

Section 1. **[62A.047] CHILDREN'S HEALTH SERVICES.**

No policy of individual or group health and accident insurance regulated under this chapter, or individual or group subscriber contract regulated under chapter 62C, shall be issued, renewed, continued, delivered, issued for delivery, or executed in this state, or approved for issuance or renewal in this state by the commissioner of commerce unless the policy or contract specifically exempts reasonable and customary charges for child health supervision services and perinatal care services from a deductible, copayment, or other coinsurance or dollar limitation requirement. Minimum benefits may be limited to one visit payable to one provider for all of the services provided at each visit cited in this section subject to the schedule set forth in this section. Nothing in this section shall apply to a commercial health insurance policy issued as a companion to a health maintenance organization contract.

"Child health supervision services" means pediatric preventive services, appropriate immunizations, developmental assessments, and laboratory services appropriate to the age of a child from birth to age six. Reimbursement must be made for at least five child health supervision visits from birth to 12 months, three child health supervision visits from 12 months to 24 months, once a year from three years old to six years old.

"Perinatal care services" means the comprehensive package of medical and psychosocial support provided throughout the pregnancy, labor, delivery, and postpartum period including risk assessment, serial surveillance, prenatal education, use of specialized skills and technology, when needed, observation of the mother and infant, preparation for discharge, and follow-up during the postpartum period.

Approved April 20, 1988

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**CHAPTER 572—S.F.No. 1749**

*An act relating to the city of Minneapolis; providing conditions for contractors bonds; providing for postretirement payments for Minneapolis police officers and Minneapolis firefighters, their surviving spouses and dependents; amending Laws 1949, chapter 406, section 5, by adding a subdivision; and Laws 1980, chapter 595, section 3, by adding a subdivision.*

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

Section 1. **CONTRACTORS BONDS; SERVICES AND SUPPLIES.**

A successful bidder under the Uniform Municipal Contracting Law, Minnesota Statutes, section 471.345, shall at the time of execution of a contract provide the city of Minneapolis with a bond conditioned as required by law. Notwithstanding any contrary provision of other law, the city finance officer may, in accordance with criteria adopted by the Minneapolis city council by ordinance, waive or reduce the amount of the bond required for a contract for procurement of supplies, services, materials or equipment if the bond is not

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reasonable or necessary for the protection of the city. No bond required from a developer or a contractor on a development project for any works of construction may be waived or reduced under this section.

Sec. 2. Laws 1980, chapter 595, section 3, is amended by adding a subdivision to read:

Subd. 12. A successful bidder under the Uniform Municipal Contracting Law, Minnesota Statutes, section 471.345, shall at the time of execution of a contract provide the Minneapolis community development agency with a bond conditioned as required by law. Notwithstanding any contrary provision of other law, the agency's contracting officer may, in accordance with criteria adopted by the Minneapolis city council by ordinance, waive or reduce the amount of the bond required for a contract for procurement of supplies, services, materials or equipment if the bond is not reasonable or necessary for the protection of the agency. No bond required from a developer or a contractor on a development project for any works of construction may be waived or reduced under this subdivision.

Sec. 3. Laws 1949, chapter 406, section 5, is amended by adding a subdivision to read:

**Subd. 7. INVESTMENT RELATED POSTRETIREMENT PAYMENTS.**

**(a) For the purpose of this subdivision, these terms have the following meaning:**

**(1) "Excess investment income" means the amount by which the time weighted total rate of return earned by the fund in the most recent fiscal year has exceeded the actual percentage increase in the current monthly salary of a top grade patrol officer in the most recent fiscal year plus 1.5 percent. The excess investment income must be expressed as a dollar amount; excess investment income shall not exceed 1.5 percent of the total assets of the fund and does not exist unless the time weighted total rate of return of the fund exceeds five percent.**

**(2) "Time weighted total rate of return" means the percentage amount determined by using the formula or formulas established by the state board of investment under Minnesota Statutes, section 11A.04, clause (11), and in effect on January 1, 1987.**

**(3) "Eligible member" means any person, including service pensioners, disability pensioners, their survivors, or dependents, who received an annuity during the 12 months prior to the determination date. Members who received an annuity for the entire 12 months prior to the determination date are eligible for a full annual postretirement payment. Members who received an annuity for less than 12 months prior to the determination date are eligible for prorated annual postretirement payments.**

**(4) "Determination date" means December 31 of each year.**

**(5) "Annual postretirement payment" means the payment of a lump sum**

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postretirement benefit to eligible members on June 1 following the determination date in any year.

