Sec. 4. Minnesota Statutes 1996, section 216C.19, subdivision 6, is amended to read:

Subd. 6. **VARIANCE FOR DECORATIVE GAS LAMP.** Beginning April 20, 1977, no person shall use a decorative gas lamp in Minnesota except as provided in this subdivision and in ~~subdivision~~ subdivisions 5 and 7. The commissioner shall~~, at the request of a homeowner who is 65 years old or older,~~ grant a permanent variance allowing ~~the~~ a homeowner who received a variance in 1977 to operate a decorative gas lamp or lamps at the homeowner's principal place of residence. The variance shall be valid for the life of the recipient ~~but shall be renewed every four years~~. The commissioner ~~may~~ shall not issue a variance ~~after August 1, 1992, except variances issued before that date may be renewed under this subdivision~~ to any other person to use a decorative gas lamp or lamps.

Sec. 5. Minnesota Statutes 1996, section 239.785, subdivision 6, is amended to read:

Subd. 6. **LIQUEFIED PETROLEUM GAS ACCOUNT.** A liquefied petroleum gas account in the special revenue fund is established in the state treasury. Fees and penalties collected under this section must be deposited in the state treasury and credited to the liquefied petroleum gas account. Money in that account, including interest earned, is appropriated to the commissioner of ~~economic security~~ children, families, and learning for programs to improve the energy efficiency of residential liquefied petroleum gas heating equipment in low-income households, and, when necessary, to provide weatherization services to the homes.

Sec. 6. **REPEALER.**

Minnesota Statutes 1996, section 216B.49, subdivision 2, is repealed.

Presented to the governor March 30, 1998

Signed by the governor April 2, 1998, 11:02 a.m.

CHAPTER 351—H.F.No. 3068

An act relating to state employment; modifying salary provisions for certain officials; setting conditions for advancing employees within a compensation plan or to exceed the salary of an agency head; providing an early retirement incentive for certain employees of the bureau of criminal apprehension; ratifying certain labor agreements; ratifying certain plans and proposals; amending Minnesota Statutes 1997 Supplement, sections 15A.0815, subdivision 3; 43A.17, subdivision 3; and 298.22, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 43A.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1997 Supplement, section 15A.0815, subdivision 3, is amended to read:

Subd. 3. **GROUP II SALARY LIMITS.** The salaries for positions in this subdivision may not exceed 75 percent of the salary of the governor:

Ombudsman for corrections;

Executive director of gambling control board;

Commissioner, iron range resources and rehabilitation board;

Commissioner, bureau of mediation services;

Ombudsman for mental health and retardation;

Chair, metropolitan council;

Executive director of pari–mutuel racing;

Executive director, public employees retirement association;

Commissioner, public utilities commission;

Executive director, state retirement system; and

Executive director, teachers retirement association.

Sec. 2. Minnesota Statutes 1997 Supplement, section 43A.17, subdivision 3, is amended to read:

Subd. 3. **UNUSUAL EMPLOYMENT SITUATIONS.** (a) Upon the request of the appointing authority, and when the commissioner determines that changes in employment situations create difficulties in attracting or retaining employees, the commissioner may approve an unusual employment situation increase to advance an employee within the compensation plan. ~~The action must be consistent with applicable provisions of collective bargaining agreements or plans adopted under section 43A.18. The commissioner shall review each proposal giving due consideration to salary rates paid to other employees in the same class and agency and may approve any request which in the commissioner's judgment is in the best interest of the state.~~

(b) If the commissioner determines that ~~the~~ a position requires special expertise necessitating a higher salary to attract or retain qualified persons, the commissioner may grant an exemption not to exceed 120 percent of the salary of the head of the agency or the maximum rate established for the position, whichever is less.

