

Legislative Commission on Pensions and Retirement

600 State Office Building

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

St. Paul, MN 55155-1201

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Jordan Rasmusson

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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

March 22, 2022

REMOTE MEETING

MINUTES

Call to order:

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

Commission Members Present:

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

Commission Members Absent:

Senator Frentz

Agenda Items

Approval of meeting minutes

Rep. Nelson moved approval of the March 15, 2022, meeting minutes. **MOTION PREVAILED.**

HF 4139 (Olson, L.): PERA; Excludes from PERA coverage employees of the Duluth Transit Authority who are covered by a Teamsters pension plan.

Susan Lenczewski, Executive Director, Legislative Commission on Pensions and Retirement (LCPR), reviewed the staff summary of the bill.

Rep. Liz Olson presented and testified in support of her bill.

Rep. Nelson moved Amendment H4139-1A. **MOTION PREVAILED.**

Nancy Brown, Procurement Manager, Duluth Transit Authority, provided a PowerPoint presentation.

Rod Fournier, General Manager, Duluth Transit Authority, testified in support of the bill.

Doug Anderson, Executive Director, Public Employees Retirement Association (PERA), testified that PERA supports the bill and does not oppose the amendment.

Rep. Nelson moved HF4139, as amended, be recommended to pass and be incorporated into the 2022 omnibus pension bill. **MOTION PREVAILED.**

Bills previously laid over and ready for approval for inclusion in the omnibus pension and retirement bill.

- (a) **SF 2591 (Osmeck); HF 2964 (Hertaus): MSRS; Permits the survivor of a deceased state employee to purchase service credit to receive an annuity death benefit.**

Chad Burkitt, Analyst, LCPR, reviewed the bill.

Rep. Nelson moved SF2591/HF2964 be recommended to pass and be incorporated into the 2022 omnibus pension bill. **MOTION PREVAILED.**

- (b) **SF 2614 (Anderson); HF 2690 (Lueck): MSRS; Authorizes purchases of service credit for military service similar to the PERA provisions for service credit purchases that are not federally protected.**

Ms. Lenczewski reviewed the bill.

Sen. Bruce Anderson testified in support of his bill. Rep. Dale Lueck was also present to support the bill.

Rep. Nelson moved SF2614/HF2690 be recommended to pass and be incorporated into the 2022 omnibus pension bill. **MOTION PREVAILED.**

- (c) **SF 3499 (Rarick); HF 3704 (Sundin): MSRS Correctional; Authorizes the transfer of service credit from the MSRS General Plan to the MSRS Correctional Plan upon payment by an eligible member.**

Mr. Burkitt reviewed the bill.

Rep. Nelson moved SF3499/HF3704 be recommended to pass and be incorporated into the 2022 omnibus pension bill. **MOTION PREVAILED.**

- (d) **SF 3556 (Frentz); HF 3671 (Frederick): MSRS Correctional; Adds Residential Program Lead to the list of positions at the Department of Human Services (DHS) that are covered by the MSRS Correctional Plan.**

Mr. Burkitt reviewed the bill.

Rep. Frederick moved amendment S3556-2A. **MOTION PREVAILED.**

Rep. Nelson moved S3556/HF3671, as amended, be recommended to pass and be incorporated into the 2022 omnibus pension bill. **MOTION PREVAILED.**

- (e) **SF 3872 (Draheim); HF 4186 (Pfarr): MSRS Correctional; Adds Dental Hygienist to the list of positions at the Department of Human Services (DHS) that are covered by the Minnesota State Retirement System (MSRS) Correctional Plan.**

Mr. Burkitt reviewed the bill and the amendment.

Sen. Rich Draheim testified in support of his bill and in support of the amendment.

Rep. Nelson moved amendment S3872-1A. **MOTION PREVAILED.**

Rep. Nelson moved SF3872/HF4186, as amended, be recommended to pass and be incorporated into the 2022 omnibus pension bill. **MOTION PREVAILED.**

(f) SF 2810 (Benson); HF 3266 (Bahr): PERA; Restores segmented annuities to members who have breaks in public employment.

Mr. Burkitt reviewed the bill.

Sen. Michelle Benson testified in support of her bill.

Rep. Nelson moved SF2810/HF3266 be recommended to pass and be incorporated into the 2022 omnibus pension bill. **MOTION PREVAILED.**

(g) SF 2913 (Bigam); HF 4012 (Masin): Teacher plans; Suspends earnings limitation on retired teachers who return to teaching, under Teachers Retirement Association (TRA) and St. Paul Teachers Retirement Fund Association (SPTRFA).

Mr. Burkitt reviewed the bill.

Rep. Nelson moved SF2913/HF4012 be recommended to pass and be incorporated into the 2022 omnibus pension bill. **MOTION PREVAILED.**

(h) SF 3048 (Duckworth); HF 2610 (Rasmusson), as amended: Requires volunteer firefighters relief association special fund assets to be invested with the State Board of Investment.

