

Minnesota Statutes 1982, sections 8.31, subdivision 4; 79.51, subdivision 2; and 79.63 are repealed effective July 1, 1983. Minnesota Statutes 1982, sections 175.07; 175.101, subdivision 3; 175.36; 176.101, subdivision 3; 176.102, subdivision 12; 176.131, subdivisions 9, 10, 11, and 12; 176.152; and 176.262 are repealed effective January 1, 1984.

Sec. 174. SEVERABILITY.

If any provision of this act is found to be unconstitutional and void, the remaining provisions of the act shall remain valid, unless the court finds the valid provisions of the article are so essentially and inseparably connected with, and so dependent upon, the void provisions that the court cannot presume the legislature would have enacted the remaining valid provisions without the void one; or unless the court finds the remaining valid provisions, standing alone, are incomplete and are incapable of being executed in accordance with the legislative intent.

Sec. 175. SMALL BUSINESS PREMIUM COST STUDY.

The commissioner shall conduct a study on the effect of sections 44 to 64 on small businesses located in Minnesota, including to what extent benefits payable pursuant thereto affect small businesses' workers' compensation insurance premium costs. The commissioner shall report to the legislature by January 30, 1985.

Sec. 176. EFFECTIVE DATE.

Sections 1 to 6, 12, 14, 19 to 25, 28, 32, 35 to 41, 69 to 83, 85, section 86, except for section 86, clause (c) which is effective upon the adoption of temporary rules under section 86, 92, 95, 97 to 101, 110 to 129, except for those portions of section 129, subdivision 6a relating to economic recovery compensation and impairment compensation which are effective upon the adoption of temporary rules under section 86, 130 to 162, 165 to 167, 169 to 172, and 174 are effective July 1, 1983. Sections 8, 17, 18, 26, 27, 31, 34, 84, 87 to 91, 103 to 109, 163 and 164 are effective October 1, 1983. Sections 7, 9, 10, 11, 13, 68, and 93 are effective January 1, 1984. Sections 15, 16 and 173 are effective the day after final enactment. Sections 29, 30, 33, 42 to 67, 94, 96, 102 and 168 are effective upon adoption of temporary rules under section 86.

Approved June 7, 1983

CHAPTER 291 — H.F.No. 251

An act relating to retirement; authorizing public and private sector pension funds to invest in Minnesota nonfarm real estate; permitting certain public pension funds to participate in real estate investments; modifying the governance of police and salaried firefighter relief association trust funds after the local association ceases to exist; authorizing amendment of the Red Wing police relief association bylaws; increasing certain benefits

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

payable by the Crookston firefighters relief association; amending Minnesota Statutes 1982, sections 69.77, subdivision 2; 354A.08; 422A.05, subdivision 2c; and 423A.01, subdivisions 2 and 4; and Laws 1971, chapter 51, sections 10, subdivision 3; 12; and 14, subdivisions 1, 7, 8, 9, 11, and by adding subdivisions; proposing new law coded in Minnesota Statutes, chapter 356.

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

Section 1. [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.

Sec. 2. Minnesota Statutes 1982, section 69.77, subdivision 2, is amended to read:

Subd. 2. The penalty provided for in subdivision 1 shall not apply to a relief association enumerated in subdivision 1a if the following requirements are met:

(1) Each member of the relief association pays into the special fund of the association during a year of covered service, a contribution for retirement coverage including survivorship benefits of not less than eight percent of the maximum rate of salary upon which retirement coverage is credited and service pension and retirement benefit amounts are determined. The member contributions shall be made by payroll deduction from the salary of the member by the municipality, and shall be transmitted by the municipality to the relief association as soon as practical. The relief association shall deposit the member contribution to the credit of the special fund of the relief association, provided that to avoid undue increase in the amount of employee contributions in any one year, any increase in the amount of contributions required by this section may be spread over several years with the approval of the municipality, but the increase in rate of contribution in each year shall not be less than one percent until the appropriate levels of required employee contributions have been reached. The member contribution requirement specified in this clause shall not apply to any members who are volunteer firefighters unless the governing body of the municipality did not approve this member contribution exemption following the consideration by the municipal governing body of the first actuarial survey filed with the municipality following January 1, 1970.

