

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

Section 1. Minnesota Statutes 1961, Section 488.04, is amended by adding a subdivision thereto to read:

Subd. 7. Mankato municipal court; jurisdiction. Notwithstanding any provision herein to the contrary any municipal court originally organized under Laws 1927, Chapter 61, shall retain and have jurisdiction over offenses where the maximum penalty does not exceed \$1,000 or imprisonment in a county jail for not to exceed one year, or both.

Approved May 13, 1963.

CHAPTER 641—H. F. No. 1607

[Coded in Part]

An act relating to the public employees retirement association; amending Minnesota Statutes 1961, Chapter 353, by adding new sections thereto; Minnesota Statutes 1961, Sections 353.01, Subdivisions 2, 7, 16, 18, 23, 25, and 29, and adding new subdivisions thereto; 353.03, Subdivision 3; 353.07; 353.13; 353.26, Subdivisions 1 and 3; 353.27, Subdivision 7; 353.31, Subdivisions 2 and 3, and adding a new subdivision thereto; 353.32, Subdivisions 1 and 2, and adding a new subdivision thereto; 353.33, Subdivision 4; 353.34, Subdivisions 1, 3, 4, and 5; 353.35, 353.37, Subdivision 1; 353.60, Subdivisions 1 and 2; 353.64, Subdivision 1; 353.68, Subdivision 5 and adding new subdivisions thereto; repealing Minnesota Statutes 1961, Sections 353.01, Subdivision 13; 353.32, Subdivision 6; 353.42; 353.44, Subdivision 2; and 353.70.

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

Section 1. Minnesota Statutes 1961, Chapter 353, is amended by adding a new section to read:

[353.14] Public employees retirement association; benefits from other funds. *No annuity or benefit provided by Chapter 353 shall be affected, diminished, or impaired by any pension, benefit, or annuity which any member or his survivor is entitled to receive from a tax supported public retirement system authorized by any other law, for the same or different service for which he is entitled to receive benefit or annuity from the public employees retirement association.*

Sec. 2. Minnesota Statutes 1961, Chapter 353, is amended by adding a new section to read:

Changes or additions indicated by italics, deletions by ~~strikeout~~.

[353.71] Membership in various retirement associations; annuities. *Subdivision 1. Eligibility. Any person who has been a member of the public employees retirement association or the state employees retirement association or the teachers retirement association shall be entitled when qualified to an annuity from each fund if his total allowable service in all three funds or in any two of these funds totals ten or more years, provided no portion of the allowable service upon which the retirement annuity from one fund is based is again used in the computation for benefits from another fund and provided further that he has not taken a refundment from any one of these three funds since his membership in that association last terminated. The annuity from each fund shall be determined by the appropriate provisions of the law except that the requirement that an annuitant must have at least ten years' membership service or ten years of allowable service in the respective association shall not apply for the purposes of this section provided the combined service in two or more of these funds equals ten or more years.*

Subd. 2. Deferred annuity computation. The deferred annuity, if any, accruing under subdivision 1, shall be computed in the manner provided in Minnesota Statutes, Section 353.34, Subdivision 3, and acts amendatory thereof, on the basis of allowable service prior to termination of public service.

Subd. 3. Postponement of deferred annuity. No deferred annuity shall be paid from the public employees retirement fund during the time the former member is working and accruing service credit as a member of either the state employees retirement association or the teachers retirement association.

Subd. 4. Repayment of refund. Any person who has received a refundment from the public employees retirement fund prior to July 1, 1961, and who is a member of either the state employees retirement association or the state teachers retirement association may repay such refundment with interest to the public employees retirement fund. If a refundment is repaid to the fund and more than one refundment has been received from the fund, all refundments must be repaid. Such repayment shall be made as provided in Minnesota Statutes 1957, Section 353.35, and acts amendatory thereof, and under such terms and conditions consistent therewith as may be agreed upon with the board of trustees.

