

Claims and awards shall be separately classified as follows:

(1) The approved claims and awards not satisfied but referred to the legislature for final consideration and appropriation.

(2) Approved claims and awards satisfied by payments out of regular appropriations for the biennium.

(3) Approved claims and awards satisfied by payment out of a special appropriation made by the legislature to pay claims arising during the biennium.

(4) Claims rejected by the commission, with the reasons therefor.

(5) Advisory determinations and opinions made at the request of the governor or the head of a state agency.

The commission may include other information or recommendations pertaining to the performance of its duties. The commission shall transmit its biennial report to the governor and a copy thereof to the presiding officer of each house of the legislature. The biennial reports of the commission shall be published by the clerk as a public document.

Sec. 24. [3.64] **False or fraudulent claims.** A person who knowingly and wilfully presents, or attempts to present, a false or fraudulent claim; or a state officer who knowingly and wilfully participates, or assists, in the preparation or presentation of a false or fraudulent claim is guilty of a misdemeanor. If a person convicted of such offense is a state officer, he also forfeits his office.

Sec. 25. **Appropriation.** There is hereby appropriated from the general revenue fund out of funds not otherwise appropriated the sum of \$15,000 to carry out the purposes of this act. All payments are to be certified on vouchers to the state auditor by the clerk for payment as provided by law.

Sec. 26. This act shall be in force from and after its passage until the 1955 session of the legislature adjourns sine die.

Approved April 24, 1953.

CHAPTER 750—S. F. No. 261

An act relating to the Minnesota state teachers retirement fund and amending Minnesota Statutes 1949, Section 135.04, as amended by Laws 1951, Chapter 481, Section 1;

Section 135.05, Subdivision 2, as amended by Laws 1951, Chapter 481, Section 2 and Chapter 544, Section 1; Section 135.06, as amended by Laws 1951, Chapter 481, Section 3 and Chapter 696, Section 1; Section 135.09; and Section 135.10, as amended by Laws 1951, Chapter 481, Section 4.

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

Section 1. Minnesota Statutes 1949, Section 135.04, as amended by Laws 1951, Chapter 481, Section 1, is amended to read :

135.04 Powers of the board. *Subdivision 1.* The board shall have, and is hereby granted, power to frame by-laws for its own government and for the management of the fund not inconsistent with the laws of the state and to modify them at pleasure; to adopt, alter, and enforce reasonable rules and regulations not inconsistent with the laws of the state for the administration and management of the fund, for the payment and collection of payments from members, and for the payment of withdrawals and benefits; to pass upon and allow or disallow all applications for membership in the fund and for credit for teaching service; to pass upon and allow or disallow all claims for withdrawals, pensions, or benefits payable from the fund; to provide for the payment out of the fund of all necessary expenses for the administration thereof and of all claims for withdrawals, pensions, or benefits allowed.

Subd. 2. In passing upon all applications and claims, the board may summons, swear, hear, and examine witnesses and, in the case of claims for disability benefits, may require the claimant to submit to a medical examination by a physician of the board's choice, at the expense of the claimant, as a condition precedent to the passing on the claim, and, in the case of all applications and claims, may conduct investigations necessary to determine the validity and merit of the same.

Subd. 3. The board may sue or be sued in the name of the board of trustees of the teachers retirement fund and in all actions brought by or against it the board shall be represented by the attorney general.

Subd. 4. It shall be the duty of the board from time to time to certify to the state board of investment for investment as much of the funds in its hands as shall not be needed for current purposes. The state board of investment shall thereupon invest the sum so certified in such securities as are now or may hereafter be duly authorized legal investments for savings banks and trust companies and all such securities so purchased shall be deposited with the state treasurer; but in the case of necessity such securities shall be sold by the state

board of investment upon request of the board in order to raise money for current purposes. All interest from this investment shall be credited to the fund and used for current purposes, except as hereinafter provided.

Subd. 5. The board shall keep a record of the receipts and disbursements of the fund and a separate account with each member of the fund. It shall determine annually the net annual interest earnings of the fund by deducting the expenses of the fund from the gross interest earnings. Five percent of the net annual interest earnings shall annually be set aside as a contingency reserve until the contingency reserve equals five percent of the assets of the fund. The contingency reserve so created shall be disbursed only by specific direction of the board. The remaining portion of the net annual interest earnings, computed to the last full quarter percent interest upon members' accounts and not in excess thereof, shall be apportioned and credited to the separate accounts of the members of the fund in proportion to the total amount to their credit therein. Any excess remaining shall be added to the reserve accounts of the fund. In the event the remaining portion of the net annual interest earnings of the fund falls below two percent, the board may in its discretion use the reserve accounts of the fund, excepting the contingency reserve hereby created, and the annuity reserves for the purpose of crediting to the accounts of the members a sum equal to the difference below two percent.

