

Sec. 2. **EFFECTIVE DATE.** This act is effective the day following its final enactment.

Approved June 4, 1975.

CHAPTER 418—H.F.No.1313

[Coded in Part]

An act relating to retirement; miscellaneous amendments to the judges retirement act; declaring legislative policy and intent; appropriating money; amending Minnesota Statutes 1974, Chapter 490, by adding a section; and Section 490.124, Subdivisions 2 and 9.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. RETIREMENT; SUPREME AND DISTRICT COURT JUDGES; APPROPRIATION; LEGISLATIVE POLICY AND INTENT. It is the policy of the Legislature and the Legislative Retirement Study Commission to insure solvency, uniformity and equity, in the public pension plans of Minnesota for the protection and the good of the members and taxpayers of Minnesota. This legislature finds, as did the Legislature in 1967 and 1969, that a pension plan providing escalated benefits which are increased after retirement by the same percentage and at the same time as salary increases of their former position, are not consistent with sound pension policy.

The Legislature finds that to maintain the solvency of such escalated plans would place an undue financial burden on the state, and is thus not in the best interests of the taxpayers unless the members themselves pay for all or a substantial portion of the cost of the escalation. The legislature also finds that escalation if permitted in only one of the major public pension plans of Minnesota would violate the principles of uniformity and equity and would lead to demands for equivalent benefits for other public employees.

By means of this act the Legislature reaffirms the actions of 1967 and 1969 Legislatures and expresses its intent to insure consistent sound pension policy in Minnesota by terminating the escalation feature interpreted by court decision to exist within the judicial retirement plan.

By this act the legislature reluctantly accepts escalation of the retirement benefits to date and will finance the retirement benefits of the affected judges and the surviving spouses provided that such judges and beneficiaries waive any future claim to the right of escalation.

Sec. 2. Minnesota Statutes 1974, Chapter 490, is amended by adding a section to read:

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[490.106] AGREEMENT TO ACCEPT BENEFITS, EFFECT. (1)

Upon submission of an agreement to the director of the Minnesota state retirement system prior to July 1, 1975, signed by a retired district or supreme court judge whereby such judge who is entitled to receive benefits computed under laws in effect on or prior to December 31, 1973 shall agree to accept as of July 1, 1975, and thereafter, a benefit based on the salary allotted his former office at the salary level in effect on January 1, 1975, and in the same proportion of such salary as the proportion to which he was entitled upon retirement; the state shall agree to accept the liability for payment of his retirement benefit for life and upon his death the payment of the benefit of the surviving spouse, if any and provided spouse is otherwise entitled thereto, with such adjustments in the benefit amount only as may be provided under the provisions of the Minnesota adjustable fixed benefit fund after January 1, 1976, and to pay to such judge any accrued benefits due him as a result of the nonpayment of benefits since January 1, 1975, or as a result of any deficiency in benefits paid him from and after November 1971.

Upon receipt of such agreements, for each such judge who signed an agreement, the director shall make the appropriate transfer of funds to the judges' retirement fund from the assets, if any, in the account for payment of retirement benefits to such retired district or supreme court judges. The benefit shall be paid from the judges' retirement fund but shall be adjusted in the same manner at the same time as other benefits payable from the Minnesota adjustable fixed benefit fund to state employees.

(2) Upon submission of agreements to the director of the Minnesota state retirement system by each district court judge who elected to continue contributions to the survivors' account as provided by section 490.124, subdivision 10, wherein each such judge shall agree to accept at time of retirement and for life a benefit based on a salary not greater than the salary allotted his office at the date of retirement and agreements signed by surviving spouses of deceased district and supreme court judges who served as a judge between May 1961 and July 1967 wherein each such surviving spouse shall agree to accept as of July 1, 1975, and thereafter, a benefit based on the salary of such deceased judge's former office at the salary level in effect on January 1, 1975; the contributions to the survivors' account made by such district court judges, notwithstanding the provisions of section 490.102, subdivision 8, shall not be required and upon retirement of such judge, his benefit and in the event of his death, his spouse's benefit, if any and provided the spouse is otherwise entitled thereto, shall be paid from the judges' retirement fund but such benefits shall be adjusted at the same time and in the same manner as the benefits payable from the Minnesota adjustable fixed benefit fund to state employees; the liability for payment of the benefits payable on July 1, 1975, from the special supreme and district court survivors' account shall be transferred to the judges retirement fund and such benefits shall be adjusted in the same manner at the same time as benefits payable from the Minnesota

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adjustable fixed benefit fund; and the director shall pay to each such surviving spouse any deficiency in the amount of the benefit due the spouse since November, 1971.

