municipal fire department and does not contract with an independent nonprofit firefighting corporation which has a subsidiary volunteer firefighters' relief association, shall deposit the fire state aid in a special account in the municipal treasury. Disbursement from the special account shall not be made for any purpose except:

- (1) Payment of the fees, dues and assessments to the Minnesota state fire department association and to the state volunteer firefighters' benefit association in order to entitle its firefighters to membership in and the benefits of these state associations:
- (2) Payment of the cost of purchasing and maintaining needed equipment for the fire department; and
- (3) Payment of the cost for construction, acquisition, repair and maintenance of buildings or other premises to house the fire department.

Sec. 11. REPEALER.

Minnesota Statutes 1982, section 424.26, is repealed.

Sec. 12. EFFECTIVE DATE.

This act is effective the day following final enactment.

Approved June 1, 1983

CHAPTER 220 - S.F.No. 161

An act relating to the city of Minneapolis; changing the position of cable communications officer to the unclassified service; changing procedures for the appointment of certain positions; providing for the right to retain certain benefits for employees; permitting the transfer of certain employees to the community development agency; amending Laws 1969, chapter 937, section 1, subdivisions 9, as amended, and 17, and by adding a section, and Laws 1980, chapter 595, section 2, subdivision 1, as amended.

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

- Section 1. Laws 1969, chapter 937, section 1, subdivision 9, as added by Laws 1982, chapter 491, section 2, is amended to read:
- Subd. 9. The city coordinator of the city of Minneapolis may appoint a person to the following positions to perform the duties and services he may direct:
 - (a) Purchasing agent;
 - (b) Management information services director;

- (c) Director of labor relations;
- (d) Director of affirmative action;
- (e) Manager of auditorium;
- (f) Director of federal programs;
- (g) Legislative liaison;
- (h) Director of energy programs;
- (i) Manager of licenses and consumer services;
- (j) Manager, finance city council;
- (k) Officer, cable communications.
- Sec. 2. Laws 1969, chapter 937, section 1, subdivision 17, as added by Laws 1982, chapter 491, section 2, is amended to read:
- Subd. 17. A person may be appointed to the following positions by a majority vote, of the city council, upon the approval of the mayor of the city of Minneapolis may appoint a person to the following positions, to perform the duties and services they may direct:
- (a) Chief engineer of the fire department. Laws 1969, Chapter 937, Section 2 shall only apply to a chief engineer appointed pursuant to this subdivision.
 - (b) Executive secretary, capital long range improvement committee.
 - Sec. 3. Laws 1969, chapter 937, is amended by adding a section to read:

Sec. 2a. RIGHT TO RETAIN CERTAIN BENEFITS.

Subdivision 1. Notwithstanding any provision of the Minneapolis city charter, Veterans Preference Act, or civil service rule, law, or regulation to the contrary, any employee in the classified service of the city, holding or who shall hereinafter be appointed to an unclassified service position described in the city charter, but which is not listed in Laws 1969, chapter 937, section 1, as amended, shall be deemed to be on leave of absence during his tenure in an appointive position, and upon the termination of his service shall be returned to his permanent civil service classification. If no vacancy is available in his 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 by him prior to the certification.

Subd. 2. Except for any incumbent holding a position under Laws 1969, chapter 937, section 1, subdivision 17, clause (a) who has not been formally appointed to that position, all classified employees described in Laws 1969, chapter 937, sections 1 and 2a, as amended shall continue to accrue seniority in

their former position and as city employees while serving in their appointive position.

- Subd. 3. Elected officials shall have only the leave of absence benefits provided under state law.
- Sec. 4. Laws 1980, chapter 595, section 2, subdivision 1, as amended by Laws 1982, chapter 491, section 3, is amended to read:

Subdivision 1. Notwithstanding any contrary provision of law or charter, the city council of the city of Minneapolis may, by ordinance:

(a) Establish an independent development and redevelopment agency, corporate and politic, which shall be a governmental subdivision of the state of Minnesota. The agency shall be governed by a board of commissioners. The city council, by ordinance, shall provide for the establishment of the board of commissioners, and shall state the number of commissioners, terms of office, the appointing authority of the commissioners, and other matters relating to the composition of the board and shall designate the name for the agency. Notwith-standing any contrary provisions of the Minneapolis city charter, state statute, veterans preference act, or civil service rule, law, or regulation, all employees of the agency shall be selected and employed by the board of commissioners and shall not by virtue of employment by the agency be employees of the city of Minneapolis, and the terms and conditions of employment, including salary, shall be determined by the board of commissioners, subject only to limitations contained in this act. Throughout this act the term "agency" means the agency established pursuant to this clause.

The passage of the first ordinance establishing an agency, the passage of any ordinance changing the number of commissioners, the term of office of the commissioners, or the appointing authority of the commissioners, shall require affirmative votes of nine members of the city council. The vote of the city council adopting the ordinance shall be subject to mayoral veto and city council override of that veto.

