

(d) be circulated in the local public corporation which it purports to serve, and either have at least 500 copies regularly delivered to paying subscribers, or have at least 500 copies regularly distributed without charge to local residents;

(e) have its known office of issue established in either the county in which lies, in whole or in part, the local public corporation which the newspaper purports to serve, or in an adjoining county;

(f) file a copy of each issue immediately with the state historical society;

(g) be made available at single or subscription prices to any person, corporation, partnership, or other unincorporated association requesting the newspaper and making the applicable payment, or be distributed without charge to local residents;

(h) have complied with all the foregoing conditions of this subdivision for at least one year immediately preceding the date of the notice publication; and

(i) between ~~October~~ September 1 and December 31 of each year publish and submit to the secretary of state, along with a filing fee of \$25, a sworn United States Post Office second-class statement of ownership and circulation or a statement of ownership and circulation verified by a recognized independent circulation auditing agency covering a period of not less than one year ending no earlier than the June 30 preceding the filing deadline, provided that a filing published and submitted after December 31 and before July 1 shall be effective from the date of filing through December 31 of that year. The secretary of state shall make the list of newspapers whose filings have been accepted available for public inspection. The acceptance of a filing does not constitute a guarantee by the state that any other qualification requirement has been met.

Sec. 18. EFFECTIVE DATE.

Sections 3, 5, 6, 7, 12, 14, 15, and 16 are effective the day following enactment. Section 4 is effective July 1, 1991.

Presented to the governor May 23, 1991

Signed by the governor May 27, 1991, 10:50 p.m.

CHAPTER 206—H.F.No. 571

An act relating to retirement; Minneapolis municipal employees; making various changes reflecting benefits, administration, and investment practices of the Minneapolis employees retirement fund; amending Minnesota Statutes 1990, sections 11A.24, subdivision 1; 356.71; 422A.03, subdivision 1; 422A.05, subdivision 2c; 422A.09, subdivision 3; 422A.13, subdivision 2; and 422A.16, subdivisions 1 and 3.

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

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

Section 1. Minnesota Statutes 1990, section 11A.24, subdivision 1, is amended to read:

Subdivision 1. **SECURITIES GENERALLY.** The state board shall have the authority to purchase, sell, lend or exchange the following securities for funds or accounts specifically made subject to this section including puts and call options and future contracts traded on a contract market designated and regulated by a federal agency. These securities may be owned as units in commingled trusts that own the securities described in subdivisions 2 to 5.

Sec. 2. Minnesota Statutes 1990, section 356.71, is amended to read:

356.71 REAL ESTATE INVESTMENTS.

Notwithstanding any law to the contrary, any public pension plan whose assets are not invested by the state board of investment may invest its funds in Minnesota situs nonfarm real estate ownership interests or loans secured by mortgages or deeds of trust if the investment is consistent with section 356A.04. Except to the extent authorized in the case of the Minneapolis employees retirement fund under section 422A.05, subdivision 2c, paragraph (a), an investment otherwise authorized by this section must also comply with the requirements and limitations of section 11A.24, subdivision 6.

Sec. 3. Minnesota Statutes 1990, section 422A.03, subdivision 1, is amended to read:

Subdivision 1. The retirement board shall meet on the third Tuesday of each calendar month of each year and may adjourn from time to time. Special meetings may be held upon the call of the president. The board shall, by a four-sevenths vote of all members of the board, appoint an executive director, who shall have charge of the performance of the duties required by the provisions of sections 422A.01 to 422A.25, and who shall appoint other necessary employees to positions approved in advance by the board. If at the time of appointment as executive director the appointee holds a position subject to the civil service rules and regulations of the city the appointee shall be deemed to be on leave of absence from the civil service position during tenure as executive director, and upon termination of service shall be returned to the appointee's permanent civil service classification. If no vacancy is available in the appointee's permanent civil service classified position, seniority shall prevail, and the person most recently certified to the position shall be returned to the permanent civil service classification held prior to such certification.

Sec. 4. Minnesota Statutes 1990, section 422A.05, subdivision 2c, is amended to read:

Subd. 2c. (a) For investments made on or after July 1, 1991, the board ~~may~~ shall invest funds only in investments authorized by section 11A.24. However,

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in addition to ~~other authorized~~ real estate investments authorized by section 11A.24, the board may also ~~invest funds in~~ make loans to purchasers of Minnesota situs nonfarm residential real estate ownership interests or loans that is owned by the Minneapolis employees retirement fund. The loans must be secured by mortgages or deeds of trust.

