

S.F. 648

(Betzold, by request)

H.F. 1374

(Erickson)

Executive Summary of Commission Staff Materials

Affected Pension Plan(s): Teachers Retirement Association (TRA)
Relevant Provisions of Law: Minnesota Statutes, Section 354.06, Subdivision 1
General Nature of Proposal: Adds School Administrator to the TRA Board
Date of Summary: April 5, 2005

Specific Proposed Changes

- Expands the size of the TRA board from 8 to 9 trustees and requires that at least one board position be filled by a person licensed by the Minnesota Board of School Administrators (MBSA), with the first term to begin on July 1, 2007.

Policy Issues Raised by the Proposed Legislation

1. The Commission may wish to explore whether superintendents and other high-level administrators believe it is not feasible, given the current structure, for a member of their group to be elected to the TRA board.
2. Superintendents and other high-level administrators may have different interests and pension plan preferences than other board members, such as more interest in portability and defined contribution plans.
3. Whether to add another seat to the board or to assign an existing seat to this group.
4. TRA and teacher union position on the bill.

Potential Amendment

Amendment LCPR05-040 (technical amendment) clarifies when the various elections would occur.