

CHAPTER 296—H.F.No.2341

[Not Coded]

An act relating to the city of South St. Paul, authorizing the use of proceeds of outstanding bonds for flood control purposes.

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

Section 1. SOUTH ST. PAUL, CITY OF; FLOOD CONTROL. Proceeds of bonds issued by the city of South St. Paul in Dakota county pursuant to the provisions of Laws 1961, Chapter 514, for the purpose of financing its share of the cost of a flood control improvement under agreement with the United States, together with income received from the investments of such bond proceeds, remaining in the city treasury after accomplishment of the purpose of said agreement, may, if authorized by a favorable vote of not less than six-sevenths of the members of the city council, be used for the planning, acquisition or betterment of additional flood control facilities, including but not limited to planning and engineering of facilities to be constructed in the future, flood plain engineering, technical services, and similar services relative thereto.

Sec. 2. This act takes effect when approved by the city council of South St. Paul and upon compliance with Minnesota Statutes, Section 645.021.

Approved May 14, 1971.

CHAPTER 297—H.F.No.2355

[Coded in Part]

An act relating to retirement; conversion of retirement benefits for certain members of the public employees retirement association; amending Minnesota Statutes 1969, Section 353.65, and Chapter 353, by adding sections.

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

Section 1. P.E.R.A.; POLICE AND FIRE FUND; CONVERSION OF RETIREMENT BENEFITS. Subdivision 1. As used in this section "old law" means a retirement law in effect prior to July 1, 1957, under which a member of the police and fire fund of the public employees retirement association has had his benefits preserved by Minnesota Statutes 1969, Section 353.68, Subdivisions 8 or 9.

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“Present law” means Minnesota Statutes 1969, Sections 353.66 and 353.68, Subdivisions 1 to 7. “New law” means sections 2, 3, and 4 of this act. The purpose of this section is to remove all remaining members from coverage under the old law and include them in coverage under the new law.

Subd. 2. Any person who was a member of the police and fire fund of the public employees retirement association prior to July 1, 1957, and who is eligible for benefits pursuant to an old law shall, after June 30, 1971, be included within coverage under the new law. The actuary for the public employees retirement association shall calculate benefits to be provided such member under the new law in the manner detailed in the following subdivisions.

Subd. 3. The present value of retirement benefits as of June 30, 1971, calculated under both the old and new laws shall be ascertained.

Subd. 4. The present value of survivor’s benefits as of June 30, 1971, calculated under both the old and new laws shall be ascertained. Calculations shall be made in the manner prescribed by Minnesota Statutes, Section 356.21, based on an assumed continuation of the member’s salary as of June 30, 1971. An average age differential between member and spouse and an average number of children per family decreasing with the age of the member may be assumed for calculation purposes.

Subd. 5. If the present value of the benefits calculated pursuant to subdivision 4 under the old law exceeds the present value of the benefits calculated pursuant to subdivision 4 under the new law the amount of the excess shall be added to the present value of retirement benefits calculated under the old law pursuant to subdivision 3. If the total thus calculated for the old law pursuant to this subdivision exceeds the present value of retirement benefits under the new law calculated pursuant to subdivision 3, the excess present value shall be deferred until actual retirement of the police officer or fire fighter.

Subd. 6. For all police officers or fire fighters retiring on or after July 1, 1971, benefits shall be calculated pursuant to the new law with the addition of any annuity which the excess present value calculated pursuant to subdivision 5 shall purchase.

Sec. 2. Minnesota Statutes 1969, Chapter 353, is amended by adding a section to read:

[353.655] BENEFITS. Subdivision 1. Every member of the police and fire fund whose employment has been ten years or more, and during such time shall have paid by salary deductions, or otherwise, into the police and fire fund, the amount required by law, shall be entitled to separate himself from such service and upon

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attaining the age of 55 years, shall be entitled to receive a normal annuity, contingent upon his separation from service.