Sec. 3. Minnesota Statutes 1961, Section 353.01, Subdivision 2, is amended to read:

Subd. 2. Public employee. (1) "Public employee" means any person performing personal services as an elected or appointed

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officer or employee for a governmental subdivision or for an elected officer thereof and whose salary is paid, in whole or in part, from revenue derived from taxation, or by fees, assessments, or from other sources. The term "public employee" also means any person serving as an elected member of the legislature of the state of Minnesota, the secretary of the senate and the chief clerk of the house of representatives, or any person appointed as a district court reporter in this state and any officer or employee of the public employees retirement association, or any employee of the league of Minnesota municipalities.

(2) "Public employee" does not mean

(a) persons employed for professional services where such service is incidental to regular professional duties and whose compensation is paid on a per diem basis;

(b) election officers;

(c) ~~persons engaged in public work for the governmental subdivision but employed by contractors where the performance of such contract is authorized by competent authority; persons who are independent contractors and their employees;~~

(d) patient and inmate help in governmental subdivision charitable, penal and correctional institutions;

(e) members of boards, commissions, volunteer fire departments, bands and others who serve the governmental subdivision intermittently and are paid on a per diem, per meeting or per fire basis;

(f) temporary, emergency and seasonal employees as defined by rules prescribed by the board of trustees;

(g) public employees who by virtue of their employment are required to contribute to any other pension, relief or retirement fund established for the benefit of officers and employees of a governmental subdivision; *provided that this paragraph shall not apply to members of local police or firemen's relief associations who pay dues but no other contributions thereto in amounts less than \$13 in any calendar year;*

(h) police matrons employed in a police department of any city who are transferred to the jurisdiction of a joint city and county detention and corrections authority.

Sec. 4. Minnesota Statutes 1961, Section 353.01, Subdivision 7, is amended to read:

Changes or additions indicated by italics, deletions by strikeout.

Subd. 7. **Member; membership.** "Member" means a member of the public employees retirement association and "membership" therein is limited to persons who are engaged in performing services as a public ~~employee~~ *employees* but also includes periods when such ~~person is~~ *persons are* on ~~a~~ *an* authorized leave of absence of ~~less than six months~~; ~~not to exceed in the aggregate 12 months during the entire period of membership, exclusive of vacation periods and sick leave, a~~ *an* authorized temporary layoff of ~~less than six months~~; ~~an authorized sick leave or an authorized leave for job training; evidenced, in either case, prior to the commencement thereof, by appropriate current record of the employer and promptly transmitted to the association, each such layoff not to exceed three and one half calendar months in any calendar year. Membership in the retirement association of any person shall terminate upon his ceasing to be a "public employee."~~

Sec. 5. Minnesota Statutes 1961, Section 353.01, Subdivision 16, is amended to read:

Subd. 16. **Allowable service.** "Allowable service" means:

(1) Any service rendered by a public employee for which on or before June 30, 1958, he received credit to his account in the retirement fund by reason of employee contributions in the form of salary deductions, payments in lieu of salary deductions, or in any other manner authorized by Minnesota Statutes 1953, Chapter 353, as amended by Laws 1955, Chapter 815, or

(2) Any service rendered by a public employee for which on or before July 1, 1961, he elected to obtain credit for service by making payments to the fund pursuant to section 353.36, or

(3) Any service rendered by a public employee after July 1, 1957, for any calendar month when the member receives salary from which deductions are made, deposited and credited in the fund, or

(4) Any service rendered by a person after July 1, 1957, for any calendar month where payments in lieu of salary deductions are made, deposited and credited into the fund, as provided in sections 353.35, 353.39, and Minnesota Statutes 1957, section 353.26, subdivision 4.

(5) Any service rendered by a public employee for which he elected to obtain credit for service by making payments to the fund pursuant to sections 353.35, 353.36, and Minnesota Statutes 1957, section 353.26, subdivision 4.

