

ing the rates charged users of corresponding quantities of water within the village and will maintain said water main in serviceable condition.

**Sec. 2. Reimbursement.** The village may obtain reimbursement for the amount incurred on account of the cost of said water main under Section 1, by charging the same against other than the state connecting with said main, either through cash payment, assessment, surcharge on water bills, or otherwise as the village council may determine.

**Sec. 3. Deed.** The commissioner of conservation may execute an appropriate instrument in the name of the state, approved by the attorney general, to effectuate the provisions hereof.

**Sec. 4. Funds credited to game and fish fund.** Any funds paid to the state under the provisions of this act shall be credited to the game and fish fund.

Approved April 18, 1951.

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#### CHAPTER 481—S. F. No. 77

*An act relating to the Minnesota State Teachers Retirement Fund Law, amending Minnesota Statutes 1949, Section 135.04, Section 135.05, Subdivision 2, and Sections 135.06 and 135.10.*

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

Section 1. Minnesota Statutes 1949, Section 135.04, is amended to read as follows:

**135.04. Powers of board.** The board shall have, and is hereby granted, power to frame by-laws for its own government and for the management of the fund not inconsistent with the laws of the state and to modify them at pleasure; to adopt, alter, and enforce reasonable rules and regulations not inconsistent with the laws of the state for the administration and management of the fund, for the payment and collection of payments from members, and for the payment of with-

drawals and benefits; to pass upon and allow or disallow all applications for membership in the fund and for credit for teaching service; to pass upon and allow or disallow all claims for withdrawals, pensions, or benefits payable from the fund; to provide for the payment out of the fund of all necessary expenses for the administration thereof and of all claims for withdrawals, pensions, or benefits allowed.

In passing upon all applications and claims, the board may summon, swear, hear, and examine witnesses and, in the case of claims for disability benefits, may require the claimant to submit to a medical examination by a physician of the board's choice, at the expense of the claimant, as a condition precedent to the passing on the claim, and, in the case of all applications and claims, may conduct investigations necessary to determine the validity and merit of the same.

The board may sue or be sued in the name of the board of trustees of the teachers retirement fund and in all actions brought by or against it the board shall be represented by the attorney general.

It shall be the duty of the board from time to time to certify to the state board of investment for investment as much of the funds in its hands as shall not be needed for current purposes. The state board of investment shall thereupon invest the sum so certified in such securities as are now or may hereafter be duly authorized legal investments for savings banks and trust companies and all such securities so purchased shall be deposited with the state treasurer; but in the case of necessity such securities shall be sold by the state board of investment upon request of the board in order to raise money for current purposes. All interest from this investment shall be credited to the fund and used for current purposes, except as hereinafter provided.

The board shall keep a record of the receipts and disbursements of the fund and a separate account with each member of the fund. It shall determine annually the net annual interest earnings of the fund by deducting the expenses of the fund from the gross interest earnings. Five per cent of the net annual interest earnings shall annually be set aside as a contingency reserve until the contingency reserve equals five per cent of the assets of the fund. The contingency reserve so created shall be disbursed only by specific direction of the

board. The remaining portion of the net annual interest earnings, computed to the last full quarter per cent interest upon members' accounts and not in excess thereof, shall be apportioned and credited to the separate accounts of the members of the fund in proportion to the total amount to their credit therein. Any excess remaining shall be added to the reserve accounts of the fund. *In the event the remaining portion of the net annual interest earnings of the fund falls below two per cent, the board may in its discretion use the reserve accounts of the fund, excepting the contingency reserve hereby created, and the annuity reserves for the purpose of crediting to the accounts of the members a sum equal to the difference below two per cent.*

Sec. 2. Minnesota Statutes 1949, Section 135.05, Subdivision 2, is amended to read as follows:

135.05 Subd. 2. **Persons not becoming members within two years after resuming teaching, inclusion.** Any teacher who has rendered teaching service since August 1, 1931, in schools or institutions to which Section [Sections] 135.01 to 135.15 apply, and who had rendered teaching service in schools or institutions subject to Laws 1915, Chapter 199, and all acts amendatory thereof, prior to August 1, 1931, but who did not become a member of the fund within two years after resuming teaching service after August 1, 1931, as required by Subdivision 1, shall have the right to become a member of the fund if application for such membership is made to the board in writing within two years after rendering the first teaching service in any of the schools or institutions to which Sections 135.01 to 135.15 apply subsequent to August 1, 1947. Teachers who so become members of the fund shall pay into the fund the amount of assessments provided for in Section 135.06, and shall have the right to pay into such fund, and receive similar credit therefor at the time paid, an additional sum, either in cash or in installments, which payment or payments shall not be in excess of five per cent of the teacher's average yearly salary, but not more than \$100 for any year, for the five years of service immediately preceding 1947, multiplied by the number of years of previous service for which the teacher has been given credit, together with interest on the same at the rate of four per cent per annum from the time of first rendering that previous service until July 1, 1947. Those members shall have the rights provided for and be subject to the provisions of Sections 135.06 and 135.10 (except as hereinafter provided), and Section 135.11.

