

rate fund hereby established for that purpose. Out of such fund shall first be paid to counties all costs and expenses incurred by them in the prosecution and punishment of persons so arrested and for which such counties have not been reimbursed by the payment of such costs and expenses by the person prosecuted, and so much of the fund as shall be necessary for the making of such reimbursement is hereby appropriated therefor. Such payment shall be made by the state treasurer upon the claim of the county verified by the county auditor. On the first day of each calendar month the money remaining in such fund shall be credited to that part of the trunk highway fund which is set apart for maintenance purpose; and so much of the maintenance fund as shall be necessary for the salaries and maintenance of such employees is hereby appropriated for that purpose."

Approved March 9, 1945.

CHAPTER 78—S. F. No. 282

An act relating to the public employees retirement association and to amend Minnesota Statutes 1941, Sections 353.01, Subdivision 8, 353.09, 353.11 and 353.14.

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

Section 1. Minnesota Statutes 1941, Section 353.01, Subdivision 8, is amended so as to read as follows:

"353.01. **Definitions.** Subdivision 8. **Village.** 'Village' means and includes any incorporated village of this state."

Sec. 2. Minnesota Statutes 1941, Section 353.09, is amended so as to read as follows:

"353.09. **Payments upon retirement.** Whenever any member of said association shall cease to be a public employee for any reason other than death or retirement, he shall be paid, on demand, after thirty (30) days' notice, the full amount of the accumulated deductions standing to the credit of his or her individual account. Provided that any such *person who was a member of said association prior to the date of passage of this act* and who has been in the public service for not less than ten (10) years and who has been a contributing member for not less than four (4) years immediately prior thereto, may, in lieu thereof, upon application in writing to the retire-

ment board within sixty (60) days from the termination of his or her employment, become a non-employee member and to enjoy all the rights and privileges thereof upon such terms and conditions as to his employment and the payment of assessments in lieu of salary deductions as the retirement board may by general rule prescribe. *Provided, however, the requirement for non-employee membership of any person who shall become a member of said association from and after the date of passage of this act shall be ten (10) years of contributory membership immediately prior to termination of his or her employment, and further, application for non-employee membership shall be made within sixty (60) days from the date he or she shall cease to be a public employee, and assessment shall be paid as hereinbefore provided.* Any member of the retirement association who has maintained his or her membership after leaving the public service by the payment of such assessments may terminate such membership by notice in writing to the retirement board, whereupon he or she shall be paid on demand, after thirty (30) days' notice, the full amount of the accumulated deductions standing to the credit of his or her individual account."

Sec. 3. Minnesota Statutes 1941, Section 353.11, is amended so as to read as follows:

"353.11. Retirement. Except as in this chapter otherwise provided, when any member of the retirement association has been a public employee for a period of 20 years and has attained the age of 65 years, or when any such employee has been a public employee for a period of 35 years and shall have attained the age of 60 years, he shall be eligible for retirement, provided that in computing such terms of service, the time during which any member of the association shall have maintained his membership by the payment of assessments after leaving the service as a public employee, in lieu of deductions, shall be included. Provided, however, that no person shall be entitled to receive a retirement annuity unless he has either attained the age of 65 years and has been a public employee for a period of 20 years, or has attained the age of 60 years and has been a public employee for a period of at least 35 years. Such retirement shall be made upon application of the member or of someone acting in his behalf, or, in the case of any employee in active service, upon the application of the head of the department in which such member is employed. Except as in this chapter otherwise provided, upon such retirement such member shall receive an annuity for the remainder of his life equal to 50 per cent of the average annual salary received for the entire period of his membership in the

