(2) the driver employed by the retailer is at least 18 years of age.

Fertilizer and agricultural chemical retailers or their employees are also exempt, during the period from April 1, 1991, to June 1, 1991, from the commissioner's rules governing maximum hours of service of drivers, when transporting fertilizer or agricultural chemicals directly to a farm for on-farm use within a radius of 50 miles of the retailer's business location.

Sec. 3. STUDY.

The commissioner of transportation shall conduct a study of the effects of exempting fertilizer and agricultural chemical retailers and their employees from driver hours of service rules as provided in section 2. The commissioner shall consult with statewide associations of fertilizer and agricultural chemical retailers in designing and conducting the study. The study must include:

(1) the safety effects of the exemption;

(2) alternative means of providing for the special needs of fertilizer and agricultural chemical retailers during the spring planting season; and

(3) recommendations for further legislative action in this area.

<u>The commissioner shall report to the legislature on the results of the study</u> not later than December 1, 1991.

Presented to the governor April 28, 1990

Signed by the governor May 4, 1990, 11:12 p.m.

CHAPTER 589-S.F.No. 2445

An act relating to state government; establishing positions in the unclassified service; authorizing the commissioner of jobs and training to establish a position in the unclassified service; allowing certain survivor benefits; establishing a health insurance account for certain Minneapolis police and fire department relief association contributions; regulating participation in the public employees insurance plan; amending Minnesota Statutes 1988, sections 43A.316, subdivision 8; and 268.0121, subdivision 3; Minnesota Statutes 1989 Supplement, section 43A.08, subdivision 1; Laws 1949, chapter 406, section 6, subdivision 1, as amended; Laws 1965, chapter 519, section 1, as amended; proposing coding for new law in Minnesota Statutes, chapter 356.

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

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ARTICLE 1

Section 1. Minnesota Statutes 1989 Supplement, section 43A.08, subdivision 1, is amended to read:

Subdivision 1. UNCLASSIFIED POSITIONS. Unclassified positions are held by employees who are:

(a) chosen by election or appointed to fill an elective office:

(b) heads of agencies required by law to be appointed by the governor or other elective officers, and the executive or administrative heads of departments, bureaus, divisions, and institutions specifically established by law in the unclassified service;

(c) deputy and assistant agency heads and one confidential secretary in the agencies listed in subdivision 1a:

(d) the confidential secretary to each of the elective officers of this state and, for the secretary of state, state auditor, and state treasurer, an additional deputy, clerk, or employee;

(e) intermittent help employed by the commissioner of public safety to assist in the issuance of vehicle licenses;

(f) employees in the offices of the governor and of the lieutenant governor and one confidential employee for the governor in the office of the adjutant general;

(g) employees of the Washington, D.C., office of the state of Minnesota;

(h) employees of the legislature and of legislative committees or commissions; provided that employees of the legislative audit commission, except for the legislative auditor, the deputy legislative auditors, and their confidential secretaries, shall be employees in the classified service;

(i) presidents, vice-presidents, deans, other managers and professionals in academic and academic support programs, administrative or service faculty, teachers, research assistants, and student employees eligible under terms of the federal economic opportunity act work study program in the school and resource center for the arts, state universities and community colleges, but not the custodial, clerical, or maintenance employees, or any professional or managerial employee performing duties in connection with the business administration of these institutions:

(j) officers and enlisted persons in the national guard;

(k) attorneys, legal assistants, examiners, and three confidential employees appointed by the attorney general or employed with the attorney general's authorization;

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(1) judges and all employees of the judicial branch, referees, receivers, jurors, . and notaries public, except referees and adjusters employed by the department of labor and industry;

(m) members of the state patrol; provided that selection and appointment of state patrol troopers shall be made in accordance with applicable laws governing the classified service;

(n) chaplains employed by the state;

(o) examination monitors and intermittent training instructors employed by the departments of employee relations and commerce and by professional examining boards;

(p) student workers;

(q) one position in the hazardous substance notification and response activity in the department of public safety;

(r) employees unclassified pursuant to other statutory authority; and

(s) intermittent help employed by the commissioner of agriculture to perform duties relating to pesticides, fertilizer, and seed regulation; and

(t) the administrators and the deputy administrators at the state academies for the deaf and the blind.

Sec. 2. Minnesota Statutes 1988, section 268.0121, subdivision 3, is amended to read:

Subd. 3. UNCLASSIFIED POSITIONS. The commissioner may establish positions in the unclassified service in accordance with section 43A.08. The commissioner may appoint and define the duties of other subordinate officers and employees as the commissioner deems necessary to discharge the functions of the department.

