

127A.14 COMMISSIONER PURCHASE OF ANNUITY FOR EMPLOYEES.

Subdivision 1. **Purchase of annuity contract; allocation of portion of employee compensation.** At the request of an employee, the commissioner of education may negotiate and purchase an individual annuity contract from a company licensed to do business in the state of Minnesota for an employee for retirement or other purposes and may allocate a portion of the compensation otherwise payable to the employee as salary for the purpose of paying the entire premium due or to become due under such contract. The allocation shall be made in a manner which will qualify the annuity premiums, or a portion thereof, for the benefit afforded under section 403(b) of the current federal Internal Revenue Code or any equivalent provision of subsequent federal income tax law. The employee shall own such contract and the employee's rights thereunder shall be nonforfeitable except for failure to pay premiums.

Subd. 2. **Annuity account; appropriation.** All amounts so allocated shall be deposited in an annuity account which is hereby established in the state treasury. There is annually appropriated from the annuity account in the state treasury to the commissioner of education all moneys deposited therein for the payment of annuity premiums when due or for other application in accordance with the salary agreement entered into between the employee and the commissioner of education. The moneys in the annuity account in the state treasury are not subject to the budget, allotment, and incumbrance system provided for in chapter 16A and any act amendatory thereof.

History: 1969 c 751 s 1; 1977 c 410 s 12; 1986 c 444; 1998 c 397 art 4 s 51; 1998 c 398 art 5 s 55; 2003 c 130 s 12