association. In computing the average annual salary of members who have contributed by assessments, in lieu of salary deductions or otherwise, the average annual salary received while such member was in the public service as a member of the association shall, for the purpose of construing this section, be considered the salary of such member for that period of his membership in the association during which he made contributions to the retirement fund by assessments, in lieu of salary deductions or otherwise. In computing the period of past service, employment by or for any of the governmental subdivisions, as defined and enumerated by this chapter, shall be counted, irrespective of whether or not the governing body of such governmental subdivision has qualified its public employees for membership in the association. No such retirement annuity shall, in any event, exceed the sum of \$1,800 per annum. Membership in the association for any present public employee shall commence upon the date of the acceptance of the application for membership by the retirement board and, in no event, shall the retirement board grant to any person who shall have been a member of the association prior to the date of passage of this act any pro rata annuity, as provided for in section 353.14, until and unless four full years of membership in the association shall have elapsed, nor shall the retirement board grant any pro rata annuity based on a greater number of years of contributions to the retirement fund than then stand to the credit of such member on the books of the association, or any full retirement annuity, as hereinafter provided, until and unless five full years of membership have so elapsed. *Provided further that, in no event, shall the retirement board grant to any person who shall become a member of the association from and after the date of passage of this act any annuity, as provided for in section 353.14, until and unless ten full years of membership have elapsed.* No taxes shall be levied or raised for the aid of the retirement association or the membership thereof by any governmental subdivision of this state affected by the provisions of this chapter, unless the governing body of any such governmental subdivision, or any agency, board, or commission thereof, by enactment of any ordinance, resolution, rule, or regulation, cause the retirement of any public employee solely by reason of having attained any fixed age. In the event that any such governmental subdivision shall adopt, by appropriate local legislation, compulsory retirement ages for public employees, then such governmental subdivision shall also assume the liability to pay one-half of the cost of all annuities thereafter granted by the retirement board pursuant to the provisions of this chapter to any public employee affected by such

compulsory retirement requirements. The total amount of such contributory share of such annuities shall, before September 30th of each year, be duly determined by the retirement board and certified to any such governmental subdivision for the period of the previous 12 months ending June 30th immediately preceding. The amount so certified by the retirement board shall be included in the next budget of any such governmental subdivision subsequent to the certification by the retirement board and shall be levied, collected, and apportioned in the same manner as other taxes are levied, collected, and apportioned, and, for the express purposes of this section, the payment of all such annuities are hereby made obligations of the governmental subdivisions concerned in the proportion and to the extent provided. Any levy authorized under this section shall be in addition to and exclusive of all levies authorized for other purposes."

Sec. 4. Minnesota Statutes 1941, Section 353.14, is amended so as to read as follows:

"353.14. **Date of retirement.** No retirement annuity shall be granted under the provisions of this chapter until July 1, 1935, nor shall any *person who shall have been a member of the retirement association prior to the date of passage of this act* be entitled to receive a retirement annuity until he shall have contributed to the retirement fund, either by salary deductions or otherwise, for a period of four full years and unless he shall have been a member of the association for a like period. If any *such member who is eligible for retirement and who has attained the age of 65 years* has contributed to the retirement fund for a period of less than 20 years, he shall be entitled to receive a pro rata retirement annuity for the remainder of his life in an amount bearing the same ratio to the full retirement annuity that the period of his salary deductions, or assessments in lieu thereof, bears to 20 years, but fractional parts of a year shall not enter into the computation of such pro rata retirement annuity. When any such member shall have become eligible to receive such a pro rata retirement annuity and shall have contributed to the retirement fund for a period of five full years, and shall have been a member of the association for a like period, such member may, if he shall so elect at any time before making application for such pro rata retirement annuity, make application for a full retirement annuity, or for a pro rata retirement annuity based on a greater number of years of contributions to the retirement fund than then stand to his credit on the books of the association. *Provided, further, however, that any person who shall become a member of the association from and*

after the date of passage of this act, and who shall attain eligibility for retirement as otherwise provided in this chapter, shall not be entitled to receive any retirement annuity until he shall have contributed to the retirement fund, either by salary deductions or otherwise, for a period of ten full years and unless he shall have been a member of the association for a like period. In either case, annuity shall be granted to the member upon compliance with the following terms and conditions:

(1) In case such member shall make application for a full retirement annuity, the retirement board, before granting the application, shall do the following things:

(a) Determine the number of full years of contributions required of such member to make a total of 20 full years of contributions by him to the retirement fund;

(b) Determine the average annual amount of the accumulated deductions of such member for the period of his membership in the association *computed at 3½%*;

(c) Determine the amount of the additional accumulated deductions to be required of such member by multiplying the number of years, as determined by the method prescribed in clause (a) hereof, by the average annual amount of his accumulated deductions, as determined in the manner prescribed by clause (b) hereof;