(2) The officers of the relief association determine the financial requirements of the relief association and minimum obligation of the municipality for the following calendar year in accordance with the requirements of this clause. The financial requirements of the relief association and the minimum obligation of the municipality shall be determined on or before the submission date established by the municipality pursuant to clause (3).

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

The financial requirements of the relief association for the following calendar year shall be based on the most recent actuarial valuation or survey prepared in accordance with sections 356.215, subdivision 4 and 356.216, whether or not the actuarial valuation or survey was prepared at a greater frequency than minimally required pursuant to clause (8). In the event that an updated actuarial valuation or an actuarial estimate is prepared by the actuary of the relief association as part of obtaining a modification of the benefit plan of the relief association and the modification is implemented, the updated actuarial valuation or actuarial estimate shall be used in calculating the financial requirements of the relief association.

If the relief association has an unfunded accrued liability as reported in the most recent actuarial valuation or survey, the total of the amounts calculated pursuant to clauses (a) and (b) shall constitute the financial requirements of the relief association for the following year. If the relief association does not have an unfunded accrued liability as reported in the most recent actuarial valuation or survey the amount calculated pursuant to subclause (a) shall constitute the financial requirements of the relief association for the following year.

(a) The normal level cost requirement for the following year, expressed as a dollar amount, which shall be determined by applying the normal level cost of the relief association as reported in the actuarial valuation or survey and expressed as a percentage of covered payroll to the estimated covered payroll of the active membership of the relief association, including any projected increase in the active membership, for the following year.

(b) To the dollar amount of normal cost thus determined shall be added an amount equal to the level annual dollar amount which is sufficient to amortize the unfunded accrued liability by December 31, 2010, as determined from the actuarial valuation or survey of the fund, using an interest assumption set at the rate specified in section 356.215, subdivision 4, clause (4). The amortization date specified in this subclause shall apply to all local police or salaried firefighters relief associations and shall supersede any amortization date specified in any applicable special law.

The minimum obligation of the municipality shall be an amount equal to the financial requirements of the relief association reduced by the estimated amount of member contributions from covered salary anticipated for the following calendar year and the estimated amounts from the applicable state aid program established pursuant to sections 69.011 to 69.051 anticipated as receivable by the relief association after any allocation pursuant to section 69.031, subdivision 5, clause (2), subclause (c) or 423A.01, subdivision 2, clause (6), and from the local police and salaried firefighters' relief association amortization aid program established pursuant to section 423A.02 anticipated for the following calendar year.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(3) The officers of the relief association shall submit determination of the financial requirements of the relief association and of the minimum obligation of the municipality to the governing body on or before the date established by the municipality which shall not be earlier than August 1 and shall not be later than September 1 of each year. The governing body of the municipality shall ascertain whether or not the determinations were prepared in accordance with law.

(4) The municipality shall provide for and shall pay each year at least the amount of the minimum obligation of the municipality to the relief association. If there is any deficiency in the municipal payment to meet the minimum obligation of the municipality as of the end of any calendar year, the amount of the deficiency shall be added to the minimum obligation of the municipality for the following year calculated pursuant to clause (2) and shall include interest at the rate of six percent per annum compounded from the date that the municipality was required to make payment pursuant to this clause until the date that the municipality actually makes the required payment.

(5) The municipality shall provide in the annual municipal budget for at least the minimum obligation of the municipality calculated pursuant to clause (2). The municipality may levy taxes for the payment of the minimum obligation of the municipality without any limitation as to rate or amount and irrespective of limitations imposed by other provisions of law upon the rate or amount of taxation when the balance of the special fund or any fund of the relief association has attained a specified minimum asset level. In addition, any taxes levied pursuant to this section shall not cause the amount or rate of other taxes levied in that year or to be levied in a subsequent year by the municipality which are subject to a limitation as to rate or amount to be reduced. If the municipality does not include the full amount of the minimum obligation of the municipality in the levy that the municipality certified to the county auditor in any year, the officers of the relief association shall certify the amount of any deficiency to the county auditor. Upon verifying the existence of any deficiency in the levy certified by the municipality, the county auditor shall spread a levy over the taxable property of the municipality in the amount of the deficiency certified to by the officers of the relief association.

(6) Any sums of money paid by the municipality to the relief association in excess of the minimum obligation of the municipality in any year shall be used to amortize any unfunded liabilities of the relief association.