(b) For investments made before July 1, 1991, the board may, but is not required to, comply with section 11A.24. However, with respect to these investments, the board shall act in accordance with subdivision 2a and chapter 356A.

Sec. 5. Minnesota Statutes 1990, section 422A.09, subdivision 3, is amended to read:

Subd. 3. **EXCEPTIONS FROM MEMBERSHIP.** The exempt class shall consist of:

(1) Employees who are members of any other organization or association of the city on behalf of which a tax is levied by the city for the purpose of paying retirement allowances to disabled or superannuated employees.

(2) Persons filling elective position; provided that any elective officer holding an elective city office, except a judge of municipal court, shall, upon written application to the retirement board, be entitled to become a member of the contributing class of the fund, and after becoming a contributor to the fund be entitled to all benefits conferred upon employees of the contributing class except retirement on a service allowance, which shall be granted only upon completion of ten or more years of service and attaining at least age 60.

All retirement allowances shall be computed and determined as provided herein, except that in determining the number of years of service, credit shall be given for time served as an elective officer or employee, or member of an executive board or commission or any combination thereof. Persons who have served in elective positions which qualified them for membership in the fund prior to July 1, 1967, and who immediately thereafter hold elective office, first being appointed to that elective office in Hennepin county, may retain or resume membership in the fund as an elective officer of the county. The county shall collect and pay to the retirement fund the employee contribution as required ~~pursuant to~~ under section 422A.10. The employer contribution on behalf of the elected officer ~~shall~~ must be paid by the county. Before receiving a retirement allowance, or any other benefit, any person who claims credit for service ~~pursuant to~~ under this section shall contribute to the fund an amount equal to the amount of contributions to the fund which the person would have made had the person been a contributor to the fund since the date the person first became eligible for membership in the fund, ~~in accordance with~~ under section 422A.10, plus six percent compound interest.

(3) Persons serving without pay.

(4) Persons employed on a temporary basis, as doorkeepers, ticket takers,

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and attendants at the municipal auditorium, park recreation facilities, or like activities, employed less than 1000 hours, or its equivalent if employed on any other basis than an hourly basis, in any calendar year from January 1 to December 31, inclusive, provided that employees who were contributing members of the fund on July 1, 1959 shall not be affected by the exclusions contained in this section.

(5) A person who is exempted from the contributing class by Minnesota Statutes 1974, section 422A.09, subdivision 3, clauses (4) and (5), but who is employed by and paid, in whole or in part, by the city or any of its boards, departments, or commissions, operated as a department of the city government or independently, if financed in whole or in part by city funds, including any person employed by a public corporation, and including any person employed by special school district No. 1, each of whom is not a member of any other retirement system, who later becomes a contributing member of the fund may elect to qualify at that time for credit by paying into the fund an amount equal to the amount of contributions to the fund which the person would have made had the person been a contributor to the fund since the date the person first qualified as an exempt member of the contributing class, ~~in accordance with~~ under section 422A.10, plus six percent compound interest.

(6) ~~Any person who is employed in subsidized on-the-job training, work experience or public service employment as an enrollee under the federal Comprehensive Employment and Training Act from and after March 30, 1978, unless the city council of the city of Minneapolis specifies that the person is to be considered as a provisional member of the retirement fund pursuant to section 356.451 or unless the person has as of the later of March 30, 1978, or the date of employment sufficient service credit in the retirement fund to meet the minimum vesting requirements for a deferred retirement annuity, or the employer agrees in writing to make the required employer contributions, including any employer additional contributions, on account of that person from revenue sources other than funds provided under the federal Comprehensive Training and Employment Act, or the person agrees in writing to make the required employer contribution in addition to the required employee contribution.~~

Sec. 6. Minnesota Statutes 1990, section 422A.13, subdivision 2, is amended to read:

Subd. 2. Subject to the limitations stated in sections 422A.01 to 422A.25, ~~any an~~ an employee in the contributing class who ~~shall have been was~~ was employed by the city for ten or more years and ~~shall have attained attains~~ attains the established age for retirement, or ~~shall have been was~~ was employed by the city for 30 or more years ~~all~~, as determined by the retirement board, ~~shall be entitled to may~~ may retire. ~~Any employee in the contributing class shall be retired upon reaching the age of 70 regardless of the provisions of the veterans preference act and receive a service allowance as specified in sections 356.30, 356.32, or 422A.01 to 422A.25.~~

Sec. 7. Minnesota Statutes 1990, section 422A.16, subdivision 1, is amended to read:

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Subdivision 1. Any member of the contributing class who becomes permanently separated from the service of the city after ~~20~~ three or more years of service to the city may, by an instrument in writing filed with the retirement board within 30 days after such separation becomes permanent, elect to allow the member's contributions to the fund to the date of separation to remain on deposit in the fund.