Upon receipt of the agreements provided in clause 2 the director shall commence payment from the judges' retirement fund of the benefits payable as of July 1, 1975, from the special district and supreme court survivor's account. If such agreements are not submitted, the contribution rate to the survivors' account shall be as required by section 490.102, subdivision 8, and such benefits shall not be payable from the judges' retirement fund.

District and supreme court judges not referenced in this subdivision may, prior to their retirement, submit comparable agreements to the director and thus be afforded the same benefits. The contributions to the survivors' account by any supreme court judge who makes such agreement shall not be waived but shall be thereafter paid to the judges' retirement fund.

(3) Notwithstanding any law to the contrary, except as provided by this act, the reserve to pay a retirement benefit of a judge who served as a district or supreme court judge prior to July 1, 1967, and who elected or elects to have his benefit computed under laws in effect on December 31, 1973, shall not remain or be transferred to nor shall the benefit be payable from the adjustable fixed benefit fund.

Sec. 3. Minnesota Statutes 1974, Section 490.124, Subdivision 2, is amended to read:

Subd. 2. YEARS OF SERVICE. No judge shall be eligible for a normal or early retirement—~~an~~ annuity at normal or early retirement date if he has less than ten years of service. A judge who shall retire on or, as permitted under sections 490.121 to 490.132, after mandatory retirement date, shall be entitled to a proportionate annuity based upon his service at date of retirement.

A judge who was in office on December 31, 1973 and thereafter and who, by the date on which his term expires, would not be eligible to retire with full benefits under statutes in effect on December 31, 1973, may apply to the governor for an extension to serve up to three additional years, stating his intention to retire upon such eligibility. Notwithstanding section 490.125 hereof, the governor shall forthwith make a written order accepting such retirement application, and extending the term of office of such judge for such period of time, not exceeding three years, as may be necessary to make such judge eligible for such retirement, solely for purposes of computing benefits hereunder.

Sec. 4. Minnesota Statutes 1974, Section 490.124, Subdivision 9, is amended to read:

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Subd. 9. **SURVIVORS' ANNUITY.** Upon the death of a judge prior to retirement, his surviving spouse or, if there be no surviving spouse, his dependent children, shall receive an annuity, payable monthly, equal to 60 percent of the normal retirement annuity which would have been payable to the judge had the date of his death been the normal retirement date, provided that the surviving spouse or dependent children shall receive an annuity of not less than 25 percent of the judge's final average compensation.

If a judge, whose surviving spouse was not entitled to survivors benefits provided solely for judges under statutes in effect prior to January 1, 1974, shall have died prior to retirement on or after May 23, 1973 and before January 1, 1974, his surviving spouse and dependent children, if any, shall be entitled to survivors benefits as provided hereunder as if such judge had died on January 1, 1974.

Sec. 5. **APPROPRIATION.** There is appropriated from the general fund in the state treasury to the executive director of the Minnesota state retirement system the amounts specified in this section for the purposes indicated, to be available for the fiscal years ending June 30, 1975, 1976, and 1977.

Supreme and district court judges' retirement benefits	\$1,454,500
Supreme and district court judges' survivors' benefits	\$ 568,200

Sec. 6. **NON-SEVERABILITY.** If any provision of this act is declared unconstitutional, the entire act is void.

Sec. 7. This act is effective the day following enactment. Section 4 shall be retroactive to January 1, 1974.

Approved June 4, 1975.

CHAPTER 419—H.F.No.1328

[Coded in Part]

An act relating to real estate; abstracters; increasing fees and amount of bonds; changing enforcement procedures; providing for greater access to public records; changing registration requirement; amending Minnesota Statutes 1974, Sections 386.62; 386.66; 386.68; 386.70; 386.71; and Chapter 386, by adding sections.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1974, Section 386.62, is amended to read:

386.62 **REAL ESTATE; ABSTRACTERS; REGISTRATION; CER-**

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