(b) The board of trustees of the relief association shall determine by May 1 of each year whether the relief association has excess investment income. The amount of excess investment income, if any, must be stated as a dollar amount and reported by the relief association to the governing body of the municipality, the state auditor, the commissioner of finance, and the legislative commission on pensions and retirement. The dollar amount of excess investment income up to 1.5 percent of the assets of the fund must be applied for the purposes specified in paragraphs (c) and (d). Excess investment income must not be considered for actuarial valuations of the fund for that year under sections 69.77, 356.215, and 356.216. Additional investment income must be included in the actuarial valuations performed under sections 69.77, 356.215, and 356.216.

(c) The amount determined by paragraph (b) must be applied as follows:

(1) one-third of the excess investment income must be paid as a benefit to eligible members under paragraph (d) in an amount not to exceed .5 percent of the assets of the fund or an amount equal to the total monthly benefit that the eligible member was entitled to in the prior year under the terms of the pension plan, whichever is less;

(2) the state amortization state aid or supplementary amortization state aid payments otherwise due to the relief association under section 423A.02 for the current calendar year must be reduced by one-third of the amount of the excess investment income; and

(3) the minimum obligation of the municipality otherwise due to the relief association for the following calendar year must be reduced by one-third of the amount of excess investment income.

(d) The relief association shall pay an annual postretirement payment to all eligible members in an amount not to exceed .5 percent of the assets of the fund. Payment of the annual postretirement payment shall be in a lump sum amount on June 1 following the determination date in any year. Payment of the annual post-retirement payment shall be made only if the time weighted total rate of return exceeds five percent in any year. The total amount of all payments to members shall not exceed the amount determined under paragraph (b) of this subdivision. Payment to each eligible member shall be calculated by dividing the total number of pension units to which eligible members are entitled into the excess investment income available for distribution to members, and then multiplying that result by the number of units to which each eligible member is entitled to determine each eligible member's annual postretirement payment. Payment to each eligible member shall not exceed an amount equal to the total monthly benefit that the eligible member was entitled to in the prior year under the terms of the pension plan.

(e) In the event an eligible member dies prior to the payment of the post-

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retirement payment, the relief association shall pay that eligible member's estate the amount to which the eligible member was entitled.

(f) The relief association shall submit a report on the amount of all post-retirement payments made pursuant to this section and the manner in which those payments were determined to the state auditor, the executive secretary of the legislative commission on pensions and retirement, and the Minneapolis city clerk.

#### Sec. 4. MINNEAPOLIS FIRE; POSTRETIREMENT PAYMENTS.

Subdivision 1. AUTHORIZED. Notwithstanding the provisions of Minnesota Statutes, chapter 69, or any other law to the contrary, the Minneapolis fire department relief association shall provide postretirement payments to eligible members under subdivision 2.

Subd. 2. DEFINITIONS; CALCULATION. (a) For the purpose of this subdivision these terms have the following meaning:

(1) "Excess investment income" means the amount by which the time weighted total rate of return earned by the fund in the most recent fiscal year has exceeded the actual percentage increase in the current monthly salary of a top grade firefighter in the most recent fiscal year plus 1.5 percent. The excess investment income must be expressed as a dollar amount; excess investment income shall not exceed 1.5 percent of the total assets of the fund and does not exist unless the time weighted total rate of return of the fund exceeds five percent.

(2) "Time weighted total rate of return" means the percentage amount determined by using the formula or formulas established by the state board of investment under Minnesota Statutes, section 11A.04, clause (11), and in effect on January 1, 1987.

(3) "Eligible member" means any person, including service pensioners, disability pensioners, their survivors, or dependents, who received an annuity during the 12 months prior to the determination date. Members who received an annuity for the entire 12 months prior to the determination date are eligible for a full annual postretirement payment. Members who received an annuity for less than 12 months prior to the determination date are eligible for prorated annual postretirement payments.

