Centennial Office Building 658 Cedar Street, 1st Floor St. Paul, MN 55155

SENATE MEMBERS

Sen. Nick A. Frentz, Chair Sen. Jeff R. Howe, Secretary Sen. Carla J. Nelson

Sen. Carla J. Nelson Sen. Sandra L. Pappas Sen. Jordan Rasmusson Sen. Judy Seeberger Sen. Bonnie S. Westlin

HOUSE MEMBERS

Rep. Leon Lillie, Vice Chair Rep. Ethan Cha Rep. Josiah Hill Rep. Danny Nadeau Rep. Tim O'Driscoll Rep. Terry Stier Rep. Dan Wolgamott

COMMISSION STAFF

Susan Lenczewski, Executive Director Aleena Wilson, Analyst Lisa Diesslin, Commission Assistant Phone: 651-296-2750 TDD: 651-296-9896 Email: lcpr@lcpr.mn.gov Website: www.lcpr.mn.gov

April 22, 2025

Room 123, State Capitol Building

MINUTES

Call to order:

Senator Frentz called the meeting to order at 5:35 p.m.

Commission Members Present:

Senators Frentz, Howe, Nelson, Pappas, Rasmusson, Seeberger, and Westlin Representatives Cha, Hill (via Zoom), Lillie, Nadeau, O'Driscoll, Stier, and Wolgamott

Agenda Items

Approval of meeting minutes

Sen. Westlin moved approval of the April 8, 2025, meeting minutes. MOTION PREVAILED.

Motion LCPR25- M1: Approving changes to actuarial assumptions for MSRS State Patrol, Correctional, and Judges Retirement Funds; and PERA Police and Fire and Correctional Retirement Plans

Aleena Wilson, Analyst, Legislative Commission on Pensions and Retirement (LCPR), reviewed the motion.

Mark Schulte, President and Consulting Actuary, VIA Actuarial Solutions, testified that the effect of the assumption changes on the plans is minimal.

Rep. Nadeau moved approval of Motion LCPR25-M1. MOTION PREVAILED.

LCPR25- M2: Approving changes to actuarial assumptions regarding combined service annuities for MSRS General, State Patrol, and Correctional Funds; PERA General, Police and Fire, and Correctional Plans; TRA; and St. Paul Teachers

Aleena Wilson, Analyst, LCPR, reviewed the motion.

Mark Schulte, VIA, testified that the effect of the assumption changes on TRA is minimal and is positive.

Sen. Seeberger moved approval of Motion LCPR25-M2. MOTION PREVAILED.

Revisor# 25- 05437: Firefighter Relief Associations; Repealing the Investment Business Recipient Disclosure annual reporting requirement

Sen. Rasmusson moved Revisor #25-04537 be recommended to pass and be incorporated into the 2025 omnibus pension bill. **MOTION PREVAILED**.

Recommendations of the MSRS Correctional Plan Eligibility Work Group; Proposed Legislation LCPR25-003

Susan Lenczewski, Executive Director, LCPR, reviewed the staff memo on the work group, proposed legislation LCPR25-003, and the amendments.

Erin Leonard, Executive Director, MSRS, and member of the working group, testified in support of the bill draft, which reflects the consensus of the work group.

Nicholas Stephens, LPN, Anoka Regional Treatment Center; American Federation of State, County & Municipal Employees (AFSCME) Local 1307, Council 5, testified in support of the bill and amendment LCPR25-003-1A.

Devin Bruce, Director of Legislative and Political Affairs, Minnesota Association of Professional Employees (MAPE), testified in support of the bill and amendment LCPR25-003-1A and in opposition to amendment LCPR25-003-2A.

Ben Baglio, Lobbyist, Minnesota Nurses Association (MNA), testified in support of the bill and amendment LCPR25-003-1A and in opposition to amendment LCPR25-003-2A.

Dan Storkamp, Director of Operations Services, Minnesota Department of Direct Care and Treatment (DCT), testified in opposition to amendment LCPR25-003-1A, and that they are still evaluating the proposal.

Sen. Pappas moved LCPR25-003 (Nadeau/Rasmusson-Pappas) be recommended to pass and be incorporated into the 2025 omnibus pension bill. **MOTION PREVAILED**.

The amendments were laid over.

SF 1986 (Kupec); HF 1779 (Wolgamott): PERA General and MSRS General plans; Authorizing an unreduced early retirement annuity for probation agency employees; adding a definition for probation agency employees; increasing employee contributions for probation agency employees

Aleena Wilson, Analyst, LCPR, reviewed the bill.

Rep. Wolgamott and Sen. Kupec presented and testified in support of their bill.

Submitted testimony was received from:

- The Association of Minnesota Counties, submitted by Matt Hilgart
- <u>The Minnesota Inter-County Association</u>, submitted by Nathan Jesson

LCPR Meeting Minutes

Erin Leonard, Executive Director, MSRS, testified that board does not have a position on the bill but generally supports benefit improvements provided they are funded, but there is concern that the bill does not address cost in an equitable manner since employees will pay more than employers.

Doug Anderson, Executive Director, PERA, testified in opposition to the bill and provided a presentation "PERA Testimony on SF1986/HF1779."

Amy Strenge, Policy Coordinator, PERA, testified in opposition to the bill.

Nancy Haas, Minnesota Corrections Association (MCA) Representative, testified in support of the bill and provided two handouts: "Survey Results from MCA Membership" and "Teamsters 60/35 Reasonable Retirement Probation and Parole Petition."

Kayla Grimm, Ramsey County Probation Officer, testified in support of the bill and to answer questions about why younger members support the bill.

Rep. Wolgamott moved <u>Amendment S1986-3A</u>.

Mr. Anderson testified that a signification portion of the cost will be paid by future members, and that PERA would prefer a 15-year amortization period.

- Rep. Wolgamott renewed his motion on Amendment S1986-3A. MOTION FAILED.
- Rep. Nadeau moved Amendment S1986-DE1.

Ms. Haas testified that they haven't had the time or ability to consult with stakeholders about the amendment.

- Rep. Nadeau withdrew his motion on Amendment S1986-DE1.
- Rep. Nadeau withdrew Amendment S1986-4A.

The bill was laid over.

Adjournment

The meeting was adjourned at 8:15 p.m.