

mortgage loans at the date of the bonds or notes. The state board may also enter into agreements with the agency for the investment of any portion of the funds of the agency for such period, with such withdrawal privileges, and at such guaranteed rate of return, if any, as may be agreed between the state board and the agency.

(e) Repurchase agreements and reverse repurchase agreements shall be limited to the securities described in subdivision 2, clause (a);

(f) Savings accounts shall be limited to those fully insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation.

### Sec. 3. EFFECTIVE DATE.

This act is effective on the day following final enactment.

.. Approved March 22, 1982

## CHAPTER 588 — H.F.No. 1278

*An act relating to public employment labor relations; clarifying the definition of "employer"; amending Minnesota Statutes 1980, Section 179.63, Subdivision 4.*

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

Section 1. Minnesota Statutes 1980, Section 179.63, Subdivision 4, is amended to read:

Subd. 4. "Public employer" or "employer" means (a) the state of Minnesota in respect to employees of the state not otherwise provided for in this subdivision or section 179.74 for executive branch employees; (b) the board of regents of the University of Minnesota, in respect to employees thereof; and (c) notwithstanding sections 260.311, 384.08, 385.02, 386.33, 387.14, 388.10, 390.05, 487.10, or other law, the governing body of a political subdivision or agency or instrumentality thereof which has final budgetary approval authority, in respect to employees of that subdivision, agency or instrumentality, provided that the views of elected appointing authorities who shall have standing to initiate interest arbitration, and who are responsible for the selection, direction, discipline, and discharge of individual employees shall be considered by the employer in the course of the discharge of their rights and duties under section 179.61 to 179.76. When two or more units of government subject to the provisions of sections 179.61 to 179.76 undertake a project or form a new agency of government under chapter 402, or section 471.59, or other law authorizing common or joint action, the employer for purposes of sections 179.61 to 179.76 shall be the governing

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

person or board of the created agency and the governing official or body of the cooperating governmental units shall be bound by an agreement entered into by the created agency pursuant to the procedures of sections 179.61 to 179.76. The term does not include a "charitable hospital" as defined in section 179.35, subdivision 2. Nothing in this subdivision shall be construed to diminish the authority granted pursuant to law to an appointing authority in respect to the selection, direction, discipline or discharge of an individual employee insofar as such action is consistent with general procedures and standards relating to selection, direction, discipline or discharge which are the subject of an agreement entered into pursuant to sections 179.61 to 179.76.

**Sec. 2. EFFECTIVE DATE.**

Section 1 is effective the day after final enactment.

Approved March 22, 1982

---

**CHAPTER 589 — S.F.No. 1424**

*An act relating to insurance; regulating minimum nonforfeiture benefits and reserves of life insurance policies and annuity contracts; modifying the definitions of "insolvent insurer" and "covered claim" for purposes of the insurance guaranty association act; amending Minnesota Statutes 1980, Sections 61A.24, Subdivisions 2, 4, 6, 9, 10, 11, 12, 13, 14, and by adding subdivisions; 61A.25, Subdivisions 3, 3a, 4, 5, 7, and by adding subdivisions; Minnesota Statutes 1981 Supplement, Sections 60C.03, Subdivision 8; and 60C.09, Subdivision 1.*

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

Section 1. Minnesota Statutes 1981 Supplement, Section 60C.03, Subdivision 8, is amended to read:

Subd. 8. "Insolvent insurer" means an insurer licensed to transact insurance in this state, either at the time the policy was issued, or when the insured event occurred, and against whom an order of liquidation with a finding of insolvency has been entered after ~~August 1, 1981~~ April 30, 1979 by a court of competent jurisdiction, in the insurer's state of domicile or of this state, under the provisions of chapter 60B, and which order of liquidation has not been stayed or been the subject of a writ of supersedeas or other comparable order.

Sec. 2. Minnesota Statutes 1981 Supplement, Section 60C.09, Subdivision 1, is amended to read:

Subdivision 1. **DEFINITION.** A covered claim is any unpaid claim, including one for unearned premium, which:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.