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

Section 1. Minnesota Statutes 1967, Section 352.23, is amended to read:

352.23 State employees retirement: termination When any employee accepts a refundment as provided in section 352.22, all existing service credits and all rights and benefits to which the employee was entitled prior to the acceptance of such refundment shall terminate and shall not again be restored until the former employee acquires not less than five years' one year's allowable service credit subsequent to taking his last refundment. In that event, he may repay all refundments which he had taken from the retirement fund. Repayment of refundments will entitle the employee only to credit for service covered by (a) salary deductions, (b) payments made in lieu of salary deductions, and (c) payments made to obtain credit for service as permitted by laws in effect at the time payment was made. If an employee before taking one or more refundments had credit for prior service or for military service without payment in either case, he may obtain credit for such forfeited service prior to July 1, 1929, and for such forfeited military service by making payments at a contribution rate of three percent of his average salary upon which deductions for the retirement fund were based, for the three year period immediately preceding repayment of refundment for service credit prior to July 1, 1929, and on the salary received by him at the time of entering military service to restore his military service credit. All such payments and repayment of refundments are to be paid with interest at four percent per annum compounded annually.

Approved June 6, 1969.

CHAPTER 1084-H. F. No. 2612

[Not Coded]

An act relating to school districts lying wholly or partly in Ramsey, Washington and Dakota counties providing an alternate procedure for annexation and detachment of land and for refunding amounts paid to defray bonded indebtedness to taxpayers in the detached area.

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

Section 1. Ramsey, Washington and Dakota counties; school

districts; annexation. Subdivision 1. In addition to the procedure provided in Minnesota Statutes, Section 122.21 for annexation to and detachment from a school district of an area of land the procedure set out in this act may be followed by independent school districts Nos. 622 and 624 in Ramsey county, Nos. 831, 832, 833 and 834 in Washington county, and No. 200 in Dakota county, as an alternate procedure. This act is not intended to amend or repeal Minnesota Statutes, Section 122.21, but is intended to provide an additional method of annexation and detachment for school districts lying wholly or partly in Washington county.

- Subd. 2. For the purpose of this section, "majority of landowners" means more than 50 percent of the persons owning property in the affected area, and shall not be construed to mean the owners of a majority of the land in the area. The owner of land which adjoins any common or independent district, or a majority of the owners, if the area has more than one owner, and whose land is not in a special district, or the county planning commission of any county in which a portion of the land is located may petition the school board of each school district in which any part of the area proposed for detachment and annexation lies to detach all or any part of his land together with the intervening lands as defined in subparagraph (b) below, from the district it now is in, and to attach it, together with such intervening land, to the adjoining district. The school district board of the district in which the land to be annexed or detached is located may also initiate the petition for annexation or detachment. For purpose of this section, land is adjoining a school district if:
- (a) The boundary of the area proposed for detachment and annexation is the same as the district boundary to which attachment is sought at any point, including corners, or
- (b) The area proposed for detachment and annexation is separated at any point from the district to which annexation is sought by not more than one-half mile and the intervening land is vacant and unoccupied or is owned by one or more of the following: The United States, or the state of Minnesota or any of its political subdivisions, or an owner who is unknown or cannot be found or
- (c) The area proposed for detachment and annexation is adjoining (as defined in subparagraphs (a) and (b) above) any land proposed for detachment from and annexation to the same district in another pending petition.
 - Subd. 3. The petition shall contain:
 - (a) A correct description of the area proposed for detach-

ment and annexation, together with such supporting data with regard to location and title to land as will establish facts conformable to subdivision 2 hereof.

- (b) The reasons for the proposed change with facts showing that the granting of the petition will not reduce the size of any district to less than four sections, unless the district is not operating a school within the district.
- (c) Consent to the petition, endorsed thereon at any time before the hearing by the board of the district from which the area is to be removed, if, at the time of the filing of the petition, any part of the area proposed for detachment is part of an unorganized territory or a district which maintains and operates a secondary school within the district or unorganized territory.
- (d) An identification of the district to which annexation is sought.
 - (e) Such other information as petitioners may desire to affix.
 - (f) An acknowledgment by the petitioner.
- Subd. 4. The petition shall be filed with the clerk of each school district involved in the attachment or detachment for presentation to the school board at its next meeting. The school boards shall within 30 days hold a joint meeting to review the proposal. The school boards shall have the right to modify the proposal in any way. At the meeting of each school board following such joint meeting the school boards shall fix a time and place for hearing the petition, which time shall be not more than 60 nor less than ten days from the date of the meeting. The clerk of each school district shall give one week's published notice of the hearing in the county wherein the hearing is to be held, and ten days' posted notice in each school district affected. Such posted and published notice may combine pending petitions. At the hearing on the petition, the school boards shall receive and hear any evidence for or against the petition. The hearing may be adjourned from time to time.
- Subd. 5. Within six months of the time when the petition was filed, the school boards shall approve or disapprove the petition, unless all or part of the land area described in the petition is included in a plat for consolidation which has been approved by the commissioner in which event, no order may be issued while consolidation proceedings are pending. No petition shall be approved which results in attaching to a district any territory not adjoining that district, as defined in subdivision 2 (a). No petition shall be approved which reduces the size of any district to less than four sections unless the district is

