



March 21, 2017

Room G-15 Capitol

## MINUTES

### Call to order:

Senator Julie A. Rosen, Chair of the Legislative Commission on Pensions and Retirement, called the meeting to order at 5:35 p.m.

### Commission Members Present:

Representatives Albright, Anderson, Murphy, O'Driscoll, Peterson, Thissen, and Vogel  
Senators Dahms, Jasinski, Limmer, Rosen, Pappas, and Senjem

### Commission Members Absent:

Senator Schoen

## Agenda Items

### Approval of March 14, 2017, meeting minutes.

Sen. Jasinski moved approval of the March 14, 2017, meeting minutes. **MOTION PREVAILED.**

### **SF 1839 (Miller); HF xxxx: Authorizing a Winona State University employee to elect prospective and retroactive TRA coverage.**

Sen. Jeremy Miller presented and testified in support of his bill.

Rachel Barth, Deputy Director, Legislative Commission on Pensions and Retirement, reviewed the bill.

Joseph Reed, the person affected by the bill, testified in support of the bill.

Rep. O'Driscoll moved SF1839 be recommended to pass and be incorporated into the 2017 omnibus pension bill. **MOTION PREVAILED.**

### **SF 1864 (Simonson); HF 2390 (Murphy, M.): Modifying provisions for purchasing salary or service credit for periods of workers' compensation.**

Sen. Simonson presented and testified in support of his bill.

Rep. O'Driscoll moved author's amendment S1864-1A. **MOTION PREVAILED.**

Shana Jones, Policy Director, PERA, testified that PERA does not oppose the bill, and that they already have the necessary systems in place so only minor administrative changes would be required.

Dennis Flaherty, Minnesota Police and Peace Officers, testified in support of the bill.

Brian Rice, representing the Minnesota Professional Fire Fighters, testified in support of the bill.

Gary Carlson, Intergovernmental Relations Director, League of Minnesota Cities, testified that the LMOC is not opposed to the bill.

Matthew Hilgart, Government Policy Analyst, Association of Minnesota Counties, testified that the AMC is not opposed to the bill.

Keith Carlson, Executive Director, Minnesota Inter-County Association, testified in opposition to the bill.

The bill was laid over for possible inclusion in an omnibus retirement bill.

**HF 2236 (Thissen): Local police & fire plans; Adjusting benefits for former members and surviving spouses of former members of a local salaried police and fire relief association.**

Rep. Thissen presented and testified in support of his bill.

Rep. Thissen moved technical amendment H2236-1A. **MOTION PREVAILED.**

Doug Anderson, Executive Director, PERA, testified that the PERA board has not taken a position on the bill but there are concerns.

Brian Rice, representing Minneapolis Police Fraternal Association, testified in support of the bill.

The bill was laid over.

**Keeping the Promise: Securing Retirement Benefits for Current and Future Public Employees.**

Kim Crockett, Vice President, Senior Policy Fellow and General Counsel, Center of the American Experiment, presented before the Commission and provided two handouts. Ms. Crockett recommends that 1) current retirement promises be fully funded, and 2) the defined benefit plans be closed and a defined contribution plan be offered to new employees.

Ross Bowen, FSA, participated in Ms. Crockett's presentation, noting that in his opinion that the discount rate is very high for a balanced portfolio and that it is odd that the valuation of liability is reliant on the investment rate.

**Adjournment**

The meeting adjourned at 7:50 p.m.

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Lisa Diesslin, Commission Assistant