

tract with or lease to a private individual for the operation of such nursing home on such terms as shall be agreed upon.

Approved April 25, 1957.

CHAPTER 650—H. F. No. 2006

[Coded]

An act relating to employees of certain political subdivisions who hold positions covered by teachers retirement fund associations established in certain cities and providing for their coverage under the old age and survivors insurance provisions of Title II of the Federal Social Security Act as amended.

Section 1. [269.21] **Definitions.** Subdivision 1. For the purposes of this act the terms defined in this section shall have the meanings ascribed to them.

Subd. 2. The term "enabling act" means Laws of 1955, Chapter 665, entitled "An act to provide for the coverage of certain officers and employees of the state and local governments under the old age and survivors insurance provisions of Title II of the Federal Social Security Act, as amended, and appropriating moneys therefor."

Subd. 3. The terms "social security act", "state agency", "employment", "wages", "contribution fund", "Federal Insurance Contributions Act", "political subdivision", and "state agency", mean as defined in said "enabling act."

Subd. 4. The term "teacher" means all employees of political subdivisions who hold positions covered by the teachers retirement fund associations established under the provisions of Minnesota Statutes 1953, Sections 135.19 to 135.27, as amended, in cities of the first class situated in counties having an area of over 5,000 square miles.

Subd. 5. The term "part time position" means a position which ordinarily does not require the actual performance of duty more than 90 days in each year.

Sec. 2. [269.22] **Teachers to be deemed separate unit.** Pursuant to section 218 (d) (6) of the Social Security Act, every teachers retirement fund association established under the provisions of Minnesota Statutes 1953, Sections 135.19 to 135.27, as amended, shall be deemed to constitute a separate retirement system.

Sec. 3. [269.23] Duluth, referendum. Subdivision

1. Upon the request of the governing body of any teachers retirement fund association and the board of education or upon the petition of at least ten percent of the active members of any such association and the board of education in a city of the first class situated in counties having an area of over 5,000 square miles, the governor shall be empowered to authorize a referendum to be held at a date to be set by him, and to designate any agency or individual to supervise its conduct, in accordance with the requirements of section 218 (d) (3) of the Social Security Act, on the question of whether service by teachers in positions covered by such teachers retirement fund association should be excluded from or included in an agreement under the enabling act. The notice of referendum required by section 218 (d) (3) (C) of the Social Security Act to be given to teachers shall contain or shall be accompanied by a statement, in such form and such detail as the agency or individual designated to supervise the referendum shall deem necessary and sufficient, to inform the teachers of the rights which will accrue to them and their dependents and survivors, and the liabilities to which they will be subject, if their services are included in an agreement under the enabling act, and the statement shall contain in such form and such detail as deemed necessary the plan proposed for the integration, supplementation or combination of the teachers retirement fund association and social security. The cost of any referendum hereby authorized shall be paid by the teachers retirement fund association in reference to which the referendum is held.

Subd. 2. Upon receiving evidence satisfactory to him that with respect to any such referendum the conditions specified in section 218 (d) (3) of the Social Security Act have been met, the governor shall so certify to the secretary of health, education and welfare.

Subd. 3. Upon such certification, the state agency, with the approval of the governor, shall become authorized to modify the agreement with the secretary of health, education and welfare, previously made as provided in the enabling act, to obtain the benefits of the federal old-age and survivors insurance system in respect to services performed by teachers as defined in this act. Such modification may take effect retroactively to January 1 of the year in which the modification of the agreement is accepted by the secretary of health, education and welfare, and apply to all such services performed after the effective date by teachers who are such on the date the modification is entered into or thereafter, excepting any service of an emergency nature, any service performed by a

student, and all services in any class or classes of part-time positions, or positions the compensation for which is on a fee basis.

Sec. 4. [269.24] **Retroactive procedure.** Subdivision 1. Effective retroactively with respect to services performed after the effective date specified in the modifications of the agreement, by teachers who are such on the date the modification is entered into or thereafter, each and every political subdivision affected by the modification is hereby authorized, required and directed to pay into the contribution fund contributions with respect to wages equal to the sum of the taxes which would be imposed by the Federal Insurance Contributions Act if the services covered by such modification constituted employment within the meaning of that act. With respect to wages for services performed after the effective date as specified in the modification, but prior to the date of such modification, the payments shall be made on account of all services performed in positions covered by such teachers retirement fund associations by the employer who is such on the date of the modification irrespective of for whom the services were performed during such prior period.

Subd. 2. Effective retroactively with respect to services performed after the effective date as specified in the modification, by teachers who are such on the date the modification is entered into or thereafter, each and every political subdivision is hereby authorized, required, and directed, in consideration of this act, to impose upon each such teacher a contribution with respect to his wages, not exceeding the amount of the employee tax which would be imposed by the Federal Insurance Contribution Act if such services constituted employment within the meaning of that act, and to deduct the amount of such contribution from his wages as and when paid. With respect to deductions from wages for services performed in positions covered by such teachers retirement fund association, the deductions shall be made by the employer who is such on the date of the modification irrespective of for whom the services were performed during such prior period. Contributions so collected shall be paid into the contribution fund in partial discharge of the liability of each and every political subdivision respect thereto.

Subd. 3. Delinquent payments under this section, with interest at the rate of six percent per annum, may be recovered by action in a court of competent jurisdiction against each and every political subdivision liable therefor, or may, at the request of the state agency, be deducted from any other moneys payable to such political subdivision by any department or agency of the state.

Sec. 5. [269.25] **Modification, administration costs.** Each and every political subdivision affected by the modification shall reimburse the state agency for its pro rata share of the cost of administration of said agency in accordance with the rules and regulations of the state agency pertaining thereto. Such reimbursement shall be paid into the state agency revolving fund.

Sec. 6. [269.26] **Reports to state agency.** Each and every political subdivision affected by the modification shall make such reports in such form and containing such information as the state agency may from time to time require, and comply with such provisions as the state agency or the secretary of health, education and welfare may from time to time find necessary to assure the correctness and verification of such reports.

Sec. 7. [269.27] **Revenues, may be used, tax levy.** Each and every political subdivision is hereby authorized and directed to pay its obligations under this act from moneys collected from taxes or other revenues. Each and every political subdivision may include in its tax levy the amount necessary to pay such obligations. If the taxes authorized to be levied under this section cause the total amount of taxes to exceed any limitation whatsoever upon the power of a political subdivision to levy taxes, such political subdivision may levy taxes in excess of the limitation in such amount as is necessary to meet the obligations under this act. The governing body of a political subdivision, for the purpose of meeting its liabilities under this act in the event of a deficit, may issue its obligations payable in not more than two years, in an amount which may cause its indebtedness to exceed any limitation without an election and may levy taxes to pay therefor.

Approved April 26, 1957.

CHAPTER 651—H. F. No. 2053

[Not Coded]

An act relating to additional pensions for retired teachers in certain school districts.

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

Section 1. Pension adjustment, tax levy. In any independent school district located within any city of the first class, the boundaries of which are coterminous with the cor-