(7) The funds of the association shall be invested in securities which are proper investments pursuant to section 11A.24, except that up to \$10,000 may be invested in the stock of any one corporation in any account of such small size that the three percent stock limitation specified in section 11A.24, subdivision 5 would necessitate a lesser investment. The association may also invest funds in Minnesota situs nonfarm real estate ownership interests or loans secured by

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

mortgages or deeds of trust, provided that the amount of all investments in real property shall not exceed ten percent of the market value of the association's fund. Securities held by the association before July 1, 1971, which do not meet the requirements of this paragraph may be retained after that date if they were proper investments for the association on April 28, 1969. The governing board of the association may select and appoint investment agencies to act for and in its behalf or may certify funds for investment by the state board under the provisions of section 11A.17, provided that there be no limit to the amount which may be invested in the income share account, in the bond account, or in the fixed-return account, and that up to 20 percent of that portion of the assets of the association invested in the Minnesota supplemental investment fund may be invested in the growth share account.

(8) The association shall procure an actuarial valuation showing the condition of the special fund of the relief association pursuant to sections 356.215 and 356.216 as of December 31 as of every even numbered year. The association shall also procure a quadrennial experience study pursuant to sections 356.215 and 356.216, as of December 31, 1978, and shall procure a quadrennial experience study every four years thereafter. A copy of the actuarial survey and the quadrennial experience study shall be filed with the director of the legislative reference library, the governing body of the municipality in which the association is organized, the executive secretary of the legislative commission on pensions and retirement, and the commissioner of insurance, not later than June 1 of the following year.

Sec. 3. Minnesota Statutes 1982, section 354A.08, is amended to read:

354A.08 AUTHORIZED INVESTMENTS.

Any teachers retirement fund association may receive, hold, and dispose of real estate or personal property acquired by it, whether the acquisition was by gift, purchase or any other lawful means, as provided in this chapter or in the association's articles of incorporation. In addition to other authorized real estate investments, an association may also invest funds in Minnesota situs nonfarm real estate ownership interests or loans secured by mortgages or deeds of trust.

Sec. 4. Minnesota Statutes 1982, section 422A.05, subdivision 2c, is amended to read:

Subd. 2c. The board may invest funds in investments authorized by section 11A.24. In addition to other authorized real estate investments, the board may also invest funds in Minnesota situs nonfarm real estate ownership interests or loans secured by mortgages or deeds of trust.

Sec. 5. TEMPORARY PROVISION.

Within 30 days after the effective date of sections 1 to 4, trustees of private and public pension funds which desire to form a committee to investigate

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

investments authorized by this act shall notify the state auditor that they desire to participate on the committee. Within 40 days after the effective date, the state auditor shall call an organizational meeting of the responding funds. The committee shall determine its method of operation and shall seek to expand the number of funds participating.

Sec. 6. Minnesota Statutes 1982, section 423A.01, subdivision 2, is amended to read:

Subd. 2. OPERATION OF LOCAL RELIEF ASSOCIATION UPON MODIFICATION OF RETIREMENT COVERAGE FOR NEWLY HIRED POLICE OFFICERS AND FIREFIGHTERS. The following provisions shall govern the operation of a local relief association upon the modification of retirement coverage for newly hired police officers or firefighters:

(1) The minimum obligation of a municipality in which the retirement coverage for newly hired police officers or salaried firefighters has been modified pursuant to subdivision 1 with respect to the local relief association shall be determined and governed in accordance with the provisions of sections 69.77, 356.215 and 356.216, except that the normal cost calculation for the relief association shall be computed as a percentage of the compensation paid to the active members of the relief association. The compensation paid to persons with retirement coverage modified pursuant to subdivision 1 shall not be included in any of the computations made in determining the obligation of the municipality with respect to the local relief association.

(2) The contribution rate of members of the local relief association shall be governed by section 69.77, unless a special law establishing a greater member contribution rate is applicable whereupon it shall continue to govern. The member contribution rate of persons with retirement coverage modified pursuant to subdivision 1 shall be governed by section 353.65.