All teachers who were members of the fund on July 1, 1947, shall have the right to pay into such fund and receive credit therefor at the time paid an additional sum, either in cash or installments, which payment or payments shall not be in excess of five per cent of the teacher's average yearly salary, but not more than \$100 for any year, for the five years immediately preceding 1947 multiplied by the number of years of previous service for which the teacher has been given credit, together with interest on the same at the rate of four per cent per annum from the time of first rendering the previous service until July 1, 1947, less any amount to their credit in the fund on said date, and less any amount that may be paid into the fund by the state on any teacher's account under Section 135.08 subsequent thereto.

Sec. 3. Minnesota Statutes 1949, Section 135.06, is amended to read as follows:

**135.06. Payments by members.** Each member of the fund except teachers who have resumed teaching after drawing an annuity shall pay into the fund a sum equivalent to five per cent of her annual salary, no payment to exceed \$100 per year, but for not more than 40 years, payable in the manner and at the time hereinafter provided. The payments shall be credited to the account of the teacher paying the same.

Teachers who ceased paying into the fund after teaching 35 years but who have continued to teach shall have the right to pay into the fund an additional sum, either in cash or installments, which payment or payments shall not be in excess of five per cent of their annual salary, but not more than \$100 for any year, for each year of teaching service beyond 35 years, but not beyond 40 years, together with interest thereon at the rate of four per cent per annum from the time of rendering such additional teaching service until July 1, 1949.

It is hereby made the duty of each person, officer, board of education, or managing body required by law to draw the warrants or orders for payment of salaries to teachers to deduct and withhold from each month's salary due to every teacher who is a member of the fund except teachers who have resumed teaching after drawing an annuity the amount which such teacher is required to pay into the fund and, at the time of such deduction, a statement showing the amount thereof shall be furnished to such teacher. Such officer, board of edu-

cation, or other managing body of each school district or institution shall, between the first and fifteenth days of January and between the fifteenth and thirtieth days of June, each year, forward to the treasurer of the county in which such school or institution is situated a statement, verified by the secretary or clerk thereof, showing the amount of money so retained from each teacher in accordance with the provisions of sections 135.01 to 135.15 and, with the statement, shall transmit the entire amount so retained to the treasurer of the county; and, in case any school district is situated in more than one county, the report and remittance shall be sent to the senior county. Such board of education or other managing body shall, on or before the thirtieth day of June, each year, transmit to the county superintendent of schools a statement showing the name of each teacher, the number of months of school taught by her during the year for which the statement is made, the number of months which constitutes a school year in the district or institution, and such other information as the board may require. If no teacher in such public school or other institution comes under the provisions of sections 135.01 to 135.15, the report shall state such fact. Each of the foregoing reports shall be verified by the person making the same; provided, that if the drawing of the warrant or order for the payment of any teacher's salary devolves upon any state officer or board, such officer or board shall make the reports herein required directly to the board of trustees and remit the money so deducted to the state treasurer.

Each county superintendent shall, on or before the first day of September, each year, report under oath to the board giving an itemized summary of the statements received by him from the school boards and other managing bodies, including a statement of the total amount withheld from the salaries of teachers as shown by these reports.

Between the fifteenth and twenty-eighth days of February and between the fifteenth and thirtieth days of July, each year, the treasurer of each county shall transmit to the state treasurer all moneys received from the board of education and other managing bodies of schools or institutions to which sections 135.01 to 135.15 apply and certify under oath to the correctness of the amount so received and transmitted, and furnish such other information as the board shall require. The state treasurer shall credit all money received or withheld pursuant to the provisions of sections 135.01 to 135.15 to the fund and reports and data received by him from the county

treasurer shall be available for the board. Any person wilfully failing to perform any of the duties imposed upon him by this section shall be guilty of a misdemeanor.

The state treasurer, the several county treasurers, and the treasurers of the various school districts and institutions to which sections 135.01 to 135.15 apply shall be officially liable for the receipt, handling, and disbursement of all moneys coming into their hands belonging to the fund and the sureties on the official bonds of each of these treasurers shall be liable for such moneys the same as for all other moneys belonging to the school funds of this state.