not operating a school within the district. If the school districts have approved the petition it shall be considered advisory to the voters and an election shall be held in the manner provided by Minnesota Statutes, Section 123.32, at a date to be jointly agreed upon by the school districts of the area affected. The eligible voters in the area to be detached shall be qualified to vote in the election. If the petition is approved by a majority of the persons voting on the question, the clerk shall transmit a certified copy to the commissioner. Failure to approve the petition within six months of the filing of the petition or termination of proceedings upon an approved consolidation plat, whichever is later, is a denial of the petition.

- Subd. 6. Upon receipt by the commissioner of the order, he shall forthwith modify his records and any plats and petitions and proceedings involving districts affected by such order presently before him for action or record, to conform to the order.
- Subd. 7. Upon the effective date of the order, the detachment and annexation ordered therein is effected, and all taxable property in the area so detached and annexed is taxable for payment of any school purpose obligations theretofore authorized by or outstanding against the district to which annexation is made. Such property is not by virtue of the order relieved from the obligation of any bonded debt theretofore incurred to which it was subject prior to the order.
- Notwithstanding the provisions of subdivision 7, the school board may provide as a part of the order providing for detachment and annexation that the amount paid by a taxpayer in the detached area to defray bonded indebtedness of the school district be refunded to such taxpaver from the general fund of the school district from which the area was detached. Upon detachment the clerk of the district from which the area was detached shall furnish the county auditor a copy of the order describing the area detached. When the taxes are levied annually the county auditor shall certify to the school board of the district from which the area was detached the amount levied to defray bonded indebtedness on each taxpayer in the detached area. Upon receipt of such information the school board of the district from which the area was detached may refund to such taxpayers in the detached area, the amount certified by the county auditor as having been paid by each such taxpayer to defray the bonded indebtedness of the district from which the area was detached. A provision providing for a refund as provided in this subdivision may be made a part of the petition and included in the question at the election as a condition upon which the annexation shall be approved, in which case this section shall be mandatory on the school district.
 - Subd. 9. The school boards of the affected districts shall have

the power to make any reasonable agreements to facilitate the transition of the areas involved into the new districts, including, but not limited to the power to permit high school students to finish high school in the system they attended prior to annexation.

Sec. 2. This act takes effect as to each of the school districts named in section 1, subdivision 1, when the school boards of the affected districts approve the same and upon compliance of each board desiring its applicability with Minnesota Statutes, Section 645.021.

Approved June 6, 1969.

CHAPTER 1085—H. F. No. 2613

An act relating to education; the foundation aid program; amending Minnesota Statutes 1967, Sections 124.17, Subdivision 1; 124.211, Subdivisions 1 and 2.

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

- Section 1. Minnesota Statutes 1967, Section 124.211, Subdivision 1, is amended to read:
- 124.211 Education; foundation aid. Subdivision 1. The foundation aid program for fiscal years 1968 1970 and 1969 1971 and each year thereafter is governed by the terms and provisions of this section.
- Sec. 2. Minnesota Statutes 1967, Section 124.211, Subdivision 2, is amended to read:
- Subd. 2. Notwithstanding any of the provisions of the education code or any law to the contrary the moneys otherwise appropriated by law for the foundation aid program shall be distributed for fiscal years 1968 1970 and 1969 1971 and thereafter pursuant to the following:
- (1) Foundation program aid shall be special state aid for schools as computed under the terms of this section, provided that no district maintaining one or more classified secondary schools nor any district formed by consolidation of two or more districts each maintaining such schools shall receive less total foundation aid for either year of the 1969–1971 biennium than was paid during the 1968–1969 school year for resident pupils of districts qualifying for such supporting aid. Determination of eligibility for and the amount