Sec. 8. Minnesota Statutes 1990, section 422A.16, subdivision 3, is amended to read:

Subd. 3. If such contributing member dies ~~before reaching the age of 65 years, or having attained the age of 65 years~~ without having made the election provided for herein, the net accumulated amount of deductions from the member's salary, pay or compensation plus interest to the member's credit on date of death ~~shall~~ must be paid to such person, or persons, as the member shall have nominated by written designation filed with the retirement board, in such form as the retirement board shall require. If the employee fails to make a designation, or if the person or persons designated by the employee is not living to receive payment, the net accumulated amount of deductions from the employee's salary, pay, or compensation, plus interest to the credit of such employee on date of death ~~shall~~ must be paid to the employee's estate. The net accumulated city deposits ~~shall~~ must be paid to a beneficiary designated by such contributing member in such form as the retirement board shall require, who shall be the surviving spouse, or surviving child, or children of such member. If there ~~be~~ is no surviving spouse, or surviving child or children, deposits ~~shall~~ must be paid to a person actually dependent on and receiving principal support from such member or surviving mother or father, or surviving brother or sister, or surviving children of the deceased brother or sister of such member.

If the beneficiary designated by the member is not one of the class of persons named in the preceding paragraph, such benefit from the accumulations of city deposits shall be paid in the following order: (1) to the surviving spouse, the whole thereof; (2) if there be no surviving spouse, to the surviving children, share and share alike; (3) if there be no surviving spouse or child, or children, to the dependent or dependents of the member, share and share alike; (4) if there be no surviving spouse, child, or children, or dependents, to the surviving mother and father, share and share alike; (5) if there be no surviving mother and father, to the surviving brothers and sisters of the member, in equal shares; (6) and if there be no surviving brothers and sisters, to the surviving children of the deceased brothers and sisters of the member, in equal shares; (7) and if there be no person named in this paragraph who survives the member, the accumulation of city deposits ~~shall~~ must be canceled.

Sec. 9. **EFFECTIVE DATE.**

Sections 1 to 8 are effective July 1, 1991.

Presented to the governor May 23, 1991

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

Signed by the governor May 27, 1991, 10:55 p.m.

CHAPTER 207—H.F.No. 875

An act relating to insurance; modifying provisions relating to agency termination procedures; rental vehicles; increasing property damage liability coverage; providing for the adjustment or settlement of an automobile loss due to damaged window glass; amending Minnesota Statutes 1990, sections 60A.176, subdivision 3; 60A.177, subdivisions 2, 4, 5, and by adding a subdivision; 65B.49, subdivision 5a; and 72A.201, subdivision 6; repealing Minnesota Statutes 1990, section 60A.176, subdivision 2.

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

Section 1. Minnesota Statutes 1990, section 60A.176, subdivision 3, is amended to read:

Subd. 3. **AGENT.** "Agent" means an agent who is not an employee of the insurer, who has an agency contractual relationship that has been in effect for five or more years, and who writes 80 percent or more of the agent's business through one insurer or its subsidiaries.

Sec. 2. Minnesota Statutes 1990, section 60A.177, subdivision 2, is amended to read:

Subd. 2. **NOTICE; HEARING.** If an agent is terminated by an insurer, the agent may request a hearing before the board of review. If an insurer initiates the termination of an agent's agreement, the written notice of termination must advise the agent of the agent's right to a hearing before the board of review. Upon receipt of an agent's request for a hearing, the commissioner shall establish a hearing date within 30 days of the request or longer with the approval of the agent and the insurer. The agent and the insurer shall be notified in writing of the date, time, and place of the hearing. The hearing provided for under this section is not subject to Minnesota Statutes, chapter 14. The review board shall provide the parties to the hearing with an opportunity to present evidence and arguments in support of their respective positions.

Sec. 3. Minnesota Statutes 1990, section 60A.177, subdivision 4, is amended to read:

Subd. 4. **BOARD'S DETERMINATION.** Upon completion of the hearing, the board of review shall determine if the termination of the agent's agreement is justified. If in the opinion of the board of review an involuntary termination is not justified, and in the absence of a reasonable contractual financial provision for termination as determined by the ~~commissioner board~~, the ~~commissioner board~~ shall order the insurer to pay an amount of compensation that the ~~commissioner board~~ considers appropriate to the agent.

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