

deductions of contributions in accordance with rates prescribed by law or by his order, as the case may be.

Sec. 4. *This act shall take effect from and after its passage.*

Approved May 23, 1963.

CHAPTER 845—S. F. No. 1081

[Coded in Part]

An act relating to the teachers retirement association; amending Minnesota Statutes 1961, Sections 135.01, Subdivision 2; 135.31; 135.34; 135.37; 135.45; 135.47, Subdivision 1; 135.48, Subdivisions 3 and 5, and amending Minnesota Statutes 1961, Chapter 135, by adding a new section.

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

Section 1. Minnesota Statutes 1961, Section 135.01, Subdivision 2, is amended to read:

Subd. 2. **Teachers retirement association.** The word "teacher" includes any person who has rendered, is rendering, or shall hereafter render, service as a teacher, supervisor, principal, superintendent, or librarian in the public schools of the state, located outside of the corporate limits of the cities of the first class, in the state colleges, or in any charitable or state institution including penal and corrective institutions supported, in whole or in part, by public funds, or who has been engaged, is engaged, or shall hereafter be engaged, in educational administration in connection with the state public school system, including the state colleges, but excluding the state university, whether the position be a public office or an employment, not including members of any general governing or managing board or body connected with such systems, or the officers of common, independent, special, or associated school districts, or unorganized territory. *The term shall also include any nurse, counselor, social worker or psychologist who has rendered, is rendering or shall hereafter render service in the public schools as defined above or in state colleges.* The term does not mean any person who works for such school or institution as an independent contractor.

Sec. 2. Minnesota Statutes 1961, Section 135.31, is amended to read:

135.31 **Scope and application.** Sections 135.31 to 135.39

Changes or additions indicated by italics, deletions by strikeout.

apply to any member of the teachers retirement association included in any agreement or modification made between the state and secretary of health, education and welfare, making the provisions of the federal old age and survivors insurance act applicable to such members. Sections 135.31 to 135.39 also apply to any school district or institution employing such member. Except as otherwise specifically provided in sections 135.31 and 135.39, the provisions of sections 135.01 to 135.18 and 135.41 to 135.55, and *acts amendatory thereof*, shall apply.

Sec. 3. Minnesota Statutes 1961, Section 135.34, is amended to read:

135.34 Optional retirement annuities; unpaid annuities, disposition. *Subdivision 1.* The retirement board shall establish optional annuities at retirement which shall take the form of an annuity payable for a period certain and for life thereafter; or as a joint and survivor annuity. The board shall also establish an optional annuity which shall take the form of a guaranteed refund annuity paying the annuitant a fixed amount for life with the guarantee that in the event of death the balance of the accumulated deductions will be paid to the designated beneficiary. Such optional forms shall be actuarially equivalent to the normal forms. In establishing these optional forms the board shall obtain the written recommendation of an approved actuary and these recommendations shall be a part of the permanent records of the board.

Subd. 2. Upon the death of the member after retirement where no designated beneficiary shall survive the member, any remaining unpaid guaranteed annuity payments shall be commuted at three percent interest and paid in one sum to the estate of the member. Upon the death of any designated beneficiary after the death of the member, the value of any unpaid guaranteed annuity payments shall be commuted at three percent interest and paid in one sum to the estate of such designated beneficiary.

Sec. 4. Minnesota Statutes 1961, Section 135.37, is amended to read:

135.37 The disability benefit shall be computed in the manner provided in section 135.48, *without the supplementary benefit therein referred to and in accordance with the law in effect when the disability application is received*. The total disability benefit paid from the retirement fund shall be limited to 50 percent of the salary upon which it is based. ~~The disability benefit shall be the normal annuity computed as though the member were age 65 at the time of disability. The optional annuities and the provision in section 135.48, that "benefits computed under subdivision 2~~

Changes or additions indicated by italics, deletions by strikeout.

of this act shall be reduced by the amount of disability benefits paid under the federal act" do not apply to this section. *Provided, however, that members Members* whose total and permanent disability shall have been established prior to July 1, 1961, shall continue to receive the disability benefits provided by the law then in effect so long as the total and permanent disability continues.

Sec. 5. Minnesota Statutes 1961, Section 135.45, is amended to read:

135.45 Optional retirement annuities. *Subdivision 1.* The retirement board shall establish optional annuities at retirement which shall take the form of an annuity payable for a period certain and for life thereafter; or as a joint and survivor annuity. The board shall also establish an optional annuity which shall take the form of a guaranteed refund annuity paying the annuitant a fixed amount for life with the guarantee that in the event of death the balance of the accumulated deductions will be paid to the designated beneficiary. Such optional forms shall be actuarially equivalent to the normal forms provided in section 135.44. In establishing these optional forms the board shall obtain the written recommendation of an approved actuary and these recommendations shall be a part of the permanent records of the board.

