

make a supplementary levy in 1977, payable in 1978, for all costs of implementing section 18.023 incurred in calendar year 1977 for which a levy was not made in 1976, payable in 1977. For the purpose of calculating the tax levy limit base under section 275.51, for levy year 1977, taxes payable 1978, there shall be subtracted from the levy limit base of any governmental subdivision an amount equal to 112 percent of the amount levied under section 18.023 in levy year 1974, taxes payable 1975, and included in the levy limit base of the governmental subdivision as a result of Laws 1975, Chapter 437.

Sec. 6. Of the money appropriated by Laws 1977, Chapter 90, Section 14, Subdivision 1, Clauses (a) and (b), one-half is available for expenditure in the calendar year ending December 31, 1977, and one-half is available in the calendar year ending December 31, 1978.

The conditions set forth in this section supersede Laws 1977, Chapter 90, Section 14, Subdivision 1, so far as they are inconsistent therewith.

Sec. 7. Notwithstanding the limitations provided in section 15.0412, the temporary rules adopted by the commissioner of agriculture pursuant to Laws 1977, Chapter 90, Section 12 are effective until permanent rules are adopted. The conditions set forth in this section supersede Laws 1977, Chapter 90, Section 12, so far as they are inconsistent therewith.

Sec. 8. EFFECTIVE DATE. This act is effective the day following final enactment.

Approved April 5, 1978.

CHAPTER 774-H.F.No.2093

[Coded in Part]

An act relating to retirement; transfer of pension coverage for university of Minnesota peace officers to the public employees police and fire fund; terminating the university of Minnesota police department retirement plan and fund; transfer of assets and records.

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

Section 1. [353.661] UNIVERSITY OF MINNESOTA PEACE OFFICERS; PENSION AND RETIREMENT COVERAGE. Subdivision 1. TRANSFER OF PENSION COVERAGE FOR EXISTING EMPLOYEES. Notwithstanding any provisions of law to the contrary, as of July 1, 1978, all active peace officers employed by the university of Minnesota at any campus or facility of the university shall cease to be members of the university of Minnesota police department retirement plan and fund and shall cease to have any accrual of service credit, rights, or benefits under that plan. From and after July 1, 1978, any active peace officer shall be a member of the public employees police and fire fund, shall be considered a police officer for purposes of chapter 353 if otherwise meeting the requirements of section 353.64, and shall have any past service as a peace officer with the university of Minnesota credited as allowable service by the public

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employees police and fire fund for purposes of section 353.01, subdivision 16.

Subd. 2. PENSION COVERAGE FOR NEW PEACE OFFICERS. All persons first employed by the university of Minnesota at any campus or facility of the university and appointed by the board of regents as peace officers after July 1, 1978, shall be members of the public employees police and fire fund and shall be considered police officers for purposes of section 356.64, subdivisions 1 and 2.

Subd. 3. TRANSFER OF EXISTING RECIPIENTS OF PENSION AND OTHER RETIREMENT BENEFITS. As of July 1, 1978, the accrued liability for all retirement annuities, disability benefits, survivorship annuities and survivor of deceased active employee benefits paid or payable by the university of Minnesota police department retirement plan and fund shall be transferred to the public employees police and fire fund and shall no longer be the liability of the university of Minnesota police department retirement plan and fund. The required reserves for retirement annuities in effect as of June 30, 1978, including future automatic survivor benefits for survivors of deceased former retirement annuitants attributable to those annuities, and the required reserves for benefits of survivor of deceased former retirement annuitants in effect as of June 30, 1978 shall be determined using a five percent interest assumption and the applicable public employees police and fire fund mortality table and shall be transferred by the public employees police and fire fund to the Minnesota adjustable fixed benefit fund on the effective date of this section but shall be considered transferred as of June 30, 1978. The annuity or benefit amount on the effective date of this section shall be considered the "originally determined benefit" for purposes of further adjustments pursuant to section 11.25. If an adjustment from the Minnesota adjustable fixed benefit fund pursuant to section 11.25 is payable as of January 1, 1979, any annuitant or benefit recipient receiving an annuity or benefit from the Minnesota adjustable fixed benefit fund pursuant to this section shall be entitled to receive the adjustment if the annuitant or recipient began receiving the annuity or benefit from the university of Minnesota police department retirement plan and fund on or before June 30, 1977. If an adjustment from the Minnesota adjustable fixed benefit fund pursuant to section 11.25 is payable as of January 1, 1979, the required reserves for the increase determined using a five percent interest assumption and the applicable public employees police and fire fund mortality table shall be transferred by the public employees police and fire fund to the Minnesota adjustable fixed benefit fund on January 1, 1979. For persons receiving benefits as survivors of deceased former retirement annuitants, the benefit shall be considered as having commenced on the date on which the retirement annuitant began receiving the retirement annuity.

