



January 31, 2012

Room 5 State Office Building

LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT

MINUTES

Call to order:

Representative Morrie Lanning, Chair of the Legislative Commission on Pensions and Retirement, called the meeting to order at 5:03 p.m.

Commission Members Present:

Representatives Phyllis Kahn, Mary Kiffmeyer, Morrie Lanning, and Mary Murphy
Senators Roger Chamberlain, Theodore Daley, D. Scott Dibble, Sandra Pappas, and Julie Rosen

Commission Members Absent:

Representative Steve Smith

Agenda Items

Approval of prior Commission meeting minutes.

Sen. Dibble moved approval of the November 9-10, 2011, meeting minutes. **MOTION PREVAILED.**

H.F. 2028 (Gunther); S. F. 1633 (Rosen): Fairmont Police/PERA-P&F; Total consolidation of the Fairmont Police Relief Association into PERA-P&F.

Rep. Bob Gunther presented and testified in support of his bill.

Jim Zarling, Fairmont City Administrator, testified in support of the bill and indicated that Mark Meyer from Van Iwaarden Associates was available to answer any questions regarding the actuarial work.

Brian Rice, attorney representing the Fairmont Police Relief Association, testified in support of the bill.

Sen. Rosen moved H.F. 2028/S. F. 1633 be laid over for possible inclusion in the omnibus retirement bill.

Sen. Rosen moved amendment H2028-2A. **MOTION PREVAILED.**

Sen. Rosen moved amendment H2028-1A. **MOTION PREVAILED.**

Mary Vanek, Executive Director, PERA, testified that PERA is in agreement with the proposed legislation.

H.F. 2028/S.F. 1633, as amended, was laid over for possible inclusion in the omnibus retirement bill.

H.F. 1555 (Murphy, M.); S.F. 927 (Rosen): Minnesota public pension plan investment authority provisions revised.

State Auditor Rebecca Otto presented and testified in support of the bill.

Dave Kenney, Assistant Legal Counsel, Office of the State Auditor, testified in support of the bill.

Rep. Murphy moved H.F. 1555/S.F. 927 be laid over for possible inclusion in the omnibus retirement bill.

Rep. Murphy moved amendment H1555-1A. **MOTION PREVAILED.**

Howard Bicker, Executive Director, State Board of Investment, testified in support of H1555-19A.

Rep. Murphy moved amendment H1555-19A. **MOTION PREVAILED.**

Edward Burek, Deputy Director, Legislative Commission on Pensions and Retirement, reviewed the staff memo and policy issues raised by the bill and discussed the potential amendments.

H.F. 1555/S.F. 927, as amended, was continued.

H.F. 1167 (Smith); S.F. 1182 (Rosen): PERA privatizations; Adding Cedarview Care Center and Traverse Care Center to the list of privatized facilities covered by Chapter 353F.

Sen. Rosen moved H.F. 1167/S.F. 1182 be laid over for possible inclusion in the omnibus retirement bill.

Mr. Burek reviewed the staff memo and policy issues raised by the bill.

Mary Vanek, Executive Director, PERA, reviewed the privatization process.

H.F. 1167/S.F. 1182 was laid over for possible inclusion in the omnibus retirement bill.

H.F. 1759 (Smith, by request); S.F. 1181 (Rosen, by request): PERA privatizations; Decreasing augmentation rates applicable to new privatizations.

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

Mr. Burek reviewed the staff memo and policy issues raised by the bill.

Mary Vanek, Executive Director, PERA, testified in support of the bill and amendments -8A and -1A.

Sen. Rosen moved amendment H1759-8A. **MOTION PREVAILED.**

Sen. Rosen moved amendment H1759-1A. **MOTION PREVAILED.**

David Perron, RN, Virginia Regional Medical Center, Minnesota Nurses Association, testified in support of the bill and amendment H1759-8A.

Steve Feltman, Interim Chief Financial Officer, Virginia Regional Medical Center, testified in support of the bill and amendment H1759-8A.

H.F. 1759/S.F. 1181, as amended, was laid over for possible inclusion in the omnibus retirement bill.

H.F. 215 (Rukavina); S.F. 106 (Tomassoni): Virginia Fire/PERA-P&F; Administrative consolidation of the Virginia Fire Department Relief Association into PERA-P&F.

Rep. Tom Rukavina and Sen. David J. Tomassoni presented and testified in support of their bill and distributed amendment H0215-3A.

Lawrence Martin, Executive Director, Legislative Commission on Pensions and Retirement, reviewed the staff memo and policy issues raised by the bill and discussed the potential amendments.

Rep. Murphy moved delete-all amendment H0215-2A. **MOTION PREVAILED.**

Rep. Murphy moved amendment H0215-3A.

Mary Vanek, Executive Director, PERA, reviewed the history of police and fire consolidation accounts and mergers and some of the various benefit modifications associated with the mergers.

H.F. 215/S.F. 106, as amended, and amendment H0215-3A were continued.

H.F. 2005 (Kahn); S.F. 1604 (Dibble): Former Minneapolis Police Relief Association; providing for successor custodian for transferred health insurance account assets.

Brian Rice, General Counsel, former Minneapolis Police Relief Association and the Minneapolis Police Fraternal Association, testified in support of the bill.

Sen. Dibble moved H.F. 2005/S.F. 1604 be laid over for possible inclusion in the omnibus retirement bill.

Mr. Martin reviewed the bill.

H.F. 2005/S.F. 1604 was laid over for possible inclusion in the omnibus retirement bill.

Adjournment

The meeting adjourned at 7:05 p.m.