(6) ~~Both service~~ *Service* during years of actual membership in the course of which *employee* contributions were currently made

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and service in years during which the public employee was not a member but for which he later elected, *while a member*, to obtain credit ~~for~~ by making payments to the fund as permitted by any law then in effect.

(7) *Any period of authorized leave of absence with pay from which deductions for employee contributions are made, deposited, and credited to the fund.*

(8) *Any period of authorized leave of absence without pay or temporary layoff, during or for which a member obtained credit by payments to the fund made in lieu of salary deductions, provided that such payments are made in an amount or amounts based on his average salary on which deductions were paid (a) for the last six months of public service, or (b) that portion of the last six months while he was in public service, to apply to the period in either case immediately preceding commencement of such leave of absence or temporary layoff; provided, however, that if the employee elects to pay employee contributions for the period of any leave of absence without pay or temporary layoff, or for any portion thereof, he shall also, as a condition to the exercise of such election, pay to the fund an amount equivalent to both the required employer and additional employer contributions therefor, such payment to be made currently or within one year from the date the leave of absence or temporary layoff terminates, unless the employer by appropriate action of its governing body and made a part of its official records, prior to the date of the first payment of such employee contribution, certifies to the association in writing that it will cause to be paid such employer and additional employer contributions from the proceeds of a tax levy made pursuant to section 353.28.*

(9) *Any period during which a member is on (a) duly authorized leave of absence with or without pay, not to exceed in the aggregate 12 months during the entire period of his membership, exclusive of vacation periods and sick leave; or (b) duly authorized temporary layoff for a period not to exceed three and one half calendar months in any calendar year; provided that in either case such leave of absence or layoff is officially recorded currently by the employer.*

Sec. 6. Minnesota Statutes 1961, Section 353.01, Subdivision 18, is amended to read:

Subd. 18. **Year of allowable service.** "Year of allowable service" means any 12 calendar months not necessarily consecutive in which a public employee received compensation from the ~~government~~ *governmental* subdivision or was eligible to credit for service. It also means 12 months credit each year for employees who are

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paid on a yearly basis and who may or may not receive compensation in every calendar month in the year. It also means any 12 months in which a member maintains his status as a public employee. For the purposes of this section, a member who is subject to seasonal layoffs or who is on leave of absence authorized by his employer, for a period not to exceed one year, is deemed to have maintained his status as a public employee.

Sec. 7. Minnesota Statutes 1961, Section 353.01, Subdivision 23, is amended to read:

Subd. 23. **Retirement annuity; restrictive.** "Retirement annuity" means the pension paid or payable by the fund to a former member after retirement which varies in amount depending primarily upon both employee and employer contributions made by and in behalf of the particular member.

Sec. 8. Minnesota Statutes 1961, Section 353.01, Subdivision 25, is amended to read:

Subd. 25. **Spouse's annuity.** "Spouse's annuity" means the allowance paid or payable by the fund to a surviving spouse of a deceased member who is not an annuitant, commencing at age 62 or 65 which varies in amount depending primarily upon both employee and employer contributions made by and in behalf of the particular member. *if such surviving spouse has not remarried and has attained age 62 years.*

Sec. 9. Minnesota Statutes 1961, Section 353.01, Subdivision 29, is amended to read:

Subd. 29. **Designated beneficiary.** "Designated beneficiary" means the person designated by a member *in writing, filed with the association*, to receive the balance of his accumulated deductions after death. If the member had ~~failed~~ *fails* to designate such a person or if the person *so* designated ~~predeceased~~ *predeceases* the member, beneficiary in such cases means the estate of the deceased member, *except as provided in section 353.32, subdivision 5.*

Sec. 10. Minnesota Statutes 1961, Section 353.01, is amended by adding a new subdivision to read:

Subd. 8. Association. "Association" means the public employees retirement association.

Sec. 11. Minnesota Statutes 1961, Section 353.01, is amended by adding a new subdivision to read:

Subd. 12. Temporary layoff. "Temporary layoff" means a suspension of public employment for a period not exceeding three

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and one half months in any calendar year, by action of the employing governmental subdivision evidenced prior to the commencement thereof by appropriate current official record of the governmental subdivision.

