

Sec. 2. The provisions of section 1 shall become effective upon its approval by a resolution adopted by a majority vote of the school board of said district.

Approved April 24, 1959.

CHAPTER 645—H. F. No. 1206

An act relating to the cost of the examination of the books and accounts of the public employees retirement association; amending Minnesota Statutes 1957, Section 353.16.

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

Section 1. Minnesota Statutes 1957, Section 353.16, is amended to read:

353.16 Inapplication of insurance laws; audit of books and accounts. None of the laws of this state regulating insurance or insurance companies shall apply to the retirement association or any of its funds. The books and accounts of the association and the retirement fund shall be examined and audited annually, *if funds and personnel permit*, by the public examiner of the state and a full and detailed report thereof made to the retirement board. *The cost of such examination shall be paid by the retirement association in accordance with the provisions of Minnesota Statutes 1957, Section 16.20, Subdivision 9. For the purposes of this section the public employees retirement association shall be considered a board as referred to in Subdivision 9.*

Approved April 24, 1959.

CHAPTER 646—H. F. No. 1193

An act relating to the public employees retirement association amending Minnesota Statutes 1957, Section 353.31, Subdivision 3, 353.32, Subdivision 1.

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

Section 1. Minnesota Statutes 1957, Section 353.31, Subdivision 3, is amended to read:

Subd. 3. *If any person dies after he has either (1) qualified for disability benefits under section 353.33 or (2) retired under the provisions of section 353.29 or 353.30, there*

shall be paid to his *surviving spouse* an amount equal to the annuity for the entire month in which death occurs, if no optional or reversionary annuity was designated by the member.

Sec. 2. Minnesota Statutes 1957, Section 353.32, Subdivision 1, is amended to read:

353.32 Refundment to beneficiary. Subdivision 1. *If a member dies before retirement and neither an optional or reversionary annuity is payable as provided herein, a refundment shall be paid to his designated beneficiary in an amount equal to his accumulated deductions plus interest thereon at the rate of two percent per annum compounded annually. If the member had received a disability benefit during his lifetime, no interest shall be paid on his accumulated deductions in the fund at the time of his death. If a former member dies before he received a retirement annuity or allowance, a refundment shall be paid to his designated beneficiary in an amount equal to his accumulated deduction without interest.*

Subd. 2. If a former member dies after retirement and an optional annuity or reversionary annuity was not payable at the time of his death, there shall be paid to his designated beneficiary a refundment of his accumulated deductions, less the total payments of all kinds made by the fund to the former member during his lifetime or to any authorized person after his death.

Subd. 3. If a former member selected an optional annuity by the terms of which an optional survivor's annuity was paid to a survivor after his death, upon the death of the survivor there shall be paid to the former member's designated beneficiary a refundment of his accumulated deductions less the total payments of all kinds made by the fund to the former member during his lifetime or to any authorized person after his death. If a former member who retired after June 30, 1957 died prior to the effective date of this act, there shall be paid to his designated beneficiary a refundment of his accumulated deductions less the total payments of all kinds made by the fund to the former member during his lifetime or to any authorized beneficiary or survivor after his death. The refundments provided in this section shall not be interpreted to apply in any case where survivor's benefits are paid pursuant to section 353.31.

Subd. 4. If a member or former member dies without having designated a beneficiary or if the beneficiary should die before making application for refundment, and if there is

no surviving spouse, and if the legal representative of such member or former member does not apply for refundment within five years from the date of death of the member or former member, the accumulated deductions to his credit at the time of death shall be credited to and become a part of the retirement fund.

Subd. 5. If a member or former member dies without having designated a beneficiary, or if the beneficiary should die before making application for refundment of the sum to the credit of such deceased member or former member, and the amount of the refundment is \$500 or less, the retirement board may 90 days after the date of death of the member or former member in the absence of probate proceedings make payment to the surviving spouse of the deceased member or former member, or, if none, to the next of kin under the laws of descent of the state of Minnesota and such payment shall be a bar to recovery by any other person or persons. Any retirement allowance or annuity which shall have accrued at the time of death of an annuitant may be paid in like manner.

Subd. 6. The beneficiary or surviving spouse of any deceased member or former member entitled to receive a refundment as provided in Laws 1957, Chapter 935 shall have the option of having the amount due him paid in monthly installments in such amounts as may be agreed upon with the retirement board.

Approved April 24, 1959.

CHAPTER 647—H. F. No. 1244

[Coded]

An act relating to state employees retirement association, providing for current and retroactive allowable service credit for members thereof employed by political subdivisions while on leave of absence from state service; validating certain payments therefor; amending Minnesota Statutes 1957, Chapter 352, by adding a new section.

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

Section 1. Minnesota Statutes 1957, Chapter 352, is amended by adding a new section to read:

[352.041] **Employment by political subdivision while on leave of absence.** *Subdivision 1. Any member of the state*