Subd. 2. The annuity shall be paid in monthly installments equal to that portion of the average monthly salary of the annuitant as a police officer or fire fighter from which deductions were made for contribution to the fund, multiplied by two and one-half percent for each year of service not exceeding 20 and two percent for each year of service in excess of 20. In lieu of the life annuity herein provided, the member may elect a joint and survivor annuity, payable to his surviving spouse during her natural life, adjusted to the actuarial equivalent value of such life annuity.

Sec. 3. Minnesota Statutes 1969, Chapter 353, is amended by adding a section to read:

[353.656] DISABILITY BENEFITS. Subdivision 1. Any member of the police and fire fund less than 55 years of age, who shall become disabled and physically unfit to perform his duties as a police officer or fire fighter subsequent to June 30, 1971, as a direct result of an injury, sickness, or other disability incurred in or arising out of any act of duty, which shall render him physically or mentally unable to perform his duties as a police officer or fire fighter, shall receive disability benefits during the period of such disability. The benefits shall be paid in monthly installments equal to that portion of the average monthly salary of the beneficiary as a police officer or fire fighter from which deductions were made for contribution to the police and fire fund, multiplied (a) by 50 percent and, (b) by an additional two percent for each year of service in excess of 20.

Subd. 2. If a member, as described in subdivision 1, is injured under circumstances which entitle him to receive benefits under the Workmen's Compensation Law, he shall receive the same benefits as provided in subdivision 1, less the amount paid to him in weekly benefits under the Workmen's Compensation Law.

Subd. 3. Any member who after not less than five years of allowable service, before reaching the age of 55, retires because of sickness or injury occurring while not on duty as a police officer or fire fighter, and the retirement is necessary because the member is unable to perform his duties shall be entitled to receive a life annuity. The annuity shall be in the same amount and paid in the same manner as if the annuitant were 55 years of age at the date of his disability and the annuity were paid pursuant to section 2 of this act. Should disability under this clause occur after five but in less than ten years allowable service, the disability benefit shall be the same as though the member had at least ten years service.

Subd. 4. No member shall receive any disability benefit payment when there remains to his credit unused annual leave or sick

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leave or under any other circumstances, when during the period of disability there has been no impairment of his salary and should such member resume a gainful occupation and his earnings are less than his salary at the date of disability or the salary currently paid for similar positions, the association shall continue the disability benefit in an amount which when added to such earnings does not exceed his salary at the date of disability or the salary currently paid for similar positions, whichever is higher, provided the disability benefit in such case does not exceed the disability benefit originally allowed.

Subd. 5. No disability benefit payment shall be made except upon adequate proof furnished to the association of the existence of such disability, and during the time when any such benefits are being paid, the association shall have the right, at reasonable times, to require the disabled member to submit proof of the continuance of the disability claimed.

Subd. 6. All disability benefits payable under this section shall terminate when the disabled fireman or police officer becomes 55 years of age. Thereafter, retirement benefits shall be paid to the disabled fireman or police officer in the same amount as the disability benefits which he was previously receiving, except that he may elect when he attains 55 years of age to receive retirement benefits in accordance with any option then available to other members retiring at the time.

Sec. 4. Minnesota Statutes 1969, Chapter 353, is amended by adding a section to read:

[353.657] SURVIVOR BENEFITS. Subdivision 1. In the event any member of the association, serving actively as a police officer or fire fighter, shall die from any cause, the association shall grant survivor benefit payments from the retirement fund to any dependent spouse who was residing with him at the time of his death and who was married to him, for a period of at least one year, while or prior to the time he was an active member of the association, and to a child or children under the age of 18 years who were living while the deceased police officer or fire fighter was an active member of the association, the spouse and child or children shall be entitled to benefit as provided in the following subdivisions.

Subd. 2. To the spouse, for her natural life, a monthly benefit equal to 20 percent of that portion of the average monthly salary of the decedent as a police officer or fire fighter from which deductions were made for contribution to the police and fire fund. If the spouse remarries, the benefit shall cease as of the date of the remarriage. The spouse of a police officer or fire fighter who, after attaining 55 years of age elected to receive a joint and survivor annuity, shall, notwithstanding her remarriage, receive such joint and survivor annuity, for her natural life, in lieu of the spouse's benefit prescribed

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by this section. In the event such police officer or fire fighter did not elect to receive a joint and survivor annuity his spouse shall receive the spouse's benefit provided herein.

