



February 16, 2010

Room 107 Capitol

LEGISLATIVE COMMISSION ON PENSIONS AND RETIREMENT

MINUTES

Call to order:

Senator Don Betzold, Chair of the Legislative Commission on Pensions and Retirement, called the meeting to order at 7:05 p.m.

Commission Members Present:

Representatives Mary Murphy and Phyllis Kahn

Senators Don Betzold, Ann Lynch, Mary A. Olson, Sandra L. Pappas, and Julie A. Rosen

Commission Members Absent:

Representatives Michael V. Nelson, Steve Smith, and Paul Thissen

A quorum was not present. Senator Betzold announced that the members present would serve as a subcommittee to make recommendations to the full Commission.

Agenda Items

S.F. 2633 (Sparks); H.F. 2550 (Poppe): MSRS/MnSCU/TRA; Second chance TRA benefit coverage election, refund repayment.

Rep. Jeanne Poppe presented and testified in support of her bill.

Cynthia Enfield, the person affected by the bill, testified in support of the bill.

Gary Janikowski, Assistant Director of Personnel, MnSCU, testified in opposition to the bill.

Luther Thompson, Assistant Executive Director, TRA, testified that the total actuarial value of the benefit transfer would be approximately \$32,000; \$7,600 member portion and \$24,000 MnSCU responsibility.

David Bergstrom, Executive Director, MSRS, testified that Ms. Enfield's cost to repay her MSRS refund would be \$4,577 (\$17,452 actuarial value) and the cost to repay the PERA refund would be \$8,620 (\$21,800 actuarial value).

Russ Stanton, Director of Governmental Relations, Inter-Faculty Association, testified in opposition to the bill and in opposition to changing the default benefit coverage from IRAP to TRA.

Rep. Kahn moved S.F. 2633/H.F. 2550 be recommended to the Commission for inclusion in the omnibus pension bill. **MOTION FAILED.**

S.F. 2394 (Pariseau); H.F. xxx: PERA; Authorizing a late disability benefit application.

Sen. Pat Pariseau presented and testified in support of her bill.

Mark May, the person affected by the bill, testified in support of the bill.

Mary Vanek, Executive Director, PERA, testified in opposition to the bill.

Rep. Murphy moved to lay S.F. 2394 on the table. **MOTION PREVAILED.**

2007 H.F. 1328 (Peterson, S.): SPTRFA; Service credit purchase for uncredited prior teaching service.

Rep. Sandra Peterson presented and testified in support of her bill.

Sherry Rutman, the person affected by the bill, testified in support of the bill and provided additional employment documentation.

The bill was set aside to allow the interested parties to review the documents.

S.F. 2463 (Rummel); H.F. 2651 (McFarlane): PERA-P&F; Revise Social Security leveling option to single-life annuity.

Rep. Carol McFarlane and Sen. Sandy Rummel presented and testified in support of their bill and provided handout materials from William Ziemer, the person affected by the bill.

Mary Vanek, Executive Director, PERA, testified in opposition to the bill.

Rep. Murphy moved to lay S.F. 2463/H.F. 2651 on the table. **MOTION PREVAILED.**

LCPR09-070 (Atkins): PERA; Purchase of prior service credit for a period of omitted member deductions for certain Inver Grove Heights public school employees.

Rep. Joe Atkins presented and testified in support of his bill, indicating that the parties are in agreement.

Judy Dockendorf, the person affected by the bill, testified in support of the bill.

Mary Vanek, Executive Director, PERA, testified that PERA consulted with the school district and that the district admitted that they had made a mistake. Ms. Vanek noted that Ms. Dockendorf would pay \$464.74 and the school district's responsibility would be \$3,780.14, for a total actuarial value of \$4,244.88.

Ms. Dockendorf testified that she was told verbally that the school district has agreed to the payment.

Ms. Vanek testified that PERA staff was told verbally that the school district has agreed to the payment.

Rep. Murphy moved LCPR09-070 be recommended to the Commission for inclusion in the omnibus pension bill. **MOTION PREVAILED.**

LCPR10-018 (Olson, M.) TRA; Alternative retirement annuity computation for former Red Lake Senior High School principal.

Sen. Olson presented and testified in support of her bill. Sen. Olson indicated that William Dunshee, the person affected by the bill, was not able to be present.

Luther Thompson, Assistant Executive Director, TRA, testified in opposition to the bill and that TRA would bear the cost of the \$17,000 difference between the required actuarial reserves.

The Commission requested that Sen. Olson ask Mr. Dunshee if he would be willing to pay the full actuarial cost of the proposal. Sen. Olson indicated that she would do so.

The bill was laid over.

2007 H.F. 1328 (Peterson, S.): SPTRFA; Service credit purchase for uncredited prior teaching service.

Phillip Kapler, Executive Director, SPTRFA, testified that the additional documentation provided by Ms. Rutman does not provide evidence that she was employed by the school district.

Mary Gilbert, Legislative Liaison, St. Paul Public Schools, testified in opposition to the bill.

Rep. Murphy moved to lay 2007 H.F. 1328 on the table. **MOTION PREVAILED.**

S.F. 1374 (Metzen); H.F. 1569 (Hansen): PERA-P&F; Joint and survivor annuity for the divorced spouse of a deceased retiree who elected a single life annuity.

LCPR09-062 (Thissen): PERA-P&F/Faribault Fire; Revised post-retirement adjustment and annuity adjustment for retired Faribault firefighter.

These items were not heard.

Adjournment

The meeting adjourned at 9:15 p.m.