



July 2, 1991  
Room 10 State Office Building

13th Meeting

LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT

MINUTES

Representative Leo Reding, Chair of the Legislative Commission on Pensions and Retirement, called the meeting to order at 9:18 A.M.

Commission members present:

Representatives Richard Jefferson, Bob Johnson, Gerald Knickerbocker, and Leo Reding  
Senators Steven Morse, Lawrence Pogemiller, Earl Renneke, Leroy Stumpf and Gene Waldorf

Rep. Reding introduced Mr. Lawrence Martin, Executive Director of the LCPR, to review the potential restructuring of the benefits and funding of the Legislators' Plan and Elective State Officers Plan.

Mr. Martin provided background information on why the Commission is looking at this topic. He then referred members to their packets and briefly reviewed a memo which provided a comparison between the Legislator's Retirement Plan, the Elective State Officers Retirement Plan and related pension plans with regard to the administrative structure and function of those plans.

Mr. Edward Burek, Deputy Executive Director of the LCPR, reviewed the second item in the packet, the historical development of the Legislators Plan, which he noted was broken into three periods, pre-1965, 1965, and post 1965, and the historical development of the Elective State Officers Plan.

Mr. Martin reviewed the next item in member packets, the policy emphasis of the current Legislators Plan and Elective State Officers Plan. Some of the items he noted were the lack of Social Security, portability between the plans, lower normal retirement age, higher accrual rate, and automatic survivor benefits. Discussion followed.

Rep. Reding suggested that the Commission look at the issues of Social Security, survivor coverage, funding, and per diems. Discussion followed.

Rep. Reding introduced the final item on the agenda, potential volunteer firefighters relief association coverage, benefit and funding changes.

Mr. Martin referred members to the four items on this issue in their packets, a 6/27/91 memo providing background information, a revision to last session's volunteer firefighter proposal from the Minnesota State Fire Department Association, a compendium of current laws governing volunteer firefighters, and the State Auditor's compilation of data on volunteer firefighters.

Rep. Reding suggested that since some volunteer firefighter relief associations are exceeding the maximum benefits permitted by law, the Commission begin with comments from the State Auditor's Office as that office is responsible for volunteer firefighter relief association compliance with state law.

Ben Pearce, State Auditor's Office, made comments regarding volunteer firefighter relief associations that may not comply with all the current laws governing volunteer firefighter relief associations. Mr. Pearce stated that when the State Auditor's Office finds a non-compliance, they react to it. Discussion followed. Rep. Reding expressed concern with regard to the number of relief associations that do not comply with current law. Rep. Reding continued by expressing the hope that the State Auditor's Office would put procedures into place that would permit a faster response to non-complying relief associations. Rep. Reding also expressed concern with the method state aid is distributed without regard to relief association funding needs or the adequacy of volunteer firefighter relief association pension benefits.

Gus Welter, representative of the Minnesota State Fire Department Association, reviewed the association's draft legislation. Mr. Welter stated that the time-weighted rate of return form has generated complaints from the volunteer firefighter relief associations required to file the form therefore the issue has been addressed in their draft legislation. Mr. Welter continued by stating that this bill only concerns pension benefits paid to people who are primarily engaged in firefighting thereby eliminating first responders. Discussion followed.

O.J. Doyle, representative of first responders, spoke with regard to the different levels of training for first responders and expressed a desire to see a definition of first responders provided in statutes. Discussion followed.

Gus Welter stated that there is also a need to have a definition of a volunteer firefighter. Mr. Welter continued to review the draft legislation. Discussion followed.

The meeting adjourned at 12:00 P.M.

  
Jean Liebgott, Secretary