(c) The following conditions apply to a request under paragraph (a) to advance an employee within a compensation plan or under paragraph (b) to exceed the salary of the agency head:

(1) the appointing authority making the request must submit a detailed written statement for each position contained in the request, specifying the changes in employment situations that create difficulties in attracting or retaining an employee for the position;

(2) the commissioner shall review each proposal giving due consideration to salary rates paid to other employees in the same class and agency and, if other conditions in this paragraph are met, may approve any request that in the commissioner's judgment is in the best interest of the state;

(3) the action must be consistent with applicable provisions of collective bargaining agreements or plans adopted under section 43A.18;

(4) each increase or exemption must be separately documented for each employee or position and may not be applied to groups of employees; and

(5) the commissioner shall report the granting of a request to the chair of the legislative coordinating commission within three working days.

Sec. 3. [43A.345] **EARLY RETIREMENT INCENTIVE.**

Subdivision 1. **ELIGIBILITY.** The incentive in subdivision 2 is available to any employee of the bureau of criminal apprehension in the department of public safety who:

(1) retires during the pay period in which the employee's 55th birthday occurs, or retires during the first pay period after the employee's 55th birthday in which the employee's anniversary date occurs;

(2) is covered by the state patrol retirement fund and is eligible to receive an annuity from that fund at the time of retirement; and

(3) is receiving the full employer contribution for health and dental coverage immediately before retirement, or is on an unpaid leave of absence immediately before retirement which began not more than six months before retirement, during which leave the employee continues to be covered by the state group insurance program by employee payment of premiums.

Subd. 2. **INCENTIVE.** For an employee who meets the requirements of subdivision 1, the employer shall pay the full employer contribution, as specified in the collective bargaining agreement with the bargaining unit in section 179A.10, subdivision 2, clause (1), for health and dental insurance for the employee and, if the employee had dependent coverage immediately before retirement, for the employee's dependents. Notwithstanding section 179A.20, subdivision 2a, the employer contributions under this subdivision must continue until the employee reaches age 65. The postretirement health and dental insurance coverage provided under this section is that coverage the employee was receiving as of the date of retirement, subject to any changes in coverage specified in the collective bargaining agreement with the bargaining unit in section 179A.10, subdivision 2, clause (1).

Subd. 3. **PRE-55 INCENTIVE.** An employee who meets the conditions in subdivision 1 but has attained the age of 50 but not yet 55 at the time of retirement must receive until age 65 an employer contribution of 120 times the amount of the monthly employer contribution applicable to the employee at the time of retirement, divided by the number of months from the date of retirement until the employee attains age 65.

Subd. 4. **DURATION.** If a collective bargaining agreement with the bargaining unit in section 179A.10, subdivision 2, clause (1), does not contain an early retirement incentive similar to that provided in this section, the benefits under this section are not available to an employee who retires after the implementation date of the agreement.

Subd. 5. **TRANSITION.** An employee otherwise eligible for an early retirement incentive under subdivisions 1 and 2 who retires on or after the employee's 55th birthday and between June 30, 1997, and July 1, 1998, is entitled to the incentive in subdivision 2.

Sec. 4. Minnesota Statutes 1997 Supplement, section 298.22, subdivision 1, is amended to read:

Subdivision 1. (1) The governor shall appoint the commissioner of iron range resources and rehabilitation under section 15.06.

(2) The commissioner may hold other positions or appointments that are not incompatible with duties as commissioner of iron range resources and rehabilitation. The commissioner may appoint a deputy commissioner. All expenses of the commissioner, including the payment of such assistance as may be necessary, must be paid out of the amounts appropriated by section 298.28. ~~The salary of the commissioner must be set by the legislative coordinating commission and may not exceed 75 percent of the salary of the governor.~~

(3) When the commissioner determines that distress and unemployment exists or may exist in the future in any county by reason of the removal of natural resources or a possibly limited use of natural resources in the future and any resulting decrease in employment, the commissioner may use whatever amounts of the appropriation made to the commissioner of revenue in section 298.28 that are determined to be necessary and proper in the development of the remaining resources of the county and in the vocational training and rehabilitation of its residents, except that the amount needed to cover cost overruns awarded to a contractor by an arbitrator in relation to a contract awarded by the commissioner or in effect after July 1, 1985, is appropriated from the general fund. For the purposes of this section, "development of remaining resources" includes, but is not limited to, the promotion of tourism.

