

he or she would have had to redeem from the first owner and holder of said sheriff's certificate under said foreclosure sale, but in no event shall said right to redeem extend beyond June 1, 1945.

Approved April 13, 1943.

CHAPTER 432—S. F. No. 885.

An act relating to policemen's relief associations and policemen's pensions and levies therefor in certain cities having a population according to the 1940, or any subsequent, United States census of not less than 17,500 and not more than 18,750 inhabitants.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Policemen's relief association—Corporate existence.—The police department of each city in this State having a population according to the 1940, or any subsequent, United States Census of not less than 17,500, and not more than 18,750 inhabitants, shall maintain a policemen's relief association which shall be incorporated under the laws of the State of Minnesota. All such associations now existing as such corporations, or hereafter incorporated under the laws of this State, shall have perpetual corporate existence.

Sec. 2. Same—Organization and powers—Regulations.—Each such relief association shall be organized, operated, and maintained in accordance with its own articles of incorporation and by-laws, by policemen, as hereinafter defined, who are members of said police departments. Each association shall have the power to regulate its own management and its own affairs, and all additional corporate powers which may be necessary or useful; subject, however, to the regulations and restrictions of this act, and other laws of this State pertaining to corporations, not inconsistent herewith.

Sec. 3. Policeman—Definition of term—Other pensions and Benefits.—A policeman under this act is a duly appointed policeman, policewoman, or police matron, who is regularly entered on the payroll of the police department of such city, serving on active duty therein, after having completed any probationary period required under the laws or ordinances of such city. Probationers in the police department, substitutes and persons employed irreg-

ularly from time to time, and elective officials of such department, shall not be deemed to be included under this act. §§:

All persons who are members of the policemen's relief associations of such cities, at the time of the passage of this act, whether their status is embraced within the definition of a policeman herein contained or otherwise, shall have the right to continue as members of their respective associations and be entitled to all benefits pertaining thereto, and any member included under the definition of policeman herein provided shall have the right to retain his membership on promotion or appointment to other positions to which such policemen herein may be subject.

This act shall not affect any pensions or other benefits which have been allowed, or which are being paid by any such relief association under or in accordance with any prior act or acts, at the time this act becomes effective. Payment of such pensions and benefits shall be continued by the respective associations in accordance with their articles of incorporation and by-laws, and shall be subject to all of the provisions thereof, existing at the time of the passage of this act, or as thereafter duly repealed or amended.

Sec. 4. Same—Members—Eligibility.—Every policeman as herein defined shall automatically become a member of the policemen's relief association of any such city upon the completion of any probationary period required under the laws or ordinances of such city and his appointment as a regular policeman of such city as defined in Section 3 hereof. He shall thereupon become subject to the articles of incorporation and by-laws of such association, and shall be entitled to all of the privileges and benefits therein provided for members of the policemen's relief association of such city.

Sec. 5. XXXX—Officers of association—Board of Directors—Fidelity bonds.—The officers of the relief association shall be a president, one or more vice presidents, a secretary and a treasurer. The offices of assistant secretary and assistant treasurer may be created by the by-laws of any such associations. The affairs of each association shall be managed by a board of directors elected in the manner prescribed by the articles of incorporation of the association.

The secretary and treasurer of each relief association shall each furnish a corporate bond to the association for the faithful performance of their duties, in such amounts as the association from time to time may determine. Each relief association shall and is hereby authorized to pay the premiums on such bonds from its special fund.

Sec. 6. Same—Reports of Secretary and Treasurer—Filing duplicates.—The secretary and treasurer of every association, prior to the first day of February in each year, shall jointly prepare and sign with the approval of the association's board of directors, a detailed and itemized report of all receipts and expenditures in the association's special fund for the preceding calendar year, showing the sources of said receipts and to whom and for what purpose the money has been paid and expended, and the balance of the fund. They shall file duplicate original copies thereof with the clerk or city recorder of the city in which the association is located, and with the mayor and the treasurer thereof. No money shall be paid to a relief association by the city in which the association is located until said report is so filed.

Sec. 7. City council—Tax levy for benefit of relief associations.—The city council or other governing body of each such city wherein such a relief association is located shall each year, at the time the tax levies for the support of the city are made, and in addition thereto, levy a tax for the benefit of the special relief fund of such policemen's relief association of one mill on all taxable property within such city, until the balance in said special fund of such policemen's relief association in any such city, has reached the sum of \$50,000.00, and thereafter said levy may be reduced by such city to a sum sufficient to maintain the balance in said special fund at not less than \$50,000.00, but in no event shall said tax levy be reduced to less than three-tenths of a mill per year on all taxable property within such city.

The tax so levied shall be transmitted with other tax levies to the auditor of the county in which such city is located and by said county shall be collected and payment thereof enforced, when and in like manner as state and county taxes are paid.