Sec. 12. Minnesota Statutes 1961, Section 353.01, is amended by adding a new subdivision to read:

Subd. 30. Designated survivor beneficiary. "Designated survivor beneficiary" means the person designated by a former member to receive a joint and survivor annuity or a modified joint and survivor annuity.

Sec. 13. Minnesota Statutes 1961, Section 353.03, Subdivision 3, is amended to read:

Subd. 3. Officers; employees; rules. The board shall elect a chairman *and vice chairman*, and shall appoint a secretary and such other employees *and may retain an approved actuary and procure other services as it may be reasonably deem necessary and fix their compensation subject to subdivision 2 hereof.* The board shall ~~may~~ from time to time, subject to the limitations of this chapter and of the law, *adopt bylaws*, establish rules and regulations for the administration of the retirement and other provisions of this chapter and for the transaction of its business.

Sec. 14. Minnesota Statutes 1961, Section 353.07, is amended to read:

353.07 Employers recording and reporting requirements. Every head of a department in a governmental subdivision subject to the provisions of this chapter shall on the first day of each calendar month furnish the board of trustees with a statement for his department covering the preceding calendar month showing all new public employees, all removals, withdrawals, layoffs and leaves of absence ~~without pay~~ affecting members during the same period. *Additionally, all employing governmental subdivisions and their appropriate agencies shall furnish promptly to the association such other information relative to the employment status of any member as may be requested by the association or its secretary.*

Sec. 15. Minnesota Statutes 1961, Section 353.13, is amended to read:

353.13 Annuities—application; accrual; payment. All retirement annuities granted under the provisions of this chapter shall commence with the first day of the first calendar month next succeeding the date of termination of public service and paid in equal monthly installments commencing one month thereafter and contin-

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ting only during the lifetime of the annuitant, and shall not be increased, decreased, or revoked except as provided in this chapter. No annuity payment shall be made retroactive beyond the first day of the calendar month in which application therefor shall be filed. *Subdivision 1. Application.* Every application for retirement, in the form prescribed by the board of trustees, shall be corroborated in writing by proof of (a) age of the employee and (b) his public service, which shall be submitted by the employee and employer, respectively. Payment of any annuity or benefit for a given month shall be mailed by the association to the annuitant or survivor, as the case may be, during the first week of the next ensuing month. Evidence of receipt of every warrant issued by the association in payment of an annuity or benefit shall be submitted by the payee thereof to the association, together with his written declaration that the annuitant or recipient of a disability benefit, whichever the case may be, has or has not returned to public service; and shall be furnished on forms provided by the secretary thereof, before the association shall pay to the annuitant, disability recipient, or survivor for the next ensuing month the annuity or benefit to which he may be entitled.

Subd. 2. Accrual; payment. Except as to elected public officials, all retirement annuities granted under the provisions of this chapter shall commence with the first day of the first calendar month next succeeding the date of termination of public service and shall be paid in equal monthly installments commencing one month thereafter and continuing only during the lifetime of the annuitant. Retirement annuities granted to any elected public official between February 22, 1951 and April 30, 1963, shall be deemed to accrue commencing with the first of the month in which his term of public office expires or in which the right to such office terminates, whichever is later; but any annuity granted to an elective public official after April 30, 1963, shall accrue on the day following expiration of his public office or right thereto, and his annuity for that month shall be pro rated accordingly. No annuity, once granted, shall be increased, decreased, or revoked except as provided in this chapter. No annuity payment shall be made retroactive beyond the first day of the calendar month in which application therefor shall be filed with the association.

