

State of Minnesota \ LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT



5th Meeting

State Office Building

LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT

MINUTES

Representative Wayne Simoneau, Chair of the Legislative Commission on Pensions and Retirement, called the meeting to order at 5:25 PM.

Commission members present:

Representatives:

B. Johnson
Knickerbocker
Reding
Simoneau

Senators:

D. Moe
Pogemiller
Renneke
Waldorf
Wegscheid

Member absent:

Clark

A quorum was present.

Rep. Simoneau asked if the Commission had received any correspondence. It was noted the Albany Hospital has been privatized and Commission staff has received 18 to 20 letters from Albany Hospital employees regarding that issue.

Rep. Simoneau called for reports from the Commission Actuary, Fund Administrators and the Executive Director of the State Board of Investment. There were no reports.

Rep. Simoneau introduced the 6th item on the agenda, H.F. 1051; S.F. 1034: The Teacher Pension Plan Funding Increase. Larry Martin, Executive Director of the LCP&R, made a presentation on the issue and noted that at the last meeting Mr. Robert Perkins, Commission actuary, recommended additional funding for the teacher funds. Mr. Martin went on to review the four policy considerations detailed in his memo. Discussion followed.

Sen. Moe moved to recommend the amendment and H.F. 1051; S.F. 1034. MOTION PREVAILED.

Rep. Simoneau asked Senator Pogemiller to review for the Commission Senator Pogemiller's suggested amendment to the Commission Rules. Discussion followed.

Senator Pogemiller moved to amend the rules. MOTION PREVAILED. The Commission rules were amended as follows:

5.0 CONDUCT OF MEETINGS. All meetings of the full Commission, except meetings pertaining to personnel issues, shall be open to the public. The Chair shall as far as practicable give three days notice of any meeting.

A majority of the Commission membership (6 members) shall constitute a quorum. The election of Commission officers ~~and the approval of recommendations for legislative action require~~ requires a majority vote of the membership. The approval of a recommendation for legislative action requires at least three of the members drawn from the House of Representatives and at least three of the members drawn from the Senate. All other Commission business, including all administrative actions, require a simple majority vote of those members present.

Rep. Simoneau introduced the 7th item on the agenda, H.F. 1077; S.F. 1035: Conformance With Federal Mandatory Retirement Age Changes. Jim Heidelberg, Assistant Director of the Commission, reviewed his memo for the Commission and referred members to a memo dated 12/1/86 on this subject which was also included in member's packets. The memo dated 12/1/86 regarded HR4154 passed by Congress and signed by President Reagan prohibiting mandatory retirement except for firefighters, police officers, and tenured faculty members.

Rep. Knickerbocker moved to recommend the amendment and H.F. 1077; S.F. 1035.
MOTION PREVAILED.

Rep. Simoneau introduced the 8th item on the agenda, H.F. 1062; S.F. 958: Department of Employee Relations Pension Bureau. Larry Martin reviewed his memo on this item stating thirteen responsibilities and duties that would be under the jurisdiction of the Pension Bureau if this bill passed.

Senator Moe noted that at a meeting with the Governor, Nina Rothschild supported this bill. He went on to say the Pension Bureau would be part of the executive branch and would not change the LCP&R but would add to it. Discussion followed with comments by James Hacking, Brian Rice and John Ahlers.

The Commission decided to lay this bill over for further study.

The Commission broke for lunch.

Rep. Simoneau introduced the 10th item on the agenda, H.F. 772; S.F. 601: Ambulance Service Personnel Statewide Pension Plan. Jim Heidelberg reviewed the memo included in member's packets noting this plan would be administered by PERA.

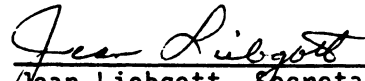
Mr. O. J. Doyle gave the Commission an overview of ambulance services. Discussion followed.

Representative Reding moved to recommend the amendment and H.F. 772; S.F. 601.
MOTION PREVAILED.

Rep. Simoneau introduced the 11th item on the agenda, S.F. 1071: Pension guarantee. Senator Wegscheid stated this bill and amendment would eliminate the possibility of borrowing the assets of a pension fund rather than guarantee pensions as a contractual right. Discussion followed.

Senator Wegscheid moved to recommend the amendment and S.F. 1071. MOTION
PREVAILED.

The meeting adjourned at 9:00 P.M.



Jean Lieb Gott, Secretary