As soon as practicable after the first day of June and the first day of November, in each year, the county treasurer of each such county shall pay to the treasurer of each such relief association within said county the amount of such tax then collected and payable to said association, together with all interest and penalties so collected, and all interest collected thereon between the time of collection and the time of payment to such relief association. And the city treasurer of such city, in the event that such tax or any part thereof is paid to him, shall likewise pay the same to the treasurer of the policemen's relief association of such city, as soon as the same has been collected, together with all interest and penalties thereon.

Sec. 8. Deductions from policemen's salaries—Return of deductions.—In addition, and only if such tax is levied, the city treasurer, finance commissioner or other officer charged with the

responsibility of the city's finances, shall, each month, deduct from the salary of each policeman of such city subject to the provisions of this act, two per cent of the basic pay of all such policemen of such city, and transfer the total thereof to the treasurer of the special fund of the policemen's relief association who shall credit said total to the special fund of such association and to the credit of each individual policeman from whose pay said deductions were so made.

If a policeman in any such city is separated from the service due to resignation or some reason not involving malfeasance, nonfeasance, moral turpitude, or if his separation from such service is caused by injury, death or other disability, under such circumstances that no pension benefits are payable to him or his widow or children, the treasurer of the special fund shall return to such policeman, or in case of his death, to his heirs, executors or administrators, all of the amounts so deducted from his base pay without interest, but less the amount of any disability or other benefits theretofore paid to such policeman.

Sec. 9. Management of associations.—Each such relief association shall have full and permanent charge of, and the responsibility for the proper management and control of all funds that may come into its possession, and particularly funds derived from the following sources:

(a) Funds derived from the tax levies by the city in which such relief association is located, and interest from the investment thereof.

(b) Funds derived from deductions made from the basic pay of members of such relief association.

(c) Funds derived from private sources such as gifts, charges, rents, entertainments, dues paid by members, and from other sources.

Sec. 10. Funds of associations.—The money received from the various sources shall be kept in two separate and distinct funds, one to be designated as the association special fund, and the other as its general fund. All money received from the city in which the relief association is located, including wage deductions from the basic pay of policemen, shall be deposited in the special fund and shall be expended only for the purposes herein-after authorized. All money received from other sources shall be deposited in the general fund, and may be expended for any purpose deemed proper by such association.

Sec. 11. Same—Disbursement.—All monies received by such relief association and deposited by it in its special fund, shall be

appropriated and disbursed by each such association only for the following purposes, to-wit:

(a) For the relief of sick, injured and disabled members of the association, their widows and orphans.

(b) For the payment of disability and service pensions to members of such relief associations.

(c) For the payment of salaries and expenses of its officers and employees, and the expense of operating and maintaining such relief association, including the premiums on the official bonds of its officers and employees.

Sec. 12. Sickness and disability benefits—Service pensions—Maximum amounts.—Each relief association shall in its by-laws define the sickness and disability entitling its members to relief, and specify the amounts thereof, and also specify the amounts to be paid to its disability and service pensioners, and to widows and children of deceased members, and fix the age limit of children to which pensions may be paid, subject to, and in accordance with the provisions of this act.

Sec. 13. Sickness or accident benefits—Notice of disabilities—Application for benefits.—A member of such association who, by reason of sickness or accident, becomes disabled from performing the duties of a policeman in the police department of any such city, shall be entitled to receive from the association during disability, such disability pension as the by-laws of the association may provide, which pension shall in no event, however, exceed \$75.00 per month. No disability pension shall be paid or allowed by such association unless notice of the disability and application for pension on account thereof, shall be made by or on behalf of the disabled member to the secretary of the association within ninety days after such disability.

Sec. 14. Time for and amount of benefits.—A member of any such relief association entitled to disability pension as herein defined, shall receive the same from such association for such periods of time, at such times, and in such amounts, as the by-laws of the association shall provide, but in no event shall such disability pension exceed \$75.00 per month.

Sec. 15. Pensions—Amount—Computation of service period.—A member of any such association as herein defined, who has completed a period, or periods of service, as a policeman in the police department of any such city, equal to 20 years or more, shall, after he has arrived at the age of 50 years or more, and has retired from the payroll of the police department of such city, be entitled to a base pension of \$50.00 per month for his natural

life plus \$2.50 per month for each year of active service over 20 years, but the total of such pension shall not exceed the sum of \$75.00 per month, which pension shall be payable monthly during the term of his natural life in conformity with the by-laws of such association. All leaves of absence of more than 90 days except such as are granted to a member because of his disability due to sickness or accident, shall be excluded in computing the period of service. No deductions shall be made for a leave of absence granted to a member to enable him to accept an appointive position in said police department not subject to the provisions of this act. No member shall be entitled to draw both a disability and a service pension.

