

# Legislative Commission on Pensions and Retirement

600 State Office Building

100 Rev. Dr. Martin Luther King Jr. Blvd.

St. Paul, MN 55155-1201

---

---

## HOUSE MEMBERS

Michael V. Nelson, Vice Chair  
Tim O'Driscoll, Secretary  
Kaela Berg  
Luke Frederick  
Kaohly Her  
Mary Murphy  
Jordan Rasmusson

## SENATE MEMBERS

Julie A. Rosen, Chair  
Nick A. Frentz  
Jeff R. Howe  
John R. Jasinski  
Sandra L. Pappas  
Jason Rarick  
David H. Senjem

## COMMISSION STAFF

Susan Lenczewski, Executive Director  
Chad Burkitt, Analyst  
Lisa Diesslin, Commission Assistant  
Phone: 651-296-2750  
TDD: 651-296-9896  
Fax: 651-297-3697  
website: www.lcpr.leg.mn

**February 8, 2022**

REMOTE MEETING

## MINUTES

### Call to order:

Senator Julie Rosen called the meeting to order at 5:00 p.m. The meeting was conducted via Zoom and broadcast on YouTube.

### Commission Members Present:

Representatives Berg, Frederick, Her, Murphy, Nelson, O'Driscoll, and Rasmusson  
Senators Frentz, Howe, Pappas, Rarick, Rosen, and Senjem

### Commission Members absent:

Senator Jasinski

## Agenda Items

### **SF 2810 (Benson): PERA; Restores segmented annuities to members who have breaks in public employment.**

Chad Burkitt, Analyst, Legislative Commission on Pensions and Retirement (LCPR), reviewed the staff summary of the bill.

Senator Michelle Benson presented and testified in support of her bill.

Amy Strenge, Policy Coordinator, Public Employees Retirement Association (PERA), testified that PERA supports the bill.

Diane Edwards, a PERA member who would be affected by the bill, testified in support of the bill.

SF2810 was laid over for possible inclusion in the omnibus pension and retirement bill.

### **SF 2957 (Kiffmeyer); HF 3136 (Bahner): PERA, MSRS; Continuing payment of annuity to health care workers who return to employment from retirement or continue employment on a phased retirement agreement.**

Susan Lenczewski, Executive Director, LCPR, reviewed the amendment.

Rep. Nelson moved to amend Amendment A22-0298, as follows: line 1.9, delete "2023" and insert "2022". **MOTION PREVAILED.**

Senator Pappas moved Amendment A22-0298, as amended. **MOTION PREVAILED.**

Becca Lundberg, Advanced Practice Registered Nurse (APRN)/Certified Registered Nurse Anesthetist (CRNA), Hennepin Healthcare, testified in support of the bill.

Amy Streng, Policy Coordinator, PERA, testified in support of the bill.

Sen. Mary Kiffmeyer presented and testified in support of her bill.

Rep. Nelson moved SF2957/HF3136, as amended, be recommended to pass and sent back to the House and Senate State Government Finance committees.

Members voting AYE:				Members voting NAY:
Chair Rosen	Sen. Rarick	Rep. Berg	Rep. Murphy	none
Sen. Frentz	Sen. Senjem	Rep. Frederick	Rep. O'Driscoll	
Sen. Howe		Rep. Her	Rep. Rasmusson	
Sen. Pappas		Rep. Nelson		

There being 13 ayes and zero nays, the **MOTION PREVAILED.**

**SF 1547 (Jasinski); HF 1577 (Koznick): Requires the Department of Labor and Industry to study benefit adequacy for disabled or injured police officers.**

Rep. Koznick presented and testified in support of his bill and reviewed Amendment A22-0300.

Ms. Lenczewski reviewed the staff summary of the bill, noting the fiscal note.

Wendy Wulff, testified in support of the bill and reviewed her presentation materials entitled "*PERA and Work Comp: Sufficiency of Police Permanent Total Disability Benefits.*"

Kate Daly, Assistant Commissioner for Workers' Compensation, Department of Labor and Industry (DLI), testified that the department has been very involved with the bill, and deferred to Mr. Landy.

Ethan Landy, Compensation Attorney, DLI Office of General Counsel, reviewed the background and assumptions behind the fiscal note produced by DLI in March 2021, and the necessity of working with a consultant and having cooperation from other groups, including PERA, MSRS, and the Commission.

A letter in support of the bill was submitted by Brian Peters, Executive Director, Minnesota Police and Peace Officers Association (MPPOA).

SF1547/HF1577 was laid over for possible inclusion in the omnibus pension and retirement bill.

## **HF 2610 (Rasmusson): Requires volunteer firefighters relief association special fund assets to be invested with the State Board of Investment.**

Rep. Rasmusson moved Amendment A22-0293. **MOTION PREVAILED.**

Rep. Rasmusson reviewed his presentation titled "*Investment of Volunteer Firefighter Relief Associations*" and testified in support of the bill.

John Mulé, Director of Legal and Policy Services, State Board of Investment (SBI), provided an overview on how the SBI serves the relief funds invested in the SBI.

Erol Sonderegger, Assistant Executive Director of Portfolio Management and Risk Analysis, SBI, reviewed the investment options for relief associations.

Lieutenant Luke Draxten, Fergus Falls Fire Department and treasurer of the relief association, testified that they are 100% invested with SBI and their experience has been great.

State Auditor Julie Blaha, representing the State Auditor's Volunteer Fire Relief Association Work Group, testified in opposition to the bill.

Rose Hennessey-Allen, Pension Director, Office of the State Auditor, explained the audit procedures for relief associations and that the audit requirement doesn't change with SBI investment.

Ms. Lenczewski reviewed relief association compliance in submitting the annual required Investment Business Recipient Disclosure Form - of the about 550 current relief associations, the LCPR received 200-240 forms, on average, over the last ten years.

Fire Chief BJ Jungmann, Minnesota State Fire Chiefs Association (MSFCA) Legislative Committee chair and Minnesota State Fire Association Coalition (MNFAC) chair, testified that they are just beginning to understand the issue and need time to digest and to solicit input from their members, and raised some of their initial concerns with the bill.

Fire Chief Ed Hoffman, Owatonna Fire Department, and volunteer firefighter for North Mankato Fire Department, testified that they too are just beginning to understand the issue and need time to digest and to solicit input from their members, and raised some of their initial concerns with the bill.

A letter in opposition to the bill was submitted by Kevin Hruby, Vice President of the Minnetonka Firefighter's Relief Association.

Sen. Rosen indicated that the bill would not be rescheduled for a few weeks to allow further discussions with the interested parties.

Rep. Rasmusson moved to lay HF2610 on the table.

## **Adjournment**

The meeting adjourned at 8:05 p.m.