CHAPTER 716-H. F. No. 498

[Coded]

An act relating to employees of certain public hospitals, members of the public employees retirement association, and providing for coverage under the old age, survivors, and disability insurance provisions of Title II of the federal social security act, and appropriating money therefor; amending Laws 1963, Chapter 793, Sections 13, Subdivisions 1, 2, and 3; 14, Subdivision 1; 15; 17, Subdivision 2; 19.

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

- Section 1. Laws 1963, Chapter 793, Section 13, Subdivision 1, is amended to read:
- Sec. 13. [355.83] Public hospital employees; social security coverage; contributions by employer and employees. Subdivision 1. Employee contributions. The hospital employee contribution to the public employees retirement fund shall be an amount equal to three percent of the salary of every member. This contribution shall be made by deduction from salary. Prior to July 1, 1965 no deduction shall be made from any salary in excess of \$4,800 in any calendar year. From and after July 1, 1965 deductions shall be made on total salary not in excess of \$6,000 in any calendar year. Where any portion of a hospital employee member's salary is paid from other than public funds, such member's employee contribution shall be based on the entire salary received limited to \$4,800 \$6,000 in any calendar year.
- Sec. 2. Laws 1963, Chapter 793, Section 13, Subdivision 2, is amended to read:
- [355.83] Subd. 2. Employer contributions. The employer contribution to the fund shall be an amount equal to three percent of the salary of each hospital employee member not exceeding \$4,800 in any calendar year: through June 30, 1965; and thereafter three percent of the total salary not in excess of \$6,000 in any calendar year.
- Sec. 3. Laws 1963, Chapter 793, Section 13, Subdivision 3, is amended to read:
- [355.83] Subd. 3. Additional employer contributions. An additional contribution shall be made to the fund based on the salary of each such member not to exceed \$4,800 in any calendar year through June 30, 1965; and thereafter the additional employer contribution shall be based on the total salary of each

Changes or additions indicated by italics, deletions by strikeout:

such member not in excess of \$6,000 in any calendar year, for the purpose of amortizing the deficit in the fund. This contribution shall be made from funds available to the employing political subdivision. The amount of this additional contribution shall be the amounts specified below for the years noted:

- (a) 1963-65
- 2 percent
- (b) 1966 and after
- 1 ½ percent
- Sec. 4. Laws 1963, Chapter 793, Section 14, Subdivision 1, is amended to read:
- Sec. 14. [355.84] Retirement annuities. Subdivision 1. Average salary. The retirement annuity hereunder shall be computed in accordance with the applicable provisions of the formula stated in subdivision 2 hereof on the basis of each hospital employee member's average salary for the period of his allowable service.
- (a) For years prior to July 1, 1957, average salary for the purpose of determining a member's retirement annuity means the amount equivalent to the average of his highest salary upon which deductions are based for any five consecutive years prior to that date.
- (b) For each year subsequent to June 30, 1957, "average salary" of a member for the purpose of determining his retirement annuity means his salary not exceeding \$4,800 in any one calendar year \$4,800 through June 30, 1965, and his total salary not in excess of \$6,000 for any calendar year for every calendar year thereafter, and for which he had made employee contributions to the retirement fund by payroll deductions.
 - (c) Average salary in no case shall exceed \$4,800 \$6,000.
- Sec. 5. Laws 1963, Chapter 793, Section 15, is amended to read:
- Sec. 15. [355.85] Optional annuities. The board of trustees 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. Such optional forms shall be actuarily 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.
- Sec. 6. Laws 1963, Chapter 793, Section 17, Subdivision 2, is amended to read:

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- [355.87] Subd. 2. After retirement. Where a former hospital employee member dies after retirement, a death benefit shall be paid in accordance with his optional annuity selected pursuant to section 15 or any other reversionary annuity selected by the member before retirement.
- Sec. 7. Laws 1963, Chapter 793, Section 19, is amended to read:
- Sec. 19. [355.89] Military service credit. After any agreement or modification is made, any hospital employee member given a leave of absence to enter military service and who returns to public service upon discharge from military service as provided in Minnesota Statutes, Section 192.262, may obtain credit for his period of military service but he shall not receive credit for any voluntary extension of military service at the instance of the member beyond the initial period of enlistment, induction or call to active duty. Such member may obtain such credit by paying into the fund an employee contribution based upon his salary at the date of return from military service. The amount of this contribution shall be three percent of his salary not to exceed \$4,800 in any fiscal calendar year- through June 30, 1965, and thereafter three percent of his total salary not in excess of \$6,000 in any calendar year, plus interest at four percent per annum compounded In such cases the matching employer contribution and additional contribution shall be paid by the political subdivision employing such member upon his return to public service and the political subdivision involved is hereby authorized to appropriate money therefor.

Approved May 25, 1965.

CHAPTER 717—H. F. No. 540

An act relating to fences; providing the State of Minnesota shall assume a share of the cost of partition fences in certain areas; appropriating money; amending Minnesota Statutes 1961, Section 344.03.

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

Section 1. Minnesota Statutes 1961, Section 344.03, is amended to read:

344.03 Partition fences; cost to state; expense; equal shares.

Changes or additions indicated by italics, deletions by strikeout.