(d) Require that such member shall pay into the retirement fund, before such full retirement annuity shall be granted, the total amount of his additional accumulated deductions, as determined by the methods prescribed by clause (c) hereof; and, in addition thereto, *one-half of one per cent (½%) of his average annual salary for said additional years plus* a further amount representing an accrued interest payment, to be determined as follows:

In the case of 15 years of additional contributions required, an amount equal to 48 per cent of the total accumulated deductions required for such period, and in case of 14 years of any full retirement annuity or any pro rata retirement annuity based on a greater number of years of contributions than then stand to his credit on the books of the association shall be granted, shall be 20 years increased by one year for each year that the applicant is under the age of 65 years, in accordance with the following schedule: Age 64, 21 years; age 63, 22 years; age 62, 23 years; age 61, 24 years; age 60, 25 years; provided, that in the case of any member who shall have reached the age of 60 years on May 1, 1937, and who, prior

to June 1, 1936, shall have left the public service and maintained membership by payment of assessments, the minimum requirements for a full retirement annuity shall be 20 years, regardless of the attained age at the time of any such retirement.

No full retirement annuity or any pro rata retirement annuity based on a greater number of years of contributions than the number of years he shall have been a member of the association shall be granted to any member of the association who has not attained to the age of 60 years.

The retirement board shall, by general rule, adopt regulations and schedules of rates of payments required by applicants who shall become eligible for retirement at ages earlier than 65, but not earlier than 60 years, which regulations shall provide for the granting of pro rata retirement annuities in amounts bearing the same ratio to a full retirement annuity as the period in full years of salary deductions, or assessments received in lieu thereof, or its equivalent, with an additional amount representing accrued interest earnings, shall bear to the number of years expressed in the above schedule of minimum requirements as to years of contributions for a full retirement annuity at any given age of the applicant. *In the case of any person who was a member of the retirement association prior to the date of passage of this act the retirement board shall not grant any full retirement annuity or any pro rata retirement annuity based on a greater number of years of contributions to the retirement fund than then stand to the credit of the applicant until and unless such member shall have been a member of the association for a period of five full years. Also in the case of a person who shall have become a member of the retirement association from and after date of passage of this act, and who shall have attained eligibility for retirement as otherwise provided in this chapter, the retirement board shall not grant any retirement annuity until and unless such member shall have been a member of the association for ten full years.* The total amount available from the retirement fund for distribution in annuity payments during any one month shall in no event exceed the total amount received from salary deductions and assessments in lieu thereof during the preceding month and should the total of annuities previously granted and then in force exceed such amount, it shall be the duty of the retirement board to restrict the total amount available for distribution in annuities for any such month accordingly and all annuities payable shall be proportionately reduced. The balance of any annuities not paid in full by reason of such restriction shall be paid proportion-

ately during the first and subsequent months when such salary deductions and assessments exceed the total of all outstanding annuities then payable.”

Approved March 9, 1945.

CHAPTER 79—S. F. No. 291

An act relating to a certain state forest, amending Laws 1943, Chapter 171, Section 1, Enumeration 23, affecting the Sand Dunes state forest only.

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

Section 1. Laws 1943, Chapter 171, Section 1, Enumeration 23, is hereby amended to read as follows :

“89.021 (23) *The West one-half of Section 15, all of Sections 16, 17, 20 and 21, the West one-half of Section 22, all of Sections 25, 26, 27, 28, 29, 35 and 36, all in Township 34, Range 27; west of the 4th principal meridian.*”

Approved March 9, 1945.

CHAPTER 80—S. F. No. 327

An act relating to the consolidation of school districts; amending Minnesota Statutes 1941, Section 122.19, as amended by Laws 1943, Chapter 422.

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

Section 1. Minnesota Statutes 1941, Section 122.19, as amended by Laws 1943, Chapter 422, is amended to read as follows :

“122.19. **Approval of plat by state commissioner of education.** A consolidated district established after June 30, 1941, must contain not less than 24 sections of land, *except in cases where 24 sections are not available, in which case the commissioner of education may approve a consolidation of a fewer number of sections, but not less than 18 sections; provided,*