP): Increasing the employer contribution rate.

- Amendment Hxxxx.S1910-1A
- Amendment <u>Hxxxx.S1910-2A</u>

Susan Lenczewski, Executive Director, Legislative Commission on Pensions and Retirement, reviewed the <u>summary</u> of bill and the amendments.

Sen. Frentz testified in support of his bill and moved amendment Hxxxx.S1910-2A. MOTION PREVAILED.

Devin Bruce, Public Affairs Coordinator, Minnesota Association of Professional Employees (MAPE), testified in support of the bill.

Jonathan Bohn, Director of Public Affairs, Inter Faculty Organization (IFO), testified in support of the bill.

Mark Grant, Communication Studies Instructor and Governmental Relations/Lobbyist, Minnesota State College Faculty, testified in support of the bill.

Edward Reynoso, Director of Political and Legislative Affairs, Teamsters Local #320, testified in support of the bill.

Joshua Lease, Director of Annual Giving/Legislative Chair, Teamsters Local #320, testified in support of the bill.

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Derek Hughes (MnState) answered questions about how IRAP is administered and contribution rates.

SF1910 was laid over for possible inclusion.

Minnesota State Higher Education Retirement Account Plan (IRAP) / Teachers Retirement Association (TRA) coverage elections and service credit transfers.

Ms. Lenczewski reviewed the <u>summary</u> of the three bills.

a. <u>SF 1995 (Seeberger)</u>: IRAP, TRA; Permits a Minnesota State employee to elect TRA coverage and receive retroactive service credit.

Sen. Seeberger presented and testified in support of her bill.

Dr. Marta Mohr, System Director for Academic Programs, Planning, and Transfer, Minnesota State Colleges and Universities, the person affected by the bill, testified in support of the bill.

Mr. Hughes (MnState) testified in support of the bill.

Jay Stoffel, Executive Director, Teachers Retirement Association (TRA), testified in support of establishing a working group to review general legislation

Mr. Bohn (IFO) testified in support of working on this issue during the interim.

SF1995 was laid over for possible inclusion.

b. <u>HF 1499 (Olson, L.)</u>; <u>SF 1420 (McEwen)</u>: IRAP, TRA; Permits certain Fond Du Lac Tribal and Community College employees to elect TRA coverage and receive retroactive service credit.

Sen. McEwen presented and testified in support of her bill.

Ariel Johnson (via Zoom), Nandagikendan (Seek to Learn) Academy Director, Fond Du Lac Tribal and Community College, testified in support of the bill.

Mr. Bruce (MAPE) testified in support of the bill and in support of establishing a task force.

Mr. Hughes (MnState) testified in support of the bill.

Mr. Stoffel (TRA) testified in support of the bill.

HF1499/SF1420 was laid over for future consideration.

c. <u>LCPR23-021</u>: IRAP, TRA; General legislation permitting Minnesota State employees to elect TRA coverage and receive retroactive service credit.

Mr. Hughes (MnState) testified that Minnesota State supports finding a resolution to this issue.

Mr. Stoffel (TRA) testified that TRA is eager to work with Commission staff and Minnesota State.

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4. Stakeholder testimony on benefit improvements for teachers.

Mr. Stoffel (TRA) provided a <u>handout</u> and reviewed current TRA benefits, teacher benefits in other states, and the TRA board's proposal.

Phillip Tencick, Executive Director, St. Paul Teachers Retirement Fund Association, testified regarding their plan's lack of parity with other plans and employee/employer contribution rates.

Scott Vedbraaten, Browerville Public Schools Superintendent, testified in support of the need to improve teacher benefits and putting more money into TRA.

Jason Savage, Pillager High School Principal, provided a <u>handout</u> and testified in support of the need to improve teacher benefits and that the TRA proposal is a great starting point.

Jeff Kocur, Hopkins Schools teacher, testified in support of the need to improve teacher benefits.

Jim McComas-Bussa, Minneapolis Roosevelt High School math teacher, testified in support of the need to improve teacher benefits and reinstating the Rule of 90.

Julie Seiler, Spring Lake Park teacher and Education Minnesota's Pension Task Force co-chair, testified in support of the need to improve teacher benefits and reinstating the Rule of 90.

William Baumann, retired teacher and Education Minnesota's Pension Task Force co-chair, testified in support of lowering the retirement age to 60 and restoring deferred augmentation.

Dr. Liz Keeling, Champlin Park High School English and French teacher, testified in support of the need to improve teacher benefits, referring to the recent Professional Educator Licensing and Standards Board (PELSB) report on teacher supply and demand.

Ryan Fiereck, St. Francis School District teacher and Local President/former Vice President, Education Minnesota, testified in support of the need to improve teacher benefits and increasing state allocations and employer investments.

Because time was running out, Chair Her asked the two remaining testifiers to come back on March 6 to give their testimony.

Submitted testimony in support of improving teacher benefits was received from the following:

- Kelly Savage, High School Special Education Instructor, Pillager Public Schools
- Paul Peterson, Teacher, International Falls
- <u>Kim McDonald</u>, Title Teacher, Falls Elementary School
- <u>Jim Reed</u>, Media Teacher, Brainerd

Adjournment

The meeting adjourned at 10:30 a.m.

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