

(b) the delivery was in exchange for a check which is later dishonored, or

(c) it was agreed that the transaction was to be a "cash sale," or

(d) the delivery was procured through fraud punishable as larcenous under the criminal law.

(2) Any entrusting of possession of goods to a merchant who deals in goods of that kind gives the merchant power to transfer all rights of the entruster to a buyer in ordinary course of business.

(3) "Entrusting" includes any delivery and any acquiescence in retention of possession regardless of any condition expressed between the parties to the delivery or acquiescence and regardless of whether the procurement of the entrusting or the possessor's disposition of the goods have been such as to be larcenous under the criminal law.

(4) The rights of other purchasers of goods and of lien creditors are governed by the articles on secured transactions (article 9); ~~bulk transfers (article 6)~~ and documents of title (article 7).

#### Sec. 3. SAVINGS CLAUSE.

Rights and obligations that arose under sections 336.6-101 to 336.6-111 and 336.9-111 before their repeal remain valid and may be enforced as though they had not been repealed.

#### Sec. 4. REPEALER.

Minnesota Statutes 1990, sections 336.6-101; 336.6-102; 336.6-103; 336.6-104; 336.6-105; 336.6-106; 336.6-107; 336.6-108; 336.6-109; 336.6-110; 336.6-111; and 336.9-111, are repealed.

Presented to the governor May 21, 1991

Signed by the governor May 24, 1991, 4:50 p.m.

### CHAPTER 172—H.F.No. 870

*An act relating to retirement; public employees retirement fund police and fire consolidation accounts; permitting survivors of account members killed in the line of duty to elect coverage; proposing coding for new law in Minnesota Statutes, chapter 353A.*

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

Section 1. [353A.081] **PUBLIC EMPLOYEES RETIREMENT ASSOCIATION POLICE AND FIRE CONSOLIDATION ACCOUNT COVERAGE ELECTION AUTHORITY.**

New language is indicated by underline, deletions by ~~strikeout~~.

Subdivision 1. ENTITLEMENT. In addition to coverage selection periods in Minnesota Statutes, section 353A.08, subdivisions 3 and 4, the surviving spouse of a member of a public employee retirement association consolidation account who is killed in the line of duty is eligible to make an election of coverage indicated in subdivision 2. If there is no surviving spouse, the legal guardian of the oldest dependent child under the age of 18 is eligible to make an election of coverage under subdivision 2. If there are no surviving dependent children under age 18, then the oldest dependent child who is age 18 to 23 and who is enrolled full time in an accredited post-secondary educational institution is eligible to make the election. A refund may be paid to a designated beneficiary only if:

(1) there are no survivors entitled to benefits under this subdivision; or

(2) the surviving spouse and dependent children, who are between age 18 to 23, permanently waive their rights to benefits in writing and the benefits of dependent children under 18 are waived under a district court order.

Subd. 2. ELECTION OF COVERAGE. Individuals eligible under subdivision 1 may elect, on a form prescribed by the executive director of the public employees retirement association, to have survivor benefits calculated under the relevant provisions of the public employees police and fire fund benefit plan or to have survivor benefits calculated under the relief association benefit plan. The relevant provisions of the public employee police and fire fund benefit plan for the person electing that benefit coverage are the relevant provisions of the public employee police and fire fund benefit plan applicable to survivor benefits, including participation in the Minnesota postretirement investment fund.

If the election results in an increased benefit amount to the surviving spouse eligible under subdivision 1, or to eligible children if there is no surviving spouse, the increased benefit accrues as of the date on which the survivor benefits payable to the survivors from the consolidation account were first paid. The back payment of any increase in prior benefit amounts, plus any postretirement adjustments payable under Minnesota Statutes, section 356.41, or any increase payable under the local relief association bylaws is payable as soon as practicable after the effective date of the election.

#### Sec. 2. EFFECTIVE DATE.

Section 1 is effective January 1, 1990.

Presented to the governor May 21, 1991

Signed by the governor May 24, 1991, 5:00 p.m.

New language is indicated by underline, deletions by ~~strikeout~~.