The commissioner may establish the position of director of the state job training office in the unclassified service.

Sec. 3. SURVIVOR BENEFIT COVERAGE IN CERTAIN INSTANCES.

The surviving spouse of a former state employee who was employed as a correction officer at the St. Cloud state reformatory, who was born on February 25, 1905, and who died on June 14, 1970, is entitled to the surviving spouse benefit specified in Minnesota Statutes 1971, section 352.12, subdivision 2, notwithstanding that the date of death occurred a few months before the April 30, 1971, date of enactment of that provision and that a refund was paid under Minnesota Statutes 1969, section 352.12, subdivision 1. The surviving spouse benefit accrues on the first day of the month next following the date of enact-

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ment of this section and is payable upon an application filed with the executive director of the Minnesota state retirement system. The surviving spouse benefit is payable from the correctional employees retirement fund.

Sec. 4. Laws 1949, chapter 406, section 6, subdivision 1, as amended by Laws 1953, chapter 127, section 6; Laws 1967, chapter 820, section 1; and Laws 1987, chapter 322, section 5, and chapter 372, article 2, section 4, is amended to read:

Subdivision 1. MINNEAPOLIS POLICE SURVIVOR BENEFITS; PER-SONS TO WHOM GRANTED. The association shall grant pensions or benefits payable from the police pension fund to any member or to any surviving spouse or to any child under 18 years of age or any member from the time and for the following purposes:

When a service pensioner, disability pensioner, or deferred pensioner, or an active member of a relief association dies, leaving

(1) a surviving spouse, who was a legally married spouse, residing with the decedent, and who was married while or prior to the time the decedent was on the payroll of the police department; and who, in case the deceased member was a service or deferred pensioner, was legally married to the member at least one year before retirement from the police department; or

(2) a child or children, who were living while the deceased was on the payroll of the police department or born within nine months after the decedent was withdrawn from the payroll, the surviving spouse and child, or children, shall be entitled to a pension, or pensions, as follows:

(a) To the surviving spouse of a deceased active member or disabilitant, a pension of 18 units per month for life. If the surviving spouse remarries, the pension ceases as of the date of the remarriage.

(b) To the surviving spouse of a deceased deferred or retired member, a pension of 4.5 units per month for life, plus an additional nine-tenths of one unit per month for every year of service of the decedent beyond five years to a maximum of 18 units. If the surviving spouse remarries, the pension ceases as of the date of the remarriage.

(c) To each child of a deceased active member or disabilitant, a pension of six units per month until the child reaches the age of 18 years; or in the case of a child in full-time attendance during the normal school year, in a school approved by the board of directors, until the child receives a bachelor's degree or attains the age of 22 years, whichever occurs first.

(d) To each child of a deceased deferred or retired member, a pension of 1.5 units per month plus three-tenths of one unit per month for every year of service of the decedent beyond five years to a maximum of six units until the child

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reaches the age of 18 years; or, in the case of a child in full-time attendance during the normal school year in a school approved by the board of directors, until the child receives a bachelor's degree or attains the age of 22 years, whichever is first.

The total pensions hereunder for the surviving spouse and children of a deceased member shall not exceed 32 units per month.

Sec. 5. Laws 1965, chapter 519, section 1, as amended by Laws 1967, chapter 819, section 1; Laws 1969, chapter 123, section 1; Laws 1975, chapter 57, section 1; and Laws 1977, chapter 164, section 2, is amended to read:

Section 1. MINNEAPOLIS, CITY OF; FIREFIGHTER'S RELIEF ASSO-CIATION; WIDOW'S ENTITLEMENT.

Notwithstanding the provisions of Minnesota Statutes 1965, Section 69.48, to the contrary, when a service pensioner, disability pensioner, or deferred pensioner, or an active member of a relief association dies, leaving

(1) A widow who was his legally married wife, residing with him, and who was married to him while or prior to the time he was on the payroll of the fire department; and who, in case the deceased member was a service or deferred pensioner was legally married to the member at least one year before his retirement from the fire department; or

(2) A child or children who were living while the deceased was on the payroll of the fire department, or born within nine months after the decedent was withdrawn from the payroll of the fire department, the widow and the child or children shall be entitled to a pension or pensions, as follows:

(a) To the widow, a pension of not less than 17 units, and not to exceed the total of 21 units per month, as the bylaws of the association provide, for her natural life; provided, that if she shall remarry then the pension shall cease and terminate as of the date of her remarriage; provided, further, if her remarriage terminates for any reason, she shall again be entitled to a pension as the bylaws of the association provide;