Subd. 3. To each unmarried child, until the child reaches the age of 18 years, a monthly benefit equal to eight percent of that portion of the average monthly salary of the decedent as a police officer or fire fighter from which deductions were made for contribution to the police and fire fund. In addition, the association shall make a payment of \$20 per month to be prorated equally to such children when the member is survived by one or more children. Payments for the benefit of any qualified dependent child under the age of 18 years shall be made to the surviving parent, or if there be none, to the legal guardian of such child. The maximum monthly benefit shall not exceed \$200 for any number of children.

Subd. 4. If the member shall die under circumstances which entitle his surviving spouse and dependent children to receive benefits under the Workmen's Compensation Law, the amounts so received by them shall not be deducted from the benefits payable under this section.

Sec. 5. Minnesota Statutes 1969, Section 353.65, is amended to read:

353.65 **CONTRIBUTIONS.** Subdivision 1. There is a special fund known as the "Public Employees Police and Fire Fund." In that fund there shall be deposited employee contributions, employer contributions and other amounts authorized by law including all employee and employer contributions of members transferred.

Subd. 2. The employee contribution to the fund shall be an amount equal to six percent of the salary of every member. Effective July 1, 1971, the employee contribution shall be seven percent of the salary of every member. This contribution shall be made by deduction from salary in the manner provided in subdivision 4. Prior to July 1, 1965 no deduction shall be made from any salary in excess of \$4,800 in any calendar year; from July 1, 1965 to June 30, 1967 deductions shall be made on the salary received limited to \$6,000 in any calendar year, and from and after July 1, 1967 deductions shall be made on total salary. Where any portion of a member's salary is paid from other than public funds, such member's employee contribution shall be based on the total salary received from all sources.

Subd. 3. The employer contribution to the fund shall be an amount equal to nine percent of the salary of each member not exceeding \$4,800 in any calendar year for the period July 1, 1958 through June 30, 1965; nine percent of the salary received limited to \$6,000 in any calendar year for the period from July 1, 1965 to June 30, 1967; nine percent of the total salary received in any calendar year

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for the period July 1, 1967 through June 30, 1971; and thereafter ~~nine~~ 10 1/2 percent of the total salary. This contribution shall be made by the means and in the manner provided in section 353.28.

Subd. 4. The head of each department of the various governmental subdivisions is hereby directed to cause employee contributions to be deducted in the manner and subject to the terms provided in section 353.27, subdivision 4.

Subd. 5. An additional contribution shall be made to the fund based on two and one-half percent of the salary of each member not to exceed \$4,800 in any calendar year through June 30, 1965; two and one-half percent of the salary of each member not to exceed \$6,000 in any calendar year from July 1, 1965 to June 30, 1967, two and one-half percent of the total salary of each member in any calendar year from July 1, 1967 through June 30, 1971, and each year thereafter, ~~two one~~ and one-half percent of the total salary of each member, for the purpose of amortizing the deficit in the fund. This contribution shall be made from funds available to the employing subdivision by the means and in the manner provided in section 353.28.

Subd. 6. All contributions shall be credited to the fund and all interest and other income of the fund shall be credited to said fund. The retirement fund shall be disbursed only for the purposes herein provided. The expenses of said fund and the annuities herein provided upon retirement shall be paid from said fund.

Sec. 6. This act is effective July 1, 1971.

Approved May 14, 1971.

CHAPTER 298—H.F.No.2410

An act relating to armories; disposal of unused sites; amending Minnesota Statutes 1969, Section 193.144, Subdivision 6.

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

Section 1. Minnesota Statutes 1969, Section 193.144, Subdivision 6, is amended to read:

Subd. 6. **ARMORIES; DISPOSAL OF UNUSED SITE.** In case any land acquired for armory site purposes hereunder has been

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