(3) Unless otherwise provided for by law, when every active member of the local relief association retires or terminates from active duty, the local relief association shall cease to exist as a legal entity and the assets of the special fund of the relief association shall be transferred to a trust fund to be established by the appropriate municipality for the purpose of paying service pensions and retirement benefits to recipient beneficiaries. Recipient beneficiaries who are competent to act on their own behalf shall be entitled to select the prescribed number of trustees of the trust fund as provided in this clause, subject to the approval of the governing body of the municipality. If there are at least five recipient beneficiaries, the trust fund shall be managed by a board of trustees composed of ~~five members~~ persons selected by the recipient beneficiaries of the fund, ~~subject to the approval of the governing body of the municipality.~~ If ~~When~~ there are fewer than five recipient beneficiaries, ~~the trust fund shall be managed by~~ number of trustees selected by the recipient beneficiaries shall be equal to the number of the remaining recipient beneficiaries. The governing body of the

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

municipality shall select the additional trustees. The term of the elected members of the board of trustees shall be indefinite and shall continue until a vacancy occurs in one of the board of trustee member positions. Board of trustee members shall not be compensated for their services, but shall be reimbursed for any expenses actually and necessarily incurred as a result of the performance of their duties in their capacity as board of trustee members. The municipality shall perform whatever services are necessary to administer the trust fund. When all obligations of the trust fund are paid, the balance of the assets remaining in the trust fund shall revert to the municipality for expenditure for law enforcement or firefighting purposes, whichever is applicable.

(4) The financial requirements of the trust fund and the minimum obligation of the municipality with respect to the trust fund shall be determined in accordance with sections 69.77, 356.215 and 356.216 until the unfunded accrued liability of the trust fund is fully amortized in accordance with section 69.77, subdivision 2, clause (2). The municipality shall provide in its annual budget for at least the aggregate amount of service pensions, disability benefits, survivorship benefits and refunds which are projected as payable for the following calendar year, as determined by the board of trustees of the trust fund, less the amount of assets in the trust fund as of the end of the most current calendar year for which figures are available, valued pursuant to section 356.20, subdivision 4, clause (1) (a), if the difference between those two figures is a positive number.

(5) In calculating the amount of service pensions and other retirement benefits payable from the local relief association and in calculating the amount of any automatic post retirement increases in those service pensions and retirement benefits based on the salary paid or payable to active members or escalated in any fashion, the salary for use as the base for the service pension or retirement benefit calculation and the post retirement increase calculation for the local relief association shall be the salary for the applicable position as specified in the articles of incorporation or bylaws of the relief association as of the date immediately prior to the effective date of the modification of retirement coverage for newly hired personnel pursuant to subdivision 1, as the applicable salary is reset by the municipality periodically, irrespective of whether retirement coverage for persons holding the applicable position used in calculations is provided by the relief association or by the public employees police and fire fund.

(6) If the modification of retirement coverage implemented pursuant to subdivision 1 is applicable to a local police relief association, the police state aid received by the municipality shall be disbursed pursuant to section 69.031, subdivision 5, clause (2) (c). If the modification of retirement coverage implemented pursuant to subdivision 1 is applicable to a local firefighters' relief association, the fire state aid received by the applicable municipality shall be disbursed as the municipality at its option may elect. The municipality may elect: (a) to transmit the total fire state aid to the treasurer of the local relief association for immediate deposit in the special fund of the relief association; or

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

(b) to apply the total fire state aid toward the employer contribution of the municipality to the public employees police and fire fund pursuant to section 353.65, subdivision 3; or (c) to allocate the total fire state aid proportionately between the special fund of the local relief association and employer contribution of the municipality to the public employees police and fire fund on the basis of the respective number of active full time salaried firefighters receiving retirement coverage from each.

Sec. 7. Minnesota Statutes 1982, section 423A.01, subdivision 4, is amended to read:

Subd. 4. **AUTOMATIC POST RETIREMENT ADJUSTMENTS FOR CERTAIN NEWLY EMPLOYED, ACTIVE AND RETIRED MEMBERS.** (1) Notwithstanding any provision of law, municipal charter, municipal ordinance or resolution, or relief association articles of incorporation or bylaws to the contrary, any person who meets one of the following requirements for entitlement shall be entitled to an annual automatic post retirement adjustment in the amount of the service pension calculated pursuant to clause (2). A person meets the requirements for entitlement if:

(a) the person is a member of a covered local police or salaried firefighters' relief association enumerated in clause (3) ~~unless the municipality has adopted a municipal resolution retaining the local relief association pursuant to subdivision 1, if applicable,~~ commences receiving a service pension at an age no earlier than attaining the age of 55 years, and has met all applicable requirements for entitlement to a service pension specified in the applicable laws and relief association articles of incorporation or bylaws governing the local relief association;

(b) the person is a retired member of a covered local police or salaried firefighters' relief association enumerated in clause (3) ~~unless the municipality has adopted a municipal resolution retaining the local relief association pursuant to subdivision 1, if applicable,~~ retired on a service pension after June 15, 1980 and after attaining the age of at least 50 years but prior to attaining the age of 55 years, and attains the age of 55 years subsequent to retirement; or

(c) the person was a retired member on June 15, 1980 of a covered local police or salaried firefighters' relief association or retirement trust fund enumerated in clause (3), ~~unless the municipality has adopted a municipal resolution retaining the local relief association pursuant to subdivision 1, if applicable,~~ is receiving a service pension, and has attained the age of at least 55 years.

(2) Any person who meets the requirements specified in clause (1)(a) or (1)(b) shall be entitled to receive the annual automatic post retirement adjustment on the January 1 next following the date upon which the requirements for entitlement are met but in no event prior to the date upon which the person

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

attains the age of 55 years. Any person who meets the requirements specified in clause (1)(c) shall be entitled to receive the ~~annual automatic post retirement adjustment~~ on the January 1 next following the effective date of the approval of the benefit modification by the municipality as provided for in clause (3) or the date upon which the person attains the age of 55 years; ~~whichever occurs later~~. The amount of the ~~annual automatic post retirement adjustment~~ shall be determined by the board of trustees of the local relief association on or before December 1 annually and the ~~annual automatic post retirement adjustment~~ shall accrue each year as of January 1 next following the determination date. The ~~annual automatic post retirement adjustment~~ shall be first payable with the service pension payment made for January. Each ~~annual automatic post retirement adjustment~~ in the amount of the service pension shall be equal to the dollar amount determined by applying based on the percentage by which the salary payable by the municipality to a top grade patrol officer or a top grade firefighter, whichever is applicable, has increased increase in the salary upon which retirement coverage is credited during the prior year subject to the limitation provided for in this clause.

* The percentage increase in the salary shall be applied to the amount of service pension payable to the person for the month immediately prior to the month in which the determination is made. The maximum percentage increase shall not exceed 3-1/2 percent in any year and any increase in the salary level of the applicable position used to govern the determination of ~~annual automatic post retirement adjustments~~ in excess of 3-1/2 percent in any year shall not carry over to or be used to calculate the rate of salary increase for any succeeding year in which the increase in the salary of the applicable position does not exceed 3-1/2 percent.

(3) The provisions of this subdivision shall apply to the active members and retired members of a local police or salaried firefighters' relief association or to the retired members of a retirement trust fund contained in the following enumeration of covered relief associations if the governing body of the applicable municipality approves the modification in the benefit plan of the relief association specified in this subdivision following consideration of an actuarial valuation which is, or actuarial estimate based on the most recent actuarial valuation which was, prepared in accordance with sections 356.215 and 356.216, based on the benefit plan of the applicable local relief association or retirement trust fund including the modification provided for in this subdivision, does not adopt a municipal resolution retaining the local relief association pursuant to subdivision 1, and files a resolution indicating approval of the modification in the benefit plan with the secretary of state, the commissioner of insurance and the executive secretary of the legislative commission on pensions and retirement on or before the first day of the tenth month following June 15, 1980:

- (a) Buhl police relief association;
- (b) Crookston firefighters relief association;

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

- (e) ~~Crookston police relief association;~~
- (d) ~~(b) Eveleth joint retired police and firefighters retirement trust fund;~~
- (e) ~~(c) Moorhead firefighters relief association;~~
- (f) ~~(d) Moorhead police relief association;~~
- (g) ~~(e) Thief River Falls police retirement trust fund;~~
- (h) ~~(f) Virginia firefighters relief association;~~
- (i) ~~(g) West St. Paul police relief association.~~

Sec. 8. RED WING POLICE RELIEF ASSOCIATION; AUTHORIZATION OF AMENDMENT OF BYLAWS.