Rep. Rasmusson reviewed his discussions with stakeholders since the last Commission meeting and reviewed and testified in support of amendment S3048-2A.

State Auditor Julie Blaha testified that her office should be able to implement the requirement and it should not incur any additional cost.

Rep. Rasmusson moved Amendment S3048-2A. **MOTION PREVAILED.**

Burnsville Fire Chief BJ Jungmann submitted a letter in support of the amendment from the Minnesota Fire Association Coalition (MNFAC).

Rep. Nelson moved SF3048/HF2610, as amended, be recommended to pass and be incorporated into the 2022 omnibus pension bill. **MOTION PREVAILED.**

(i) SF 3540 (Rosen); HF 4017 (Nelson, M.): State Auditor's Volunteer Fire Relief Association Working Group bill.

Ms. Lenczewski reviewed the bill and amendment S3540-2A.

State Auditor Blaha testified in support of the bill and that the amendment is workable.

Rep. Nelson moved Amendment S3540-2A. **MOTION PREVAILED.**

Rep. Nelson moved SF3540/HF4017, as amended, be recommended to pass and be incorporated into the 2022 omnibus pension bill. **MOTION PREVAILED.**

- (j) **SF 3402 (Bigam); HF 3777 (Huot), as previously amended: PERA Statewide Volunteer Firefighter Plan; Adds vesting alternatives, removes pension reduction for firefighters who retire during the first five years of joining the plan, modifies procedures for joining the plan.**

Ms. Lenczewski reviewed the staff summary.

In response to a question from Sen. Howe if there is a cost to the plan if firefighters retire during the first five years after joining the SVF Plan and receive the SVF benefit level rather than currently having to wait five years to receive the higher SVF benefit, Ms. Lenczewski indicated that there is no additional cost to the plan because a cost assessment is performed to ensure the relief can afford an increased benefit level.

Doug Anderson, Executive Director, PERA, testified that Ms. Lenczewski's description is accurate.

Rep. Nelson moved SF3402/HF3777, as amended, be recommended to pass and be incorporated into the 2022 omnibus pension bill. **MOTION PREVAILED.**

- (k) **SF 2546 (Pappas), as previously amended: All plans; Authorizes advanced practice registered nurses (APRNs) to provide disability assessments.**

Ms. Lenczewski reviewed the bill as previously amended, and reviewed Amendment S2546-2A.

Sen. Pappas moved Amendment S2546-2A. **MOTION PREVAILED.**

Sen. Pappas moved SF2546, as amended, be recommended to pass and be incorporated into the 2022 omnibus pension bill. **MOTION PREVAILED.**

- (l) **SF 3542 (Rosen); HF 4018 (Nelson, M.): State Board of Investment; Makes administrative and technical changes clarifying the classification of SBI professional employees.**

Mr. Burkitt reviewed the bill and Amendment S3542-1A.

John Mulé, Director of Legal and Policy Services, State Board of Investment, testified in support of the bill and in support of Amendment S3542-1A.

Devin Bruce, Public Affairs Coordinator, Minnesota Association of Professional Employees (MAPE), testified that MAPE supports the bill with the addition of Amendment S3542-1A.

Rep. Nelson moved Amendment S3542-1A. **MOTION PREVAILED.**

Rep. Nelson moved SF3542/HF4018, as amended, be recommended to pass and be incorporated into the 2022 omnibus pension bill. **MOTION PREVAILED.**

- (m) **SF 1547 (Jasinski), the first engrossment, as amended by the Senate Labor and Industry Policy Committee on 2/24/2022; HF 1577 (Koznick), as introduced: Requires the Department of Labor and Industry to study adequacy of workers compensation, disability and pension benefits for police officers.**

Ms. Lenczewski reviewed the bill as amended in the Senate.

Sen. Jasinski and Rep. Jon Koznick testified in support of their bill.

Rep. Nelson moved SF1547, the first engrossment, be recommended to pass and be incorporated into the 2022 omnibus pension bill. **MOTION PREVAILED.**

2022 Omnibus Pension and Retirement Bill, delete- everything amendment S3540- DE1 to SF3540 (Rosen); HF4017 (Nelson, M.).

Amendment S3540-3A, technical clarifications and corrections.

Mr. Burkitt reviewed the contents of Amendment S3540-3A.

Rep. Nelson moved Amendment S3540-3A. **MOTION PREVAILED.**

Staff authorization to make any necessary technical corrections.

Rep. Nelson moved to authorize staff to make any necessary technical corrections. **MOTION PREVAILED.**

Final action on the 2022 omnibus pension and retirement bill.

Rep. Nelson moved delete-everything amendment S3540-DE1, as amended, be adopted as the 2022 Omnibus Pension and Retirement Bill.

Rep. Nelson requested a roll call vote.

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

There being 13 ayes and zero nays, the **MOTION PREVAILED.** The delete-everything amendment will be forwarded as a recommendation to the State Government Committees in the House and the Senate.

Adjournment

The meeting adjourned at 6:20 p.m.