

town board to issue retail alcoholic beverage licenses. All provisions of Minnesota Statutes, chapter 340A, that apply to the off-sale intoxicating liquor licenses, not inconsistent with this section, apply to the establishment, ownership, and operation of an exclusive liquor store under this section.

Sec. 14. SWIFT COUNTY; OFF-SALE LICENSE.

Notwithstanding Minnesota Statutes, section 340A.405, subdivision 2, paragraph (e), the Swift county board may issue an off-sale intoxicating liquor license to an establishment located less than one mile by the most direct route from the boundary of the city of Benson. All other provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section apply to the license authorized under this section.

Sec. 15. AITKIN COUNTY; OFF-SALE LICENSE.

Notwithstanding Minnesota Statutes, section 340A.405, subdivision 2, the Aitkin county board may issue an off-sale intoxicating liquor license to an establishment located within Malmo township. All provisions of Minnesota Statutes, chapter 340A, not inconsistent with this section apply to the license authorized under this section.

Sec. 16. EFFECTIVE DATE.

Sections 10 to 12 and 15 are effective the day following final enactment. Section 13 is effective on approval by the town board of Lake township and compliance with Minnesota Statutes, section 645.021, subdivision 3. Section 14 takes effect upon approval by resolutions adopted by the governing bodies of Six Mile Grove township and the city of Benson.

Presented to the governor April 16, 1992

Signed by the governor April 20, 1992, 4:40 p.m.

CHAPTER 487—H.F.No. 419

An act relating to retirement; police state aid program; requiring payments equivalent to automobile insurance premium taxes by self-insurers; public employee retirement savings programs; authorizing an employer matching contribution to certain tax sheltered annuity contracts; amending Minnesota Statutes 1990, section 356.24; Minnesota Statutes 1991 Supplement, section 69.021, subdivisions 5 and 6; proposing coding for new law in Minnesota Statutes, chapter 60A.

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

Section 1. [60A.152] INSURANCE PREMIUM TAX EQUIVALENT PAYMENT BY AUTOMOBILE RISK SELF-INSURERS.

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Subdivision 1. DEFINITIONS. (a) APPLICATION. For purposes of this section, the definitions in paragraphs (b) to (f) apply.

(b) AUTOMOBILE RISKS. "Automobile risks" means the risk of providing no-fault insurance under sections 65B.41 to 65B.71.

(c) MOTOR VEHICLE. "Motor vehicle" has the meaning given in section 65B.43, subdivision 2.

(d) PERSON. "Person" means an owner, as defined in section 65B.43, subdivision 4, but does not mean a political subdivision as defined in section 65B.43, subdivision 20.

(e) SELF-INSURANCE. "Self-insurance" means the condition of qualifying as a self-insurer by complying with section 65B.48, subdivisions 3 and 3a.

(f) SELF-INSURER. "Self-insurer" means a person who has arranged self-insurance for the automobile risks associated with the person's motor vehicle.

Subd. 2. PREMIUM TAX AMOUNT. Every self-insurer who owns, leases, or operates a motor vehicle required to be registered or licensed in this state or principally garaged in this state for at least two months in the applicable calendar year shall pay an annual amount for each vehicle of:

(1) \$15 for a private passenger vehicle as defined in section 65B.001, subdivision 3, or a utility vehicle as defined in section 65B.001, subdivision 4, not including a taxi; or

(2) \$25 for a taxi or any other self-insured vehicle not covered by clause (1).

The amount required under this subdivision is payable no later than July 1, annually, to the commissioner of revenue. A late payment penalty of \$10 a vehicle is assessed if the amount is not paid on or before July 1, and an additional amount equal to the original payment amount if the total amount is not paid until after December 1 of the same year. A self-insurer who is more than six months delinquent in paying the amount due must be referred to the commissioner of commerce for action, which may include revocation of the self-insured's self-insurer status.

Subd. 3. DEPOSIT OF PAYMENT AMOUNT. The amounts paid under subdivision 2 must be deposited in the general fund to the credit of the account from which the police state aid provided for in sections 69.011 to 69.051 is payable.

Subd. 4. RULES AUTHORIZED. The commissioner of revenue and the commissioner of commerce are authorized to make rules to permit the administration of this section.

Sec. 2. Minnesota Statutes 1991 Supplement, section 69.021, subdivision 5, is amended to read:

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Subd. 5. **CALCULATION OF STATE AID.** (a) The amount of fire state aid available for apportionment shall be two percent of the fire, lightning, sprinkler leakage, and extended coverage premiums reported to the commissioner by insurers on the Minnesota Firetown Premium Report ~~and two percent of the premiums reported to the commissioner by insurers on the Minnesota Aid to Police Premium Report.~~ This amount shall be reduced by the amount required to pay the state auditor's costs and expenses of the audits or exams of the fire-fighters relief associations.

(b) The total amount for apportionment in respect to police state aid ~~shall not be greater or lesser than is~~ the amount of premium taxes paid to the state upon the premiums reported to the commissioner by insurers on the Minnesota Aid to Police Premium Report ~~after subtracting,~~ plus the payment amounts received under section 1 since the last aid apportionment, and reduced by the amount required to pay the state auditor's costs and expenses of the audits or exams of the police relief associations. The total amount for apportionment in respect to firefighters state aid shall not be greater or lesser than the amount of premium taxes paid to the state upon the premiums reported to the commissioner by insurers on the Minnesota Firetown Premium Report after subtracting the amount required to pay the state auditor's costs and expenses of the audits or exams of the firefighters relief associations. ~~The amount for apportionment in respect to police state aid shall be distributed to the municipalities maintaining police departments and to the county on the basis of the number of active peace officers; as certified pursuant to section 69.011, subdivision 2, clause (b).~~ The commissioner shall calculate the percentage of increase or decrease reflected in the apportionment over or under the previous year's available state aid using the same premiums as a basis for comparison.