Authorization is hereby granted in accordance with Minnesota Statutes, section 69.77, subdivision 2a, for the Red Wing police relief association to amend its bylaws providing for the payment of dependent child benefits.

Article XVIII of the bylaws may be amended to provide that dependent child benefits, not to exceed the sum equivalent to one-half of the prevailing monthly pay of the deceased member before death, may be paid for any dependent child, including the dependent child of a divorced member whether or not the former spouse remarries or dies.

Sec. 9. Laws 1971, chapter 51, section 10, subdivision 3, is amended to read:

Subd. 3. Each member of the association who is ^a a regular full time ~~fireman~~ firefighter shall pay into the retirement fund of the association during ~~his~~ the firefighter's term of covered employment for retirement, disability and survivor benefits a contribution of ~~six~~ eight percent of ~~his~~ the firefighter's salary during the calendar year 1971 1983 and thereafter. The contributions shall be deducted from ~~his~~ the firefighter's salary by the city of Crookston, transmitted to the association, and deposited to the credit of the proper fund thereof. The contributions of a member who is a volunteer ~~fireman~~ firefighter shall be in an amount prescribed by the bylaws and shall be paid to the treasurer of the association who shall place the same in a special fund to the credit of the individual ~~fireman~~ firefighter.

Sec. 10. Laws 1971, chapter 51, section 12, is amended to read:

Sec. 12. The moneys received by the association are to be kept in an "association special fund" or in an "association general fund." The moneys received from the state and city, including deductions from ~~firemen's~~ firefighters' salaries together with earnings on the special fund shall be deposited in the "association special fund" and may be ~~extended~~ expended only for the purposes

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

named in section 13. All other moneys may be deposited in the "association general fund" and may be expended for any purposes the association deems proper.

Sec. 11. Laws 1971, chapter 51, section 14, subdivision 1, is amended to read:

Subdivision 1. A full time ~~fireman~~ firefighter who is a member of the Crookston fire department relief association and has contributed to the retirement fund after 20 years of service shall be entitled to separate ~~himself~~ himself from ~~said~~ the department, and upon attaining the age of 60 years shall be entitled to a basic pension of an amount equal to 50 percent of ~~his~~ the member's salary at the time of retirement.

Sec. 12. Laws 1971, chapter 51, section 14, is amended by adding a subdivision to read:

Subd. 1a. A full time firefighter who has attained the age of 60 years and accumulated 20 years of service on that date shall be entitled to increased retirement benefits in a sum equal to 1.5 percent of the retiree's salary upon retirement for each year or major portion thereof worked beyond the date the firefighter attained the age of 60 years.

Sec. 13. Laws 1971, chapter 51, section 14, subdivision 7, is amended to read:

Subd. 7. When a full time ~~fireman~~ firefighter who is a service pensioner, disability pensioner, or deferred pensioner or an active member of the Crookston fire department relief association, dies leaving:

(a) A ~~widow~~ surviving spouse who became ~~his~~ that firefighter's legally married ~~wife~~ while spouse during or prior to the time ~~he~~ the firefighter was on the payroll of the fire department and remained such continuously after such marriage until ~~his~~ the firefighter's death without having applied for any divorce or legal separation and who, in case the deceased member was a service or deferred pensioner, was legally married to ~~such~~ the member at least three years before ~~his~~ the firefighter's retirement from said fire department and who, in any case, was residing with ~~him~~ the firefighter at the time of ~~his~~ his death. No temporary absence for purposes of business, health or pleasure shall constitute a change of residence for the purpose of this action.

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

(1) ~~To such widow a pension of the sum of \$75 per month or 50 percent of the earned retirement at the date of death, whichever is greater, for her natural life and a pension of \$15 per month for each child of such deceased member under 18 years of age. The amount of such pension for such child or children~~

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

shall be determined by the association, but the total amount of such pension or pensions shall not exceed the sum of \$105 per month and provided if such widow shall remarry then her pension shall cease and terminate as of the date of her said remarriage Surviving spouses receiving benefits on the effective date of this act, surviving spouses of service, disability, or deferred pensioners who had retired from active service on the effective date of this section, or spouses of current and future full time firefighters who thereafter become surviving spouses shall receive a pension of \$300 per month, or an amount which is equal to one-half of the pension to which the firefighter would have been entitled had the firefighter survived, whichever amount is the greater. Pension benefits shall be paid during the life of a surviving spouse, together with a pension of \$15 per month for each child of the deceased member under the age of 18 years, provided that the amount of pension for a child or children may be increased by the association. The total amount of pension or pensions for children shall not exceed \$105 per month. If a surviving spouse shall remarry, then the surviving spouse's pension shall cease on the date of remarriage.