Sec. 5. **RATIFICATIONS.**

Subdivision 1. **COUNCIL 6.** The labor agreement between the state of Minnesota and state bargaining units 2, 3, 4, 6, 7, and 8 represented by the American federation of state, county, and municipal employees, council 6, approved by the legislative coordinating commission subcommittee on employee relations on August 13, 1997, is ratified.

Subd. 2. **PROFESSIONAL EMPLOYEES.** The labor agreement between the state of Minnesota and the Minnesota association of professional employees, approved by the legislative coordinating commission subcommittee on employee relations on September 26, 1997, is ratified.

Subd. 3. **SUPERVISORS.** The labor agreement between the state of Minnesota and the middle management association, approved by the legislative coordinating commission subcommittee on employee relations on September 26, 1997, is ratified.

Subd. 4. **ENGINEERS.** The labor agreement between the state of Minnesota and the Minnesota government engineers council, approved by the legislative coordinating commission subcommittee on employee relations on September 26, 1997, is ratified.

Subd. 5. **COMMUNITY COLLEGE FACULTY.** The labor agreement between the state of Minnesota and the Minnesota community college faculty association, approved by the legislative coordinating commission subcommittee on employee relations on December 19, 1997, is ratified.

Subd. 6. **SPECIAL TEACHERS.** The labor agreement between the state of Minnesota and the state residential schools education association, approved by the legislative coordinating commission subcommittee on employee relations on December 19, 1997, is ratified.

Subd. 7. **LAW ENFORCEMENT.** The labor agreement between the state of Minnesota and the Minnesota law enforcement association, approved by the legislative coordinating commission subcommittee on employee relations on December 19, 1997, is ratified.

Subd. 8. **SALARIES FOR CERTAIN HEADS OF STATE AGENCIES.** The proposal by the governor to increase the salaries of certain heads of state agencies, approved by the legislative coordinating commission subcommittee on employee relations on September 26, 1997, is ratified.

Subd. 9. **COMMISSIONER'S PLAN.** The commissioner's plan for unrepresented employees, approved by the legislative coordinating commission subcommittee on employee relations on December 19, 1997, is ratified.

Subd. 10. **UNREPRESENTED, UNCLASSIFIED EMPLOYEES; HIGHER EDUCATION SERVICES OFFICE.** The amendment to the plan for unrepresented, unclassified employees of the higher education services office, approved by the legislative coordinating commission subcommittee on employee relations on December 19, 1997, is ratified.

Subd. 11. **DIRECTOR; HIGHER EDUCATION SERVICES OFFICE.** The salary of the director of the higher education services office is $79,000, effective after July 1, 1997, and upon approval by the higher education services council.

Subd. 12. **MANAGERIAL PLAN.** The plan for managerial employees, as modified and approved by the legislative coordinating commission subcommittee on employee relations on January 29, 1998, is ratified.

Sec. 6. **EFFECTIVE DATE.**

Sections 3 and 5 are effective the day following final enactment.

Presented to the governor March 30, 1998

Signed by the governor April 2, 1998, 11:05 a.m.

CHAPTER 352—S.F.No. 2148

VETOED

CHAPTER 353—S.F.No. 3397

An act relating to commerce; eliminating retroactive application of air carrier franchise exemption to pending litigation; amending Laws 1997, chapter 222, section 61.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Laws 1997, chapter 222, section 61, is amended to read:

Sec. 61. **EFFECTIVE DATE.**

Section 32, paragraph (h), is effective the day following final enactment and shall apply to all agreements or arrangements regardless of the date they were entered into or renewed provided, however, that section 32, paragraph (h), shall not apply to any agreements or arrangements subject to litigation pending on the date of enactment wherein