Subd. 2. Upon the death of the member after retirement where no designated beneficiary shall survive the member, any remaining unpaid guaranteed annuity payments shall be commuted at three percent interest and paid in one sum to the estate of the member. Upon the death of any designated beneficiary after the death of the member, the value of any unpaid guaranteed annuity payments shall be commuted at three percent interest and paid in one sum to the estate of such designated beneficiary.

Sec. 6. Minnesota Statutes 1961, Section 135.47, Subdivision 1, is amended to read:

Subdivision 1. Death before retirement. If a member dies before retirement and neither an optional annuity, ~~or~~ *nor* reversionary annuity is payable, there shall be paid to his surviving dependent spouse or if there is no surviving dependent spouse to his designated beneficiary an amount equal to his accumulated deductions ~~plus~~ *without* interest credited to his account to the date of death. ~~If the member had received a disability benefit during his lifetime, no interest shall be paid on his accumulated deduction in the fund at the time of his death.~~

Sec. 7. Minnesota Statutes 1961, Section 135.48, Subdivisions 3 and 5, are amended to read:

Changes or additions indicated by italics, deletions by strikeout.

Subd. 3. **Computation of benefits.** The amount of the disability benefit is an amount equal to double the annuity which could be purchased by the member's accumulated deductions plus interest thereon computed as though the teacher were age 65 at the time of ~~disability~~ *the benefit begins to accrue and in accordance with the law in effect when the disability application is received.*

The benefit granted shall be determined by the following:

(a) The amount of the accumulated deductions;

(b) Interest actually earned on these accumulated deductions to the date of ~~disability~~ *the benefit begins to accrue*;

(c) Interest for the years from the date of ~~disability~~ *the benefit begins to accrue* to the date such member attains age 65 at the rate which is the average rate credited for the five years prior to ~~disability~~ *the date the benefit begins to accrue*;

(d) Annuity purchase rates based on the 1937 standard annuity table of mortality set back two years and calculated separately as to sex with interest assumption of three percent.

In addition a supplementary monthly benefit shall be paid in accordance with the following table:

Age when disabled Under age	Supplementary Benefit
56	\$50
56	45
57	40
58	35
59	30
60	25
61	20
62	15
63	10
64	5

For the purposes of computing a retirement annuity when the member becomes eligible, the amounts paid for disability benefits shall not be deducted from the individual member's accumulated deductions. If the disability benefits provided in this subdivision exceed the monthly average salary of the disabled member, the disability benefits shall be reduced to an amount equal to the disabled member's average salary. Any member who began to receive disability benefits between July 1, 1957, and June 30, 1959, shall receive the supplementary monthly benefit provided in accordance with the foregoing table and such supplementary monthly benefit

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

shall begin to accrue after June 30, 1959, and shall continue as long as disability benefits are paid to such member.

Subd. 5. **Benefits paid under other laws.** The disability benefit shall be reduced by any amounts received or receivable by a member from the employer under applicable workmen's compensation laws. ~~If a disabled person receives disability benefits under the provisions of the federal social security act, his benefits computed under this section shall be reduced by the amount of disability benefits paid under the federal act.~~

Sec. 8. Minnesota Statutes 1961, Chapter 135, is amended by adding a new section to read:

[135.61] **Cancellation of warrants.** *Any state auditor's warrant payable from the retirement fund remaining unpaid for a period of six years shall be canceled into the retirement fund and not into the general revenue fund.*

Sec. 9. *This act takes effect July 1, 1963.*

Approved May 23, 1963.

CHAPTER 846—S. F. No. 1135

An act relating to tuition at state colleges for wards of the commissioner of public welfare; amending Minnesota Statutes 1961, Section 136.11, Subdivision 1.

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

Section 1. Minnesota Statutes 1961, Section 136.11, Subdivision 1, is amended to read:

136.11 **State colleges; tuition; fees; activities funds.** Subdivision 1. **Tuition.** There shall be a charge for tuition to students in state colleges. The board shall fix rates of tuition for the various instructional programs. *The board may waive tuition for persons under the guardianship of the commissioner of public welfare that are qualified for admission to the state colleges, provided that those persons contribute toward their expenses by gainful employment if they are physically able to work.*

Nonresident students shall pay an additional tuition fee to be determined by the board. Resident status shall be determined at the time of each registration according to the permanent residence of the student's parents or guardian for minor students and accord-

Changes or additions indicated by italics, deletions by strikeout.