(2) To such Each child or children of the deceased member under the age of 18 years shall receive after the death of the widow surviving spouse of such the member a monthly pension or pensions in such amount or amounts in excess of \$15 per month for each child or more as the board of trustees of such the association shall deem necessary to properly support such the child or children until they reach the age of 18 years, but not to exceed the sum of \$90 per month to the children of any one family.

(3) If a full time fireman firefighter shall die under circumstances which entitle his the firefighter's widow or widower and dependent children to receive benefits under the workmen's workers' compensation law, the amount so received by them shall be deducted from the benefits payable under this section.

Sec. 14. Laws 1971, chapter 51, section 14, subdivision 8, is amended to read:

Subd. 8. Upon the death of a full time ~~fireman~~ firefighter or volunteer ~~fireman~~ firefighter who is an active member of the relief association whose death was the direct result of accident or exposure or sickness contracted in the performance of his the duties as a ~~fireman~~ firefighter, the treasurer shall on order of the board of trustees pay his the ~~firefighter's~~ firefighter's legal heirs or representatives the sum of \$500 ~~\$1,000~~.

Sec. 15. Laws 1971, chapter 51, section 14, subdivision 9, is amended to read:

Subd. 9. When a full time ~~fireman~~ firefighter who is a member of the relief association dies from any cause not connected with his the duties required as a ~~fireman~~ firefighter, the treasurer shall on order of the board of trustees pay his the ~~firefighter's~~ firefighter's legal heirs or representatives the sum of \$100 ~~\$500~~.

Sec. 16. Laws 1971, chapter 51, section 14, subdivision 11, is amended to read:

Changes or additions are indicated by underline, deletions by ~~strikeout~~.

Subd. 11. A volunteer fireman firefighter currently employed or a firefighter employed in the future who is a member of the Crookston fire department relief association, after 20 years of service shall be entitled to separate himself from said department and upon attaining the age of 55 60 years shall be entitled to a basic pension of \$20 \$50 per month plus an additional \$2 \$5 per month for each year of service in excess of 20 years. The total of such additional pension shall not exceed \$20 \$150 per month. Said pensions are to be paid quarterly and no other relief or benefits shall be allowed any person drawing said pension. A volunteer fireman firefighter after 20 years of service may retire on a deferred pension and will be entitled to a pension when he has attained the firefighter attains the proper age of 55 years or older. He The firefighter shall, upon application, be placed on the deferred pension roll of the relief association. Retired volunteer firefighters who have qualified for retirement benefits on the effective date of this act shall also receive the benefits provided in this subdivision. The increase in benefits shall be effective in the month following the effective date of this act.

Sec. 17. Laws 1971, chapter 51, section 14, is amended by adding a subdivision to read:

Subd. 11a. Any member of the association who has attained the age of 60 years, whether full time or volunteer, shall be required to take an annual physical medical examination upon the request of the governing body of the association; the purpose of this examination is to determine the fitness of the firefighter to continue as an active member of the association. The expense of the examination shall be paid by the association. The association shall, however, have no responsibility for care and treatment of the volunteer firefighter following the annual physical medical examination.

Sec. 18. **EFFECTIVE DATE.**

Sections 1 to 7 are effective the day following final enactment. Section 8 is effective upon approval by the Red Wing city council and compliance with Minnesota Statutes, section 645.021. Sections 11 to 17 are effective upon approval by the Crookston city council and compliance with Minnesota Statutes, section 645.021.

Approved June 7, 1983

CHAPTER 292 — H.F.No. 250

An act relating to insurance; requiring automobile insurance policy option of safety glass coverage without a deductible; regulating interest rates on life insurance policy loans; establishing written pricing and dividend policies in certain circumstances; prescribing penalties; amending Minnesota Statutes 1982, section 61A.03; proposing new law coded in Minnesota Statutes, chapters 65B and 72A.

Changes or additions are indicated by underline, deletions by ~~strikeout~~.