Sec. 16. Minnesota Statutes 1961, Section 353.26, Subdivision 1, is amended to read:

353.26 Membership. Subdivision 1. **Membership confirmed.** The public employees retirement association created by Laws 1931, Chapter 307, as amended, is confirmed and continued. The membership in the association shall consist only of public employees. Any person who was a member of the association on June

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30, 1957, shall continue his membership with the association, *until such time as his public service in a position covered by the association shall terminate.*

Sec. 17. Minnesota Statutes 1961, Section 353.26, Subdivision 3, is amended to read:

Subd. 3. **Elective positions; optional membership.** Any elected public officer or any person appointed to fill a vacancy in an elective office within any governmental subdivision shall have the right to exercise an option to become a member, but such option, once exercised, may not be withdrawn during the incumbency of such person in office. Such person may exercise this option by filing a request with the board of trustees *his application for membership in the office of the association.*

Sec. 18. Minnesota Statutes 1961, Section 353.27, Subdivision 7, is amended to read:

Subd. 7. **Adjustment for erroneous receipts or disbursements.**
(1) **Erroneous deduction.** Any deductions taken *in error by the employer* from the salary of an employee for the retirement fund *in error and transmitted to the association, when so determined by the board of trustees, shall, upon discovery and verification by the department making the deduction, be refunded to the employee; and the employer contribution and the additional employer contribution, if any, for the erroneous employee contribution shall be refunded to the employer.*

(2) **Erroneous disbursement.** In the event a salary warrant or check from which a deduction for the retirement fund was taken has been canceled or the amount of the warrant or check returned to the funds of the department making the payment, a refundment of the sum so deducted, or any portion of it as is required to adjust the deductions, shall be made to the department or institution provided application for it is made on a form furnished by the board of trustees. The department's payments shall be refunded to the department if the amount of the required adjustment is more than \$1.

Sec. 19. Minnesota Statutes 1961, Section 353.31, Subdivision 2, is amended to read:

Subd. 2. **75 Percent annuity to surviving spouse.** Upon the death of a member before retirement who has had at least 20 years of credited allowable service *and who has attained age 58*, his surviving dependent spouse *upon attaining age 62* shall be ~~paid a deferred entitled to a spouse's annuity~~ in an amount equal to 75 percent of the member's annuity computed on the basis provided in

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sections 353.29 and 353.30 not to exceed \$150 per month. This annuity shall be ~~paid when~~ *payable commencing on the first day of the month after* such surviving dependent spouse ~~reaches~~ *attains* the age of 62 and shall terminate upon remarriage. The surviving dependent spouse has the option, if qualified, to receive the benefits provided in subdivision 1 or the annuity provided in *this* subdivision 2 but not both.

Sec. 20. Minnesota Statutes 1961, Section 353.31, Subdivision 3, is amended to read:

Subd. 3. **Payment for month of death.** If any person dies after he has retired under the provisions of sections 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. 21. Minnesota Statutes 1961, Section 353.31, is amended by adding a new subdivision to read:

Subd. 9. **Accrual.** *All benefits under this section and survivor benefits otherwise provided in this chapter when payable to persons qualifying therefor shall accrue on the first day of the month following the death of a member or annuitant, whichever is applicable, but no payment may be made (a) retroactively for more than three months prior to that month in which the application is filed, or (b) for the month, or any portion thereof, in which entitlement to such benefits has terminated.*

Sec. 22. Minnesota Statutes 1961, Section 353.32, Subdivision 1, is amended to read:

353.32 **Refundments upon death.** Subdivision 1. **Before retirement.** If a member dies before retirement and ~~neither an~~ *no* 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~~ *deductions* without interest.

Sec. 23. Minnesota Statutes 1961, Section 353.32, Subdivision 2, is amended to read:

Subd. 2. **After retirement.** If a former member dies after

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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.