Sec. 2. TERMINATION OF PLAN AND FUND. Subdivision 1. **TRANSFER OF ASSETS.** Prior to August 1, 1978 the board of regents of the university of Minnesota shall transfer the entire cash value of the assets of the university of Minnesota police department retirement plan and fund to the public employees police and fire fund. The assets shall also include all accounts receivable, if any, irrespective of source. Any accounts payable on July 1, 1978 shall also be transferred to the public employees police and fire fund. The public employees police and fire fund shall be the successor in interest to all claims for and against the university of Minnesota police department retirement plan and fund or the board of regents of the university of Minnesota with respect to the

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plan and fund, except any claim against the plan and fund or any person connected with the plan and fund in a fiduciary capacity, based on any act or acts by that person which were not done in good faith and which constituted a breach of his obligation as a fiduciary. As a successor in interest, the public employees police and fire fund may assert any applicable defense in any judicial proceeding which the university of Minnesota police department retirement plan and fund or the board of regents of the university of Minnesota would otherwise have been entitled to assert.

Subd. 2. **TRANSFER OF RECORDS.** Prior to August 1, 1978, the board of regents of the university of Minnesota shall transfer to the public employees police and fire fund original copies of all records and documents relating to the university of Minnesota police department retirement plan and fund and any of its members which are in the possession of the university, and shall provide from time to time whatever additional relevant information the board of trustees of the public employees retirement association may request.

Subd. 3. **TERMINATION OF THE FUND.** Upon the transfer of the assets, liabilities and records of the university of Minnesota police department retirement plan and fund to the public employees police and fire fund, the university of Minnesota police department retirement plan and fund shall terminate and shall cease to exist as a legal entity.

Sec. 3. **[353.662] ADDITIONAL EMPLOYER OBLIGATION TO AMORTIZE UNFUNDED ACCRUED LIABILITIES.** In order to amortize the additional unfunded accrued liability incurred by the public employees police and fire fund as a result of the consolidation of the university of Minnesota police department plan and fund, and to place the university of Minnesota on an equivalent basis with the other public employing units having employees covered by the public employees police and fire fund, the university of Minnesota shall make an annual contribution to the public employees police and fire fund in addition to the employer contribution specified in section 353.65, subdivision 3. The additional contribution shall be a level annual dollar amount of \$82,904, payable at the beginning of each fiscal year, commencing July 1, 1978 and payable for a period of ten years; provided however that upon request of the board of regents of the university of Minnesota, the board of trustees of the public employees retirement association may specify an alternative procedure of periodic payments.

Sec. 4. **[353.663] GENERAL ADMINISTRATION.** The provisions of chapter 353 shall govern in all instances where not inconsistent with the provisions of this act.

Sec. 5. **FUTURE ACTUARIAL VALUATIONS.** Notwithstanding Minnesota Statutes 1976, Section 356.215, the administration of the university of Minnesota police department retirement plan and fund shall not be required to have an actuarial valuation made as of July 1, 1978. The executive director of the public employees retirement association shall include the transferred membership, liabilities and assets of the university of Minnesota police department retirement plan and fund in the valuation of the public employees retirement association as of June 30, 1978.

Sec. 6. This act is effective July 1, 1978.

Approved April 5, 1978.

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