Sec. 3. Minnesota Statutes 1991 Supplement, section 69.021, subdivision 6, is amended to read:

Subd. 6. **CALCULATION OF APPORTIONMENT OF STATE PEACE OFFICERS AID TO COUNTIES.** The police state aid available ~~in respect to peace officers shall not exceed the amount of tax collected and~~ shall be distributed to the counties in proportion to the total number of active peace officers, as defined in section 69.011, subdivision 1, clause (g), in each county who are employed either by municipalities maintaining police departments or by the county. Any necessary adjustments shall be made to subsequent apportionments.

Sec. 4. Minnesota Statutes 1990, section 356.24, is amended to read:

356.24 SUPPLEMENTAL PENSION OR DEFERRED COMPENSATION PLANS, RESTRICTIONS UPON GOVERNMENT UNITS.

Subdivision 1. RESTRICTION; EXCEPTIONS. (a) It is unlawful for a school district or other governmental subdivision or state agency to levy taxes for, or contribute public funds to a supplemental pension or deferred compensation plan that is established, maintained, and operated in addition to a primary pension program for the benefit of the governmental subdivision employees other than:

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(1) to a supplemental pension plan that was established, maintained, and operated before May 6, 1971;

(2) to a plan that provides solely for group health, hospital, disability, or death benefits, to the individual retirement account plan established by sections 354B.01 to 354B.04;

(3) to a plan that provides solely for severance pay under section 465.72 to a retiring or terminating employee;

(4) for employees other than personnel employed by the state university board or the community college board and covered by section 136.80, subdivision 1, to:

(i) the state of Minnesota deferred compensation plan under section 352.96; or

(ii) payment of the applicable portion of the premium on a tax sheltered annuity contract qualified under section 403(b) of the federal Internal Revenue Code, purchased from a qualified insurance company; if provided for in a personnel policy or in the collective bargaining agreement of the public employer with the exclusive representative of public employees in an appropriate unit, in an amount matching employee contributions on a dollar for dollar basis, but not to exceed an employer contribution of \$2,000 a year per employee; or

(5) for personnel employed by the state university board or the community college board and covered by section 136.80, subdivision 1, to the supplemental retirement plan under sections 136.80 to 136.85, if provided for in a personnel policy or in the collective bargaining agreement of the public employer with the exclusive representative of the covered employees in an appropriate unit, in an amount matching employee contributions on a dollar for dollar basis, but not to exceed an employer contribution of \$2,000 a year for each employee.

(b) A qualified insurance company is a company that:

(1) meets the definition in section 60A.02, subdivision 4;

(2) is licensed to engage in life insurance or annuity business in the state;

(3) is determined by the commissioner of commerce to have a rating within the top two rating categories by a recognized national rating agency or organization that regularly rates insurance companies; and

(4) is determined by the state board of investment to be among the ten applicant insurance companies with competitive options and investment returns on annuity products. The state board of investment determination must be made on or before January 1, 1993, and must be reviewed periodically. The state board of investment shall retain actuarial services to assist it in this determination. The state board of investment shall establish a budget for its costs in the determination process and shall charge a proportional share of that budget to

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each insurance company selected by the state board of investment. All contracts must be approved before execution by the state board of investment. The state board of investment shall establish policies and procedures under section 11A.04, clause (2), to carry out this paragraph.

(c) A personnel policy for unrepresented employees or a collective bargaining agreement may establish limits on the number of vendors under paragraph (b), clause (4), that it will utilize and conditions under which the vendors may contact employees both during working hours and after working hours.

(b) Subd. 2. LIMIT ON CERTAIN CONTRIBUTIONS OR BENEFIT CHANGES. No change in benefits or employer contributions in a supplemental pension plan to which this section applies after May 6, 1971, is effective without prior legislative authorization.

Sec. 5. EFFECTIVE DATE.

Section 1 is effective January 1, 1992. Sections 2 and 3 are effective July 1, 1992.

Presented to the governor April 16, 1992

Signed by the governor April 20, 1992, 4:50 p.m.

CHAPTER 488—H.F.No. 1873

An act relating to public employment; requiring public employers to include certain former employees in the same insurance pool as active employees; amending Minnesota Statutes 1990, sections 43A.27, subdivision 3; 43A.316, by adding a subdivision; and 471.61, by adding a subdivision.

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

Section 1. Minnesota Statutes 1990, section 43A.27, subdivision 3, is amended to read:

Subd. 3. RETIRED EMPLOYEES. A retired employee of the state who receives an annuity under a state retirement program may elect to purchase at personal expense individual and dependent hospital, medical, and dental coverages that are actuarially equivalent to those made available through collective bargaining agreements or plans established pursuant to section 43A.18 to employees in positions equivalent to that from which retired. A spouse of a deceased retired employee who received an annuity under a state retirement program may purchase the coverage listed in this subdivision if the spouse was a dependent under the retired employee's coverage at the time of the employee's death. Coverages must be coordinated with relevant health insurance benefits provided through the federally sponsored Medicare program. Until the retired

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