Sec. 24. Minnesota Statutes 1961, Section 353.32, is amended by adding a new subdivision to read:

Subd. 8. Refundment for persons committed to state hospitals. *While a former member is under commitment as an inmate of a state hospital under the jurisdiction of the commissioner of public welfare, or of a similar public authority if the former member is an inmate of a state hospital of another state, and if the inmate is entitled to a refundment of his accumulated contributions in the retirement fund in an amount not to exceed \$300, refundment of such accumulated contributions may be made, upon appropriate application therefor, to the superintendent of such state hospital of this state, or similar public authority of another state if authorized so to do by the laws of that state, and such refundment shall be a bar to recovery by any other person or persons.*

Sec. 25. Minnesota Statutes 1961, Section 353.33, Subdivision 4, is amended to read:

Subd. 4. Procedure to determine eligibility. The board shall have the member examined by at least two licensed physicians selected by the board. These physicians shall make written reports to the board concerning the member's disability including medical opinions as to whether the member is ~~permanently and~~ totally ~~and permanently~~ disabled within the meaning of section ~~352.01~~ 353.01, subdivision 19. The board shall also obtain written certification from the employer stating whether or not the member was separated from service because of a disability which would reasonably prevent further service to the employer and as a consequence the member is not entitled to compensation from the employer. If upon the consideration of the reports of the physicians and such other evidence presented by the member or others interested therein, the board finds the member totally and permanently disabled, it shall grant him a disability benefit. The fact that an employee is placed on leave of absence without compensation because of disability shall not bar him from receiving a disability benefit.

Sec. 26. Minnesota Statutes 1961, Section 353.34, Subdivision 1, is amended to read:

353.34 Termination of public service. Subdivision 1. **Refundment or deferred annuity.** Any ~~person~~ *member* who ceases

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to be a public employee by reason of termination of public service, shall be entitled to a refundment of *his accumulated deductions as provided in subdivision 2, or to a deferred retirement annuity as provided in subdivision 3.* Application for refundment may not be made ~~no sooner than 30 days after~~ *prior to date of termination of public service.* ~~if the applicant has not again become a public employee.~~

Sec. 27. Minnesota Statutes 1961, Section 353.34, Subdivision 3, is amended to read:

Subd. 3. **Deferred annuity; eligibility, computation.** Any person with at least ten years of allowable service when such termination occurs may at his option leave his accumulated deductions in the fund and thereby be entitled to a deferred retirement annuity commencing at age 65. ~~This~~ *The deferred* annuity shall be computed in the manner provided in section 353.29, *subdivisions 2 and 3,* on the basis of allowable service prior to termination of service. Such person may revoke this option at any time prior to the commencement of *deferred* annuity payments by ~~filing a written statement with the board and~~ making application for a refund. Such person shall be entitled to a refund of his accumulated deductions within 30 days ~~thereafter~~ *following date of receipt of such application by the secretary of the association.*

Sec. 28. Minnesota Statutes 1961, Section 353.34, Subdivision 4, is amended to read:

Subd. 4. **Surrender of deferred annuity certificates.** Former members who hold numbered certificates of deferred annuity and who again become members of the retirement association shall surrender such certificates and shall be entitled to full credit for the service covered by the surrendered certificates. Former members who hold numbered certificates of deferred annuity may surrender them at any time prior to receiving an annuity and receive a refundment of their accumulated deductions upon application. ~~Membership in the retirement association of any person shall terminate upon his ceasing to be a "public employee" whether by resignation, dismissal or termination of temporary or provisional appointment or death.~~

Sec. 29. Minnesota Statutes 1961, Section 353.34, Subdivision 5, is amended to read:

Subd. 5. **Refundment generally unlimited.** The right of refundment provided in ~~Laws 1957, Chapter 935~~ *Chapter 353, and laws amendatory thereof,* is not restricted as to time unless specifically provided and the statute of limitation does not apply thereto.

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Sec. 30. Minnesota Statutes 1961, Section 353.35, is amended to read:

353.35 Consequences of refundment and repayment. When any member accepts a refundment all existing service credits and all rights and benefits to which the member was entitled prior to the acceptance of such refundment shall terminate and shall not again be restored until the former member acquires not less than *five years 18 months* allowable service credit subsequent to taking his last refundment. In that event he may repay all refundment taken plus interest at four percent per annum compounded annually. If more than one refundment has been taken, all refundments must be repaid with interest at four percent per annum compounded annually.

