



March 15, 2016

Room 10 State Office Building

MINUTES

Call to order:

Representative Tim O'Driscoll, Chair of the Legislative Commission on Pensions and Retirement, called the meeting to order at 5:45 p.m.

Commission Members Present:

Representatives Albright, Anderson, Erickson, Kresha, Murphy, O'Driscoll, and Thissen
Senators Goodwin, Hayden, Johnson, Pappas, Rosen, Saxhaug, and Thompson

Agenda Items

Approval of minutes

Rep. Albright moved adoption of the February 24, 2016, meeting minutes. **MOTION PREVAILED**

HF2807 (O'Driscoll); SF2536 (Pappas)

Rep. O'Driscoll moved HF2807/SF2536 be recommended to pass as the vehicle bill for the 2016 omnibus pension bill. **MOTION PREVAILED.**

HF2785 (Loon); SF2536 (Hann): VFRA; Increasing lump-sum service pension maximums for defined benefit relief associations; lowering the vesting requirement for Eden Prairie VFRA firefighters returning to active service.

Mike Luger, President, Eden Prairie Firefighter Relief Association, testified in support of the bill.

Rep. Thissen moved HF2785/SF2536 be recommended to pass and be incorporated into the 2016 omnibus pension bill. **MOTION PREVAILED.**

HFxxxx; SF2473 (Rosen/Pappas): Fire Relief Association Working Group bill.

Nyle Zikmund, Chief Spring Lake Park-Blaine-Mounds View Fire Department and member of the Fire Relief Association Working Group, reviewed and testified in support of the bill.

Kevin Wall, President, Lower Saint Croix Valley Fire Relief Association and member of the Fire Relief Association Working Group, testified in support of the bill.

Rep. Thissen moved SF2473 be recommended to pass and be incorporated into the 2016 omnibus pension bill. **MOTION PREVAILED**

HF659 (O'Driscoll); SF588 (Pappas): MSRS; Modifying disability application deadlines in certain instances.

David Bergstrom, Executive Director, MSRS, reviewed and testified in support of the bill.

Rep. O'Driscoll moved amendment H0659-1A. **MOTION PREVAILED.**

Sen. Pappas moved HF659/SF588, as amended, be recommended to pass and be incorporated into the 2016 omnibus pension bill. **MOTION PREVAILED.**

HFxxxx (Metsa); SFxxxx (LCPR16-015): MSRS; Rule of 90 eligibility for certain Department of Transportation employees.

Mr. Bergstrom reviewed the bill, acknowledged the error by MSRS, and testified in support of the bill.

Rep. O'Driscoll moved LCPR16-015 moved be recommended to pass and be incorporated into the 2016 omnibus pension bill. **MOTION PREVAILED.**

HFxxxx (Whelan, by request); SFxxxx (Revisor #15-3939): MSRS; Purchase of allowable service credit for state internship employment and Rule of 90 eligibility in certain cases.

Rep. O'Driscoll explained the procedure for single-person bills, that the Commission will not vote on each bill as it is heard but rather will laid them over for possible inclusion in the omnibus pension bill.

Rep. Abigail Whelan, reviewed her bill and introduced her constituent.

Susan Rumpca, the person affected by the bill, testified in support of the bill.

Sen. Goodwin, there must be quite a few people in a similar position, how do we handle internships.

Mr. Bergstrom testified that interns are not eligible for MSRS service and, unlike the previous bill, MSRS has not included the Rule of 90 in her benefit estimates.

The bill was laid over for possible inclusion in the omnibus bill.

Updates on the retirement systems' funding proposals.

The executive directors of the Minnesota State Retirement System (MSRS) and the Teachers Retirement Association (TRA) distributed two handouts entitled *"Cost of one-year delay in sustainability"* and *"Retirement System Financial Update, March 15, 2016."*

– **Minnesota State Retirement System funding proposal: LCPR16-012**

Mr. Bergstrom testified in support of LCPR16-012 and reviewed the MSRS portion of the handouts.

Rep. Kresha asked Mr. Bergstrom for a chart showing the separation if the proposal is delayed a year so members can see those impacts. Mr. Bergstrom indicated that he would provide that information.

– **Teachers Retirement Association funding proposal: HF3070 (Murphy, M.); SF2521 (Pappas)**

Laurie Hacking, Executive Director, TRA, testified in support of HF3070/SF2521 and reviewed the TRA portion of the handout.

Joan Beaver, Government Relations Chair, Education Minnesota Retired, testified in support of HF3070/SF2521 and encouraged the Commission to take action during the 2016 legislative session.

Don Leathers, Legislative Co-Chair, Retired Educators Association of Minnesota and treasurer of the Austin School Board, testified in support of the HF3070/SF2521.

Louise Sundin, Committee of Thirteen, representing active and retired teachers in the Minneapolis School System, testified in support of HF3070/SF2521.

Mark Schmiesing, Education Minnesota, testified in support of HF3070/SF2521.

– **St. Paul Teachers Retirement Fund Association funding proposal: HF3085 (Albright); SF2724 (Pappas)**

Jill Schurtz, Executive Director, SPTRFA, testified in support of HF3085/SF2724 and distributed a handout entitled *"St. Paul Teachers Retirement Fund Association Legislative Update 2016"*.

Mary Gilbert Dougherty, St. Paul Public School District, testified in support of HF3085/SF2724.

Stephanie Pignato, representing the St. Paul Federation of Teachers and the SPTRFA Board of Trustees, testified in support of HF3085/SF2724.

There was no action on the funding proposals.

Adjournment

The meeting adjourned at 7:35 p.m.

Lisa Diesslin, Commission Assistant