Sec. 4. Minnesota Statutes 1949, Section 135.10, is amended to read as follows:

135.10. **Fund withdrawn, when.** When any teacher who is a member of this fund shall cease to render teaching service in any school or institution to which sections 135.01 to 135.15 apply, all moneys to the credit of such teacher as teachers' savings shall, upon written application to the board, be paid to such teacher in cash. In case of the death of a member before an annuity shall have been drawn, the amount to her credit as teachers' savings shall be payable to any beneficiary designated in writing and filed with the board and, if no beneficiary be so designated, to her estate.

A teacher ceasing to render teaching service, as hereinbefore provided, who shall have at said time to her credit 30 years or more of teaching service or has at such time or thereafter attained the age of 55 years, may, in lieu of this cash payment, use the moneys to her credit as teachers' savings as follows:

(1) To purchase from the fund a life annuity in such an amount as the teacher's age, the amount to her credit as teacher's savings, and the mortality tables in use by the board and interest at the rate of four per cent per annum shall permit, which annuity shall be guaranteed by the state; or

(2) To purchase from the fund an annuity for a term of 15, 20, or 25 years in such an amount as the teacher's age, the amount to her credit as teachers' savings, and the mortality tables in use by the board and interest at the rate of four per cent per annum shall permit, which annuity shall be guaranteed by the state.

(3) *To purchase from the fund an annuity for the life of the teacher which in the event of death shall continue and be payable to a designated beneficiary or beneficiaries until the sum of the annuity payments made equals the amount of teacher savings applied to purchase such annuity in such amount as the teacher's age, the amount to her credit as teachers' savings and the mortality tables in use by the board and interest at the rate of four per cent per annum shall permit, which annuity shall be guaranteed by the state; or*

(4) *To purchase from the fund an annuity for the life of the teacher which in the event of death shall continue and be payable to a designated beneficiary or beneficiaries until annuity payments have been made for a total of fifteen years in such an amount as the teacher's age, the amount to her credit as teachers' savings and the mortality tables in use by the board and interest at the rate of four per cent per annum shall permit, which annuity shall be guaranteed by the state; provided that in the case of a designated beneficiary other than a surviving spouse, child, grandchild or parent, such payments by the state shall not continue beyond the death of such teacher.*

If such teacher shall elect to purchase an annuity, as hereinbefore provided, the state shall, at the time of the payment of such annuity, pay to the teacher or designated beneficiary an amount equivalent to such annuity, to be paid from state funds hereinafter provided; provided, the amount of the annuities so paid by the state shall not exceed in amount the term or life annuities which such annuitant could purchase with the moneys to her credit as teachers' savings for the first 40 years of teaching service, if she has a teaching service credit in excess of 40 years.

Annuities to be paid under the provisions hereof shall be payable quarterly on the first days of January, April, July, and October.

If, during the fifteenth or any subsequent year of teaching service, any member of the fund shall become totally disabled and the board shall determine that such member is permanently disqualified to render teaching service, as herein provided, such member shall, on written application to the board, be paid the amount to her credit as teachers' savings or may use this amount to purchase from the fund an annuity as above provided. If such teacher shall elect to purchase an

annuity, as hereinbefore provided, the state shall at the time of the payment of such annuity pay to the teacher *or designated beneficiary* an amount equivalent to such annuity to be paid from the state funds hereinafter provided.

Every teacher retired under the total disability provision shall, if required by the board, submit to an annual physical examination by a physician designated by the board, who shall report his findings to the board, and the board's decision as to the teacher's continued total disability and right to further benefits under the total disability provision shall be final. A teacher who receives total disability benefits, as hereinbefore provided, shall have the amount of the benefits, exclusive of the payments from state funds, charged against the amount credited to her account as teachers' savings.

Approved April 19, 1951.

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CHAPTER 482—S. F. No. 567

*An act relating to vital statistics, providing for the issuance of local burial permits for disposition in Minnesota of the remains of persons dying out of state, and amending Minnesota Statutes 1949, Section 144.182.*

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

Section 1. Minnesota Statutes 1949, Section 144.182, is amended to read:

**144.182. Death outside state, burial permit.** When death or stillbirth occurs outside this state and the body is accompanied by a permit for burial, removal, or other disposition issued in accordance with the law and regulations in force where the death or stillbirth occurred, the permit shall authorize the transportation of the body into or through this state but before the burial, cremation or other disposal of the body within this state a *local burial permit* shall be issued by the local registrar of the district where disposal is to be made, or by a sub-registrar or, if necessary to avoid delay, by the state registrar. *The permit accompanying the body into this state shall, together with the local burial permit, be filed with the sexton who shall keep a record thereof as provided in Section 144.181.*

Approved April 19, 1951.