(b) Establish a development and redevelopment department of the city. Notwithstanding any contrary provision of the Minneapolis city charter, statute, veterans preference act, or civil service rule, law or regulation, the ordinance creating the department may provide for a director and three assistant directors, who shall be in the unclassified service of the city of Minneapolis, and may provide for the director to appoint not more than ten employees to perform managerial duties as defined by the director, who shall be in the unclassified service of the city. The ordinance shall establish the appointing authority of the director and assistant directors, and the manner of appointment and term of office, if any, and shall provide for the terms and conditions of employment, including salary, subject only to the limitations contained within this act for all employees of the department, and shall designate the name for the department. The director shall select and appoint all employees of the department. Through-

out this act the term "department" means the department established pursuant to this clause.

(c) Any time up to six months after the passage of the first ordinance implementing the provisions of this section, transfer any employee of the city of Minneapolis or the Minneapolis housing and redevelopment authority or the Minneapolis industrial development commission to the employment of the agency or the department or the Minneapolis housing and redevelopment authority or the Minneapolis industrial development commission. An assistant city coordinator of the city of Minneapolis for economic development, and his administrative assistant, may be transferred to the Minneapolis housing and redevelopment authority at any time up to 18 months after passage of the first ordinance implementing the provisions of this section.

Any assistant city coordinator transferred to employment of the housing and redevelopment authority shall be entitled to purchase prior service credit from the Minneapolis employees retirement fund for actual service with the Minneapolis housing and redevelopment authority from May 4, 1964 to June 4, 1975 for which the assistant city coordinator has not previously received service credit from the Minneapolis employees retirement fund. The amount to be paid for the purchase of the prior service credit and the manner of payment shall be as provided in the first paragraph of Laws 1981, Chapter 297, Section 2, Subdivision 2 for persons authorized to purchase prior service credit by Laws 1981, Chapter 297, Section 2, Subdivision 1. The authority to make a lump sum payment or to make an agreement to make installment payments shall expire on July 1, 1983.

An employee who is in the classified service of the city of Minneapolis whose position is being transferred pursuant to this clause, may elect to remain in the classified service and exercise the rights provided by the Minneapolis civil service commission to an employee as if the position held by the employee had been eliminated. Any employee who is transferred from employment with one employer pursuant to this clause to another employer shall retain rights and benefits accumulated including seniority, accumulated vacation and sick leave, and length of service for the purposes of calculating benefits, layoffs, seniority rating for promotions and merit increases, emoluments or rewards. Notwithstanding any contrary provisions of law or city charter, any employee of the Minneapolis industrial development commission who is not in the classified service of the city of Minneapolis, and any person employed as a director or deputy director of the Minneapolis housing and redevelopment agency shall either be transferred to employment of the agency or department, or the city of Minneapolis, or shall remain an employee of the commission or authority, as determined by the city council, and the city council may transfer the person into the classified service of the city of Minneapolis and into a position for which the person is qualified as determined by the city council.

Following implementation of this act, all existing employees of the Minneapolis housing and redevelopment authority except the director and deputy directors shall either be transferred to employment of the agency or department

or shall continue to be employed by the Minneapolis housing and redevelopment authority or shall be transferred to employment of the city, as determined by the city council. In the event of transfer of employment to the city of Minneapolis, the city council may transfer the person into the classified service into a position for which the employee is qualified. In any event:

- (a) the employee's salary shall not be diminished as a result of implementation of this act;
- (b) the employee's job responsibilities shall not be substantially diminished as a result of implementation of this act;
- (c) the employee shall not be required to change residence as a result of this legislation; and
- (d) the employee shall have the right to apply and be considered for positions with the agency or department on an equal basis with the other employees of the agency or department. Length of service with the Minneapolis housing redevelopment authority shall count on the same basis as length of service is counted for existing employees of the city of Minneapolis.

The director and deputy directors shall be considered employees for the purposes of clauses (c) and (d).

If a person employed as an employee of the agency or as a director or assistant director or as a managerial employee of the department or as an employee of the Minneapolis housing and redevelopment authority is, at the time of agency employment or department employment or Minneapolis housing and redevelopment authority employment, a member of the classified service of the city of Minneapolis, the employee shall be deemed to be on leave of absence during his tenure in the employment, and upon termination of service, shall be returned to his permanent civil service classification. If no vacancy is available in his permanent civil service classification position, seniority shall prevail, and the person most recently certified to the position shall be returned to the permanent civil service classification held by him prior to certification.

Sec. 5. EFFECTIVE DATE.

This act is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the Minneapolis city council.

Approved June 1, 1983

CHAPTER 221 — S.F.No. 263

An act relating to insurance; health and accident; providing reimbursement for the services of certain licensed and certified registered nurses on an equal basis with other licensed health professional services; amending Minnesota Statutes 1982, sections 62A.03, subdivision 1; and 62A.15.