Subd. 6. *The board shall present annually to the members of the fund at its annual meeting a report of the condition of the fund for the last preceding fiscal year, which shall include a statement of the receipts and disbursements of the fund, a list of the securities in which the fund is invested, and such other information as may be necessary or desirable. One copy of the report shall be filed in the office of the commissioner of education, one with the governor, and other copies filed or distributed as the board may determine. The report shall be published in the biennial report of the commissioner of education.*

Sec. 2. Minnesota Statutes 1949, Section 135.05, Subdivision 2, as amended by Laws 1951, Chapter 481, Section 2, and Chapter 544, Section 1, is amended to read:

Subd. 2. Persons not becoming members within two years after resuming teaching inclusion. Any teacher who has rendered teaching service since August 1, 1931, in schools or institutions to which sections 135.01 to 135.15 apply, and who had rendered teaching service in schools or institutions

subject to Laws 1915, Chapter 199, and all acts amendatory thereof, prior to August 1, 1931, but who did not become a member of the fund within two years after resuming teaching service after August 1, 1931, as required by subdivision 1, shall have the right to become a member of the fund if application for such membership is made to the board in writing within two years after rendering the first teaching service in any of the schools or institutions to which sections 135.01 to 135.15 apply subsequent to August 1, 1953. Teachers who so become members of the fund shall pay into the fund the amount of assessments provided for in section 135.06, and shall have the right to pay into such fund, and receive similar credit therefor at the time paid, an additional sum, either in cash or in installments, which payment or payments shall not be in excess of six percent of the teacher's average yearly salary, but not more than \$175 for any year, for the five years of service immediately preceding 1951, multiplied by the number of years of previous service for which the teacher has been given credit, together with interest on the same at the rate of four percent per annum from the time of first rendering that previous service until July 1, 1947, and six percent of the teacher's salary, but not more than \$175 per year, without interest, for the period from July 1, 1947, until July 1, 1951; and for the period thereafter a sum equal to that paid by teachers who were members of the fund on July 1, 1951, *without interest*. All cash and installment payments herein provided for, and their due dates shall be the same as are applicable to teachers who were members of the fund on July 1, 1951. Those members shall have the rights provided for and be subject to the provisions of sections 135.06 and 135.10 (except as hereinafter provided), and section 135.11.

All teachers who were members of the fund on July 1, 1951, or thereafter became members of the fund, shall have the right to pay into such fund and receive credit therefor at the time paid an additional sum, either in cash or installments, which payment or payments shall not be in excess of six percent of the teacher's average yearly salary, but not more than \$175 for any year, for the five years immediately preceding July 1, 1951, multiplied by the number of years of service prior to said date for which the teacher has been given credit, together with interest only for periods prior to July 1, 1947, at the rate of four percent per annum from the time of first rendering the previous service until July 1, 1947, and a further additional sum equal to six percent of the teacher's salary for the period from July 1, 1951, to June 30, 1953, but not in excess of \$175 for any year, without interest, which payment shall be less any amount to their credit in the fund on July 1,

1947, and less any amount paid into the fund on any teacher's account subsequent to July 1, 1947.

Sec. 3. Minnesota Statutes 1949, Section 135.06, as amended by Laws 1951, Chapter 481, Section 3, and Chapter 696, Section 1, is amended to read:

135.06 Payments by members. *Subdivision 1.* Each member of the fund except teachers who have resumed teaching after drawing an annuity shall pay into the fund a sum equivalent to *six* percent of her annual salary, no payment to exceed \$216 per year, but for not more than 40 years, payable in the manner and at the times hereinafter provided. The payments shall be credited to the account of the teacher paying the same.

Subd. 2. Teachers who ceased paying into the fund after teaching 35 years but who have continued to teach shall have the right to pay into the fund an additional sum either in cash or installments, which payment or payments shall not be in excess of *six* percent of their annual salary, but not more than \$175 for any year, for each year of teaching service beyond 35 years, but not beyond 40 years, together with interest thereon at the rate of four percent per annum from the time of rendering such additional teaching service until July 1, 1947.

Subd. 3. It is hereby made the duty of each person, officer, board of education, or managing body required by law to draw the warrants or orders for payment of salaries to teachers to deduct and withhold from each month's salary due to every teacher who is a member of the fund except teachers who have resumed teaching after drawing an annuity the amount which such teacher is required to pay into the fund and, at the time of such deduction, a statement showing the amount thereof shall be furnished to such teacher. Such officer, board of education, or other managing body of each school district or institution shall, between the first and fifteenth days of January and between the fifteenth and thirtieth days of June, each year, forward to the treasurer of the county in which such school or institution is situated a statement, verified by the secretary or clerk thereof, showing the amount of money so retained from each teacher in accordance with the provisions of sections 135.01 to 135.15 and, with the statement, shall transmit the entire amount so retained to the treasurer of the county; and, in case any school district is situated in more than one county, the report