Sec. 31. Minnesota Statutes 1961, Section 353.37, Subdivision 1, is amended to read:

353.37 Suspension of annuities. Subdivision 1. **Conditions.** *The annuity of a person otherwise eligible for retirement benefits therefor under this chapter may not receive or be paid an annuity shall be suspended* if he ~~(a)~~ re-enters and as long as he remains in public service as a non-elective employee of a ~~political governmental~~ subdivision, or becomes a non-elective state employee as defined in chapter 352 if such service exceeds 60 working days in any calendar year or if the salary for such service exceeds \$75 per month; or ~~(b)~~ he is receiving any other retirement benefit or pension authorized by law for public employees or state employees; if contributions therefor had been required from that person and if any period of public service required for benefits under this chapter was requisite in establishing eligibility for this other retirement benefit or pension; *if his earned compensation for such service, separately or in combination, exceeds \$1,200 in any calendar year. The suspension of the annuity shall commence as of the first of the month in which the maximum permitted compensation is exceeded as herein provided, but shall not apply to any months in which the annuitant is not actually employed in non-elective service in a position covered by either Chapter 353 or Chapter 352. Any elected official holding office after Any annuitant of the association, who is elected to public office after his retirement following June 30, 1959 shall be entitled to hold such office and receive his annuity otherwise payable from the Public Employees Retirement Association from and after July 1, 1959. The monthly annuity payment is suspended during the ineligibility of any person by reason of this subdivision. Payment for a full month is suspended for any portion of a month in which this ineligibility exists. Upon proper showing by an annuitant that this ineligibility no longer exists the board of trustees shall order that the monthly annuity payments be*

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resumed. Public service performed by any annuitant subsequent to his application for a retirement annuity under this chapter does not increase or decrease any benefit when payments thereof are resumed. The annuitant is not required to make any further contributions to the retirement fund by reason of this subsequent public service. Provided, however, that the foregoing shall not apply to any benefits authorized by federal law to which any public employee and public official may be entitled.

Sec. 32. Minnesota Statutes 1961, Section 353.60, Subdivision 1, is amended to read:

353.60 Fee officers; contributions. Subdivision 1. **Employee and employer contributions.** Any appointed or elected officer of a governmental subdivision who *was or is* a public employee within the meaning of section 353.01 and *was or is* a member of the fund and whose salary *was or is* paid in whole or in part from revenue derived by fees and assessments, shall pay to his employee contribution *in the amount, at the time, and in the manner provided in this Chapter section 353.27, subdivisions 2 and 4.* The employer contribution as provided in section 353.27, subdivision 3, and the additional employer contribution to amortize the ~~deficit~~ *unfunded actuarial accrued liability* in the fund as provided in section 353.27, subdivision 5, with respect to such service shall be paid by the governmental subdivision. ~~All contributions shall be paid currently.~~

Sec. 33. Minnesota Statutes 1961, Section 353.60, Subdivision 2, is amended to read:

Subd. 2. **Obligations of employers.** The employer contribution and the additional employer contribution to amortize the ~~deficit~~ *unfunded actuarial accrued liability* in the fund as provided in sections 353.36, ~~subdivision 6 subdivisions 1 and 3,~~ 353.27, subdivisions 3 and 5, due with respect to the services of any public employee who *as a member was or is* employed by an appointed or elected officer of a governmental subdivision ~~who derives deriving~~ revenue from fees or assessments, shall be paid by the governmental subdivision. *This subdivision shall have both retroactive and prospective application as to all such members; and every employing governmental subdivision is deemed liable, retroactively and prospectively, for all employer and additional employer contributions for every such member in its employ. Delinquencies under this section shall be governed in all respects by section 353.28.*

Sec. 34. Minnesota Statutes 1961, Section 353.64, Subdivision 1, is amended to read:

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353.64 Membership; qualifications. Subdivision 1. **Mandatory; exclusions.** *Any person who prior to July 1, 1961, was a member of the police and fire fund, by virtue of being a police officer or fire fighter, shall as long as he remains in either position, be deemed to continue his membership in such fund. Any other employee serving on a full-time basis as a police officer or fire fighter on or after July 1, 1961, shall become a member of the public employees police and fire fund. Any employee serving on less than a full-time basis as a police officer or fire fighter, as determined by the rules prescribed by the board of trustees, shall become a member of the public employees police and fire fund only after a resolution is adopted by the governing body of the political governmental subdivision employing such person declaring that the position such person holds is either that of a police officer or fire fighter. Any police officer or fire fighter who by virtue of his employment is required to contribute to any other pension, relief, or retirement fund established for the benefit of officers and employees of a governmental subdivision shall not be a member of this fund.*

Sec. 35. Minnesota Statutes 1961, Section 353.68, Subdivision 5, is amended to read:

Subd. 5. Spouse's annuity. *The survivors spouse's annuity of section 353.31, subdivision 2, shall be paid in behalf of members of the police and fire fund under the following terms and conditions: Upon the death of a member before retirement who has had at least 20 years of allowable service, his surviving dependent spouse upon attaining age 62 shall be paid entitled to a deferred spouse's annuity in an amount equal to 75 percent of the member's normal annuity provided in section 353.66 not to exceed \$150 per month. If at the time of death the member was under 58 years of age, his normal annuity shall be reduced by one half of one percent for each month that he was under age 58. This annuity shall be paid when the surviving spouse reaches the age of 62 payable commencing on the first day of the month after such surviving dependent spouse attains the age of 62 and shall terminate upon remarriage. The surviving dependent spouse has the option, if qualified, to receive the annuity provided in this subdivision or the benefit provided in section 353.31, subdivision 1, but not both. This act takes effect July 1, 1961.*

Sec. 36. Minnesota Statutes 1961, Section 353.68, is amended by adding a new subdivision to read:

Subd. 6. Retirement status at age 58; benefits limited. *No person shall be entitled to receive total and permanent disability benefits and a retirement annuity at the same time. The disability*

Changes or additions indicated by italics, deletions by strikeout.

benefits paid to a person under this section shall terminate when he reaches age 58, if he is still totally and permanently disabled. At that time he shall be deemed to be on retirement status and may at his option be paid either (a) an annuity in an amount computed under section 353.66, or (b) an annuity equal to the disability benefit paid to him before he reached age 58, whichever is greater.

Sec. 37. Minnesota Statutes 1961, Section 353.68, is amended by adding a new subdivision to read:

*Subd. 9. **Benefits from other funds.** No annuity or benefit provided by sections 353.63 to 353.68, payable from the "public employees police and fire fund" shall be affected, diminished, or impaired by any pension, benefit, or annuity which any member or his survivor is entitled to receive from a tax supported public retirement system authorized by any other law, for the same or different service for which he is entitled to receive benefit or annuity from the public employees retirement association.*

Sec. 38. Minnesota Statutes 1961, Sections 353.01, Subdivision 13; 353.32, Subdivision 6; 353.42; 353.44, Subdivision 2; and 353.70 are repealed.

Approved May 13, 1963.

CHAPTER 642—H. F. No. 1752

[Not Coded]

An act relating to the salary of the county auditor of Douglas county.

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

Section 1. **Douglas county; auditors' salary.** Notwithstanding the provisions of any other law to the contrary, the annual salary of the county auditor of Douglas county shall be set by the county board of commissioners of Douglas county in an amount not less than \$6,500 nor more than \$7,500 per annum.

Sec. 2. The aforesaid salary shall constitute the base salary and said auditor shall be entitled to any cost of living increase hereafter granted under the provisions of Minnesota Statutes, Section 375.43, and acts amendatory thereof or supplementary thereto.

Sec. 3. Nothing contained in section 1 of this act shall be construed as limiting the right of said auditor to collect and retain fees, per diem payments, or any other payment which he is now

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