

## CHAPTER 38—H. F. No. 247

*An act relating to the state employees retirement fund; amending Minnesota Statutes 1941, Section 352.01, Subdivision 2, as amended by Laws 1943, Chapter 622, Section 1, and amending Minnesota Statutes 1941, Section 352.11.*

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

Section 1. Minnesota Statutes 1941, Section 352.01, Subdivision 2, as amended by Laws 1943, Chapter 622, Section 1, is amended to read as follows:

352.01. **State employee.** Subd. 2. (1) "State employee" means any person holding a state office or regularly employed by the state in any capacity whatever and whose salary is paid either by warrant of the state auditor or from the fees or income of any department or agency of the state and shall hereafter include employees of the Minnesota Historical Society and employees of The Disabled American Veterans, Department of Minnesota paid by state auditor's warrants, and all employees of such society and such veterans' organization heretofore so paid or now contributing to the retirement fund are hereby declared to have such status as of the date their respective contributions began, and includes contributing members of the retirement association who are temporarily employed by the legislature during a legislative session, but does not include elective state officers, court commissioners, district judges; physicians, dentists, clergymen, and other professional people whose employment by the state is incidental to their regular professional duties and whose compensation is paid on a per diem basis; the members of the board of tax appeals, the civil service board, and the members of any other state board or commission who serve the state intermittently and are paid on a per diem basis; and the president, deans, professors, and instructors in the state university and in the state teachers' colleges, and teachers in state institutions who are eligible to membership in the teachers' retirement fund, but shall not include students who secure employment with the state or a state institution incidental to and in furtherance of their education. Temporary employees as defined by the civil service act shall not be eligible to membership, but probationers thereunder and temporary employees in the unclassified service shall become members at the expiration of six months continuous employment, and deductions shall be made from the salaries of such employees beginning on the first day of the calendar month following the completion of six months continuous employment. Permanent employees in the unclassified service shall become members upon acceptance of state employment, and temporary employees in

the unclassified service and all employees in the classified service shall become members on the first day of the calendar month following the completion of six months continuous employment regardless of the classification by any department, commission, or agency of the state. Any former employee who has made contributions under former employment who has not taken a refundment from the retirement fund shall become a member immediately upon returning to the state service, regardless of his classification as temporary, provisional or probationary by any department, commission, or agency of the state, and salary deductions shall be made according to the age at the time of again becoming a state employee. Persons not previously members of the retirement association, who had reached the full age of 65 years when first entitled to membership in the retirement association, shall not be eligible to membership, but any such person who is now a member of the association shall have the option of remaining a member or taking a refundment from the retirement fund. Permanent seasonal employees in either the classified or unclassified service shall in no event be considered temporary employees.

Sec. 2. Minnesota Statutes 1941, Section 352.11, is amended to read as follows:

**352.11. Retirement annuity.** Subdivision 1. When any member of the retirement association has been an employee of the state for a period of 20 years and has attained the age of 65 years, or when any such employee has been in the service of the state for a period of 35 years, he shall be eligible for retirement for superannuation, but such retirement shall not be compulsory prior to attaining the age of 70; provided, that in computing such term of service the time during which any member of the association shall have maintained his membership by the payment of assessments during the period July 1, 1929, to July 1, 1939, shall be included.

*Subd. 2.* Members who have left the service of the state to serve in the military forces of the United States or of the State of Minnesota, subsequent to July 1, 1940, shall be considered as on leave of absence *during the period of such military service; and if such members again receive salary or wages as employees of the state within six months from the date of discharge or other release from military service by proper authority, their deduction rate shall not change by reason of the lapse in time from the date of such discharge or other release by proper authority, to the date of their return to state employment; and, in computing the amount of annuities of such members, the period of such leave shall be in-*

cluded in computing time of service for the state, and excluded in computing the annuity, so that no reduction will be made in the amount of the annuity by reason of such military service. Such retirement may be made upon application of the member or of some one acting in his behalf, or in case of an employee in active service, upon the application of the head of the department in which the member is employed. Upon retirement the member shall receive an annuity for the remainder of his life equal to 50 per cent of his average salary upon which deductions for the retirement fund have been based while a state employee; provided, that no such retirement annuity shall exceed the sum of \$100.00 per month.

*Subd. 3.* If the total of annuities shall, during any month, become greater in amount than the monthly deductions from salaries and contributions made by the state, the board shall proportionally reduce the amount of annuities for that month. In determining the contributions made by the state in any month, it shall be considered that one-twelfth of the amount appropriated for the fiscal year is the amount of the contributions made by the state for that month; provided, such one-twelfth does not exceed 50 per cent of the annuities paid and payable for that month. If such one-twelfth exceeds 50 per cent of the annuities paid and payable for that month, then, in that case, 50 per cent of the annuities paid and payable for that month shall be considered the amount of the contributions made by the state for that month. The balance of any annuities heretofore not paid in full by reason of the fact that the total of annuities and refundments were greater than the monthly deductions from salaries, shall be paid proportionally in the first and subsequent months when the salary deductions exceed the total of annuities and refundments. Any annuity payments which may subsequent to July 1, 1939, be proportionally reduced by reason of the fact that annuities exceed the salary deductions and contributions made by the state, shall be paid proportionally in the first and subsequent months when the salary deductions and contributions by the state exceed the annuity payments.

*Subd. 4.* In making proportional annuity payments for prior months in which the annuities were not paid in full, full payments shall be made for the first month in which annuities were proportionally reduced before any proportional payments shall be made to apply on subsequent months when annuity payments were reduced, and this method shall be followed for each month when only proportional annuity payments were made.

Approved March 5, 1945.