Sec. 16. Retirement—Deferred pension roll—Waiver.—A member of such association as herein defined, who has completed a period, or periods of service, as a policeman in the police department of any such city equal to twenty years or more, but has not reached the age of fifty years, shall have the right to retire from the department without forfeiting his right to a service pension. He shall, upon application, be placed on the deferred pension roll of the association, and, after he has reached the age of fifty years, the association shall, upon application therefor, pay his pension from the date the application is approved by the association.

Sec. 17. Military service.—In determining the years of service of any such policeman, no deduction shall be made for the period any such policeman shall have been a member of the armed forces of the United States subsequent to his entry into the service of the police department, who left the service of such police department to enter the armed forces of the United States, providing such policeman is honorably discharged from the armed forces of the United States, and resumes his duties as such within sixty days after such discharge from the armed services of the United States, or within such further period as may be granted to him by the board of directors of such association within which to resume said duties.

Sec. 18. Death of pensioner—Pensions to widow and children.—When a service pensioner, disability pensioner, or deferred pensioner, or an active member of such relief association dies, leaving:

(a) A widow who became his legally married wife while or prior to the time he was on the payroll of any such police department as a policeman, and remained such continuously after their marriage until his 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

member before his retirement from said police department; and who, in any case, was residing with him at the time of his death. No temporary absence for purposes of business, health or pleasure, shall constitute a change of residence for the purposes of this section.

(b) *A child or children born the issue of the lawful wedlock of such pensioner.*

Such widow and said child or children shall be entitled to a pension or pensions as follows:

(1) To such widow a pension of not less than \$25.00 and not to exceed \$60.00 per month, as the by-laws of such association shall provide, for her natural life; provided, however, that if she shall remarry, then such pension shall cease and terminate as of the date of her remarriage.

(2) To such child or children, if their mother is living, a pension of not to exceed \$15.00 per month for each child up to the time each child reaches the age of not less than sixteen, and not to exceed eighteen years of age, which pension and age shall be fixed by the by-laws of such association. Provided, the total pension hereunder for the widow and children of said deceased member shall not exceed the sum of \$75.00 per month.

(3) A child or children of a deceased member or receiving a pension or pensions hereunder shall, after the death or remarriage of their mother, be entitled to receive a pension or pensions in such amount or amounts as may be fixed by the by-laws of such association, until they reach the age of not less than sixteen, and not more than eighteen years, as the by-laws of each association may provide; but the total amount of such pension or pensions hereunder for any child or children shall not exceed the sum of \$75.00 per month.

Sec. 19. Board of examiners—Reports and investigations.—The relief association shall establish a board of examiners who shall, as and when requested by the association's board of directors, investigate and make report on all applications for disability pension and make recommendations as to the allowance or disallowance thereof; investigate and make report on all disability pensioners, and make recommendations as to the continuance or discontinuance thereof; and investigate and report on all applications for service pensions. This board shall consist of a competent physician selected by the association, and at least three members of the relief association on active duty with the police department, and a majority vote of the members of the relief association on said board shall constitute its recommendation to the board of directors.

Sec. 20. **Investment of money in special fund.**—Money accumulated in the special fund of any such association shall be invested from time to time as the board of directors thereof shall direct, only in bonds of the United States and the State of Minnesota, and of Municipalities situated in the State of Minnesota, and at no time shall the funds of any such association be permitted to accumulate in any bank in an amount larger than the deposit insurance carried by said bank for the protection of individual depositors.

Sec. 21. **Payments of associations—Assignments—Exemptions.**—All payments made or to be made by any such policemen's relief association under any of the provisions of this act shall be totally exempt from garnishment, execution, or other legal process, and no persons entitled to such payment shall have the right to assign the same, nor shall the association have authority to recognize any assignment, or to pay any sum on account thereof; and any attempt to transfer any such right or claim, or any part thereof, shall be absolutely void.

Sec. 22. **Construction of act.**—This act shall not be construed as abridging, repealing or amending the laws of this state relating to the provisions of the law commonly known as the workmen's compensation act.

Sec. 23. **Severability clause.**—If any section or portion of a section of this act is declared invalid, the rest of this act shall nevertheless be and remain in full force and effect.

Approved April 13, 1943.

CHAPTER 433—H. F. No. 524.

An act to make uniform the law with reference to trust receipts and pledges of personal property unaccompanied by possession in the pledgee.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Subdivision 1. **Definitions.**—In this act, unless the context or subject matter otherwise requires, the following words or phrases shall have the meaning hereinafter set forth.

Subd. 2. **Buyer.**—“Buyer in the ordinary course of trade” means a person to whom goods are sold and delivered for new value and who acts in good faith and without actual knowledge of