

person or knowingly keeps or allows to be kept in a motor vehicle within the area of the vehicle normally occupied by the driver or passengers more than .05 ounce of marijuana is guilty of a misdemeanor. This area of the vehicle shall not include the trunk of the motor vehicle when such vehicle is equipped with a trunk or another area of the vehicle not normally occupied by the driver or passengers if the vehicle is not equipped with a trunk. A utility or glove compartment shall be deemed to be within the area occupied by the driver and passengers.

(6) In any case in which a defendant is convicted of a petty misdemeanor under the provisions of clause (5) and willfully and intentionally fails to comply with the sentence imposed, said defendant shall be guilty of a misdemeanor.

(7) Compliance with the terms of any sentence imposed for violation of clause (5) before conviction under clause (6) shall be an absolute defense.

Approved May 11, 1987

CHAPTER 79—S.F.No. 53

An act relating to municipal liability; providing for indemnification of employees for punitive damages; amending Minnesota Statutes 1986, sections 466.06; and 466.07, subdivision 1; repealing Minnesota Statutes 1986, section 466.07, subdivisions 1a, 2, and 4.

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

Section 1. Minnesota Statutes 1986, section 466.06, is amended to read:

466.06 LIABILITY INSURANCE.

The governing body of any municipality may procure insurance against liability of the municipality and its officers, employees, and agents for damages, including punitive damages, resulting from its torts and those of its officers, employees, and agents, including torts specified in section 466.03 for which the municipality is immune from liability. The insurance may provide protection in excess of the limit of liability imposed by section 466.04. If the municipality has the authority to levy taxes, the premium costs for such insurance may be levied in excess of any per capita or millage tax limitation imposed by statute or charter. However, a school district may not levy pursuant to this section for premium costs for motor vehicle insurance protecting against injuries or damages arising out of the operation of district owned, operated, leased, or controlled vehicles for the transportation of pupils for purposes for which state aid is authorized under section 124.223, or for purposes for which the district is authorized to levy under section 275.125, subdivision 5d. Any independent board or commission in the municipality having authority to disburse funds for a particular municipal function without approval of the governing body may

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similarly procure liability insurance with respect to the field of its operation. The procurement of such insurance constitutes a waiver of the defense of governmental immunity to the extent of the liability stated in the policy but has no effect on the liability of the municipality beyond the coverage so provided.

Sec. 2. Minnesota Statutes 1986, section 466.07, subdivision 1, is amended to read:

Subdivision 1. **AUTHORITY TO INDEMNIFY INDEMNIFICATION REQUIRED.** The governing body of any Subject to the limitations in section 466.04, a municipality may or an instrumentality of a municipality shall defend, save harmless, and indemnify any of its officers and employees, whether elective or appointive, against any tort claim or demand, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of duty. Any independent board or commission of the municipality having authority to disburse funds for a particular function without approval of the governing body may similarly defend, save harmless, and indemnify its officers and employees against such tort claims or demands for damages, including punitive damages, claimed or levied against the officer or employee, provided that the officer or employee:

(1) was acting in the performance of the duties of the position; and

(2) was not guilty of malfeasance in office, willful neglect of duty, or bad faith.

Sec. 3. **REPEALER.**

(a) Minnesota Statutes 1986, section 466.07, subdivisions 1a and 2, are repealed.

(b) Minnesota Statutes 1986, section 466.07, subdivision 4, is repealed.

Sec. 4. **EFFECTIVE DATE.**

Notwithstanding section 645.21, section 3, paragraph (b), is effective retroactive to July 1, 1986.

Approved May 11, 1987

CHAPTER 80—S.F.No. 296

An act relating to eminent domain; regulating relocation benefits for displaced persons; amending Minnesota Statutes 1986, section 117.52, subdivision 1.

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

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