(4) "Determination date" means December 31 of each year.

(5) "Annual postretirement payment" means the payment of a lump sum postretirement benefit to eligible members on June 1 following the determination date in any year.

(b) The board of trustees of the relief association shall determine by May 1 of each year whether the relief association has excess investment income. The amount of excess investment income, if any, must be stated as a dollar amount and reported by the relief association to the governing body of the municipality, the state auditor, the commissioner of finance, and the legislative commission

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on pensions and retirement. The dollar amount of excess investment income up to 1.5 percent of the assets of the fund must be applied for the purposes specified in paragraphs (c) and (d). Excess investment income must not be considered for actuarial valuations of the fund for that year under sections 69.77, 356.215, and 356.216. Additional investment income must be included in the actuarial valuations performed under sections 69.77, 356.215, and 356.216.

(c) The amount determined by paragraph (b) must be applied as follows:

(1) one-third of the excess investment income must be paid as a benefit to eligible members under paragraph (d) in an amount not to exceed .5 percent of the assets of the fund or an amount equal to the total monthly benefit that the eligible member was entitled to in the prior year under the terms of the pension plan, whichever is less;

(2) the state amortization state aid or supplementary amortization state aid payments otherwise due to the relief association under section 423A.02 for the current calendar year must be reduced by one-third of the amount of the excess investment income; and

(3) the minimum obligation of the municipality otherwise due to the relief association for the following calendar year must be reduced by one-third of the amount of excess investment income.

(d) The relief association shall pay an annual postretirement payment to all eligible members in an amount not to exceed .5 percent of the assets of the fund. Payment of the annual postretirement payment shall be in a lump sum amount on June 1 following the determination date in any year. Payment of the annual post-retirement payment shall be made only if the time weighted total rate of return exceeds five percent in any year. The total amount of all payments to members shall not exceed the amount determined under paragraph (b) of this subdivision. Payment to each eligible member shall be calculated by dividing the total number of pension units to which eligible members are entitled into the excess investment income available for distribution to members, and then multiplying that result by the number of units to which each eligible member is entitled to determine each eligible members annual postretirement payment. Payment to each eligible member shall not exceed an amount equal to the total monthly benefit that the eligible member was entitled to in the prior year under the terms of the pension plan.

(e) In the event an eligible member dies prior to the payment of the post-retirement payment, the relief association shall pay that eligible member's estate the amount to which the eligible member was entitled.

(f) The relief association shall submit a report on the amount of all post-retirement payments made pursuant to this section and the manner in which those payments were determined to the state auditor, the executive secretary of the legislative commission on pensions and retirement, and the Minneapolis city clerk.

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**Sec. 5. NONENTITLEMENT OF ANNUAL POSTRETIREMENT PAYMENT.**

No provision of, or payment made under, sections 1 or 2 shall be interpreted or relied upon by any member of either the Minneapolis police relief association or the Minneapolis fire department relief association to guarantee or entitle a member to annual postretirement benefits for a period when no excess investment income is earned by either fund.

**Sec. 6. EFFECTIVE DATE.**

Sections 1 and 2 are effective on the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the city council of the city of Minneapolis.

Sections 3, 4, and 5 are effective the day after approval by the Minneapolis city council and compliance with Minnesota Statutes, section 645.021 and applies to calendar year 1987 investment performance.

Approved April 20, 1988

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**CHAPTER 573—S.F.No. 1940**

*An act relating to the Duluth transit authority; authorizing it to transport students.*

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

**Section 1. DULUTH TRANSIT BUSES ARE NOT SCHOOL BUSES.**

Notwithstanding Minnesota Statutes, sections 169.01, subdivision 6, and 171.01, subdivision 21, the Duluth transit authority may transport secondary students to or from a school, or to or from school-related activities within the city of Duluth, on fixed routes and schedules or under an agreement with independent school district No. 709, in a publicly owned transit bus.

**Sec. 2. REPEALER.**

Section 1 is repealed August 1, 1991.

**Sec. 3. EFFECTIVE DATE.**

Section 1 is effective the day following final enactment.

Approved April 20, 1988

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