(b) To the child or children, if their mother be living, a pension of not to exceed eight units per month for each child up to the time each child reaches the age of not less than 16 years and not to exceed an age of 18 years; provided, however, upon approval by the board of trustees, such a child who is a full-time student, upon proof of compliance with the provisions of this act, may be entitled to such pension so long as he is a full-time student and has not reached 22 years of age, all in conformity with the bylaws of the association; provided, further, the total pensions hereunder for the widow and children of the deceased member shall not exceed the sum of 40 units per month;

(c) A child or children of a deceased member after the death of their

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mother, or in the event their mother predeceases the member, be entitled to receive a pension or pensions in such amount as the board of trustees of the association shall deem necessary to properly support the child or children until they reach the age of not less than 16 and not more than 18 years; provided, however, upon approval by the board of trustees, such a child who is a full-time student, upon proof of compliance with the provisions of this act, may be entitled to such pension so long as he is a full-time student and has not reached 22 years of age, as the bylaws of the association may provide; but the total amount of the pension or pensions hereunder for any child or children shall not exceed the sum of 40 units per month:

(d) For the purposes of this act, a full-time student is defined as an individual who is in full-time attendance as a student at an educational institution. Whether or not the student was in full-time attendance would be determined by the board of trustees of the association in the light of the standards and practices of the school involved. Specifically excluded is a person who is paid by his employer while attending school at the request of his employer. Benefits may continue during any period of four calendar months or less in any 12 month period in which a person does not attend school if the person shows to the satisfaction of the board of trustees that he intends to continue in full-time school attendance immediately after the end of the period. An educational institution is defined so as to permit the payment of benefits to students taking vocational or academic courses in all approved, accredited or licensed schools, colleges, and universities. The board of trustees shall make the final determination of eligibility for benefits if any question arises concerning the approved status of the educational institution which the student attends or proposes to attend;

(e) In the event that a child who is receiving a pension as provided above shall marry before the age of 22 years, the pension shall cease as of the date of the marriage.

Sec. 6. HEALTH INSURANCE ACCOUNT.

Notwithstanding any law to the contrary, contributions of members of the Minneapolis police relief association and the Minneapolis fire department relief association with 25 or more years of service shall be deposited in a separate account and used to pay the future health insurance costs of the individual member upon that member's retirement.

Sec. 7. ST. LOUIS PARK POLICE SURVIVOR BENEFITS.

The provision of Minnesota Statutes, section 423.810, subdivision 1, requiring termination of a surviving spouse's pension upon remarriage does not apply to surviving spouses receiving pensions from the St. Louis Park Police Relief Association.

Sec. 8. LOCAL APPROVAL.

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Sections 4 to 6 are effective on the date after compliance with Minnesota Statutes, section 645.021, by a majority of members of the Minneapolis city council.

Sec. 9. EFFECTIVE DATE.

<u>Section 2 is effective the day following final enactment. Section 7 is effective</u> on approval by the St. Louis Park city council and compliance with Minnesota Statutes, section 645.021.

ARTICLE 2

Section 1. Minnesota Statutes 1988, section 43A.316, subdivision 8, is amended to read:

Subd. 8. CONTINUATION OF COVERAGE. (a) A participating employee who is laid off or is on leave may elect to continue the plan coverage. This coverage is at the expense of the employee unless otherwise provided by a collective bargaining agreement. Premiums for these employees must be established by the commissioner. Coverage continues until one of the following occurs:

(1) the employee is reemployed and eligible for health care coverage under a group policy; or

(2) the insurance continuation periods required by state and federal laws expire.

(b) A participating former employee who retires and is receiving a public pension disability benefit or an annuity or is eligible for and has applied for has met the age and service requirements necessary to receive an annuity under chapter 352, 352B, 352C, 352D, 353, 354, 354A, 356, 422A, 423, 423A, 424, or 490 is eligible to continue participation participate in the plan, except that a former employee who is over age 65 and is not eligible for Medicare coverage is not eligible to participate in the plan. These employees, and employees who have already retired prior to the group from which they retired entering the plan, are eligible to participate as long as their group continues to participate. This participation is at the retiree's person's expense unless a collective bargaining agreement or personnel policy provides otherwise. Premiums for these participants must be established by the commissioner. The commissioner shall establish sets of health insurance premiums for the following classes:

(1) all participants under this paragraph who are under age 65; and

(2) all participants under this paragraph who are over age 65 and are receiving Medicare coverage.

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<u>The commissioner may provide policy exclusions for preexisting conditions</u> only when there is a break in coverage between a participant's coverage under a group insurance plan as an employee and the participant's coverage under this section. An employer shall notify an employee of this the option to participate under this paragraph no later than the effective date of retirement. The retired employee shall notify the employer commissioner within 30 days of the effective date of retirement of intent to exercise this option.

(c) The spouse of a deceased, active, or retired former employee may purchase the benefits provided at premiums established by the commissioner if the spouse was a dependent under the active or retired former employee's coverage under this section at the time of the death. These participants are eligible to participate as long as the group which included their spouse participates. Coverage under this clause must be coordinated with relevant insurance benefits provided through the federally sponsored Medicare program.

(d) The plan benefits must continue in the event of strike permitted by section 179A.18, if the exclusive representative chooses to have coverage continue and the employee pays the total monthly premiums when due.

(e) A person who desires to participate under paragraphs (a) to (d) shall notify the eligible employer or former employer commissioner of intent to participate according to rules established by the commissioner. The eligible employer shall notify the commissioner and coverage begins as soon as the commissioner er permits.

(f) A participant who discontinues coverage may not re-enroll.

Persons participating under these paragraphs shall make appropriate premium payments in the time and manner established by the commissioner.

Sec. 2. [356.87] HEALTH INSURANCE WITHHOLDING.

The director of a public pension fund listed in section 356.20, subdivision 2, shall, upon authorization of a person entitled to receive benefits, withhold premium amounts from the pension benefits and pay the amounts to the public employees insurance plan.

Sec. 3. NEWLY ELIGIBLE EMPLOYEES; NOTICE.

<u>A former employee who first becomes eligible to participate in the public</u> employees insurance plan as a result of section 1 must notify the commissioner within 60 days of the effective date of section 1 of intent to participate in the plan. The commissioner, in cooperation with appropriate public pension plans, shall, at least 30 days before the effective date of section 1, notify all persons who become eligible to participate in the plan as a result of section 1 of their option to participate.

Sec. 4. EFFECTIVE DATE.

New language is indicated by underline, deletions by strikeout.

Sections 1 and 2 are effective January 1, 1992.

Presented to the governor April 28, 1990

Signed by the governor May 4, 1990, 10:56 p.m.

CHAPTER 590-S.F.No. 2018

An act relating to lawful gambling; defining lawful purposes for expenditures of gambling profits; establishing licensing qualifications for organizations, distributors, and manufacturers; requiring organizations to report monthly on expenditures and contributions of gambling profits; authorizing the gambling control board to require recipients of contributions of gambling profits to register with the board; authorizing summary suspension of gambling licenses; requiring pull-tabs to be manufactured in Minnesota; requiring inspection and testing of gambling equipment; requiring permits for gambling premises; requiring gambling managers to be licensed; requiring that employees of organizations conducting lawful gambling be registered with the board; prescribing specifications for video games of chance and terminating all licenses for video games of chance on January 1, 1992; regulating incentive payments to lottery employees; prescribing qualifications for lottery retailers; increasing penalties for violations of lawful gambling statutes; providing for the disposal of seized gambling equipment; amending Minnesota Statutes 1988, sections 349.12, by adding subdivisions; 349.16; 349.17; 349.18; 349.19; 349.2123; 349.2125, subdivision 4; 349.2127, subdivisions 1, 3, and by adding subdivisions; 349.22, by adding a subdivision; 349.30, subdivision 2; 349.31; 349.32; 349.34; 349.35, subdivision 1; 349.36; 349.38; 349.39; 349.50, subdivision 8; 349.52, by adding a subdivision; 349.55; 349.59, subdivision 1; 609.75, subdivision 4; 349,59, subdivision 1; Minnesota Statutes 1989 Supplement, sections 299L.03, by adding subdivisions; 349.12, subdivisions 11 and 12; 349.15; 349.151, subdivision 4, and by adding a subdivision; 349.152, subdivision 2, and by adding subdivisions; 349.161; 349.162; 349.163; 349.164; 349.212, subdivision 2; 349.2122; 349.2125, subdivisions 1 and 3; 349.2127, subdivisions 2. 4, and 5; 349.213; 349.22, subdivision 1; 349.501, subdivision 1; 349.502, subdivision 1; 349A.02, subdivision 5; 349A.06, subdivisions 2 and 4; 609.76, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 299L; 349; repealing Minnesota Statutes 1988, sections 349.14; 349.214, subdivision 1, 1a, 3, and 4; Minnesota Statutes 1989 Supplement, sections 349.151, subdivision 4a; 349.20; 349.21; 349.22, subdivision 3; 349.502, subdivision 2; Minnesota Statutes Second 1989 Supplement, section 349.214, subdivision 2; Laws 1989 First Special Session, chapter 1, article 13, section 27.

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

New language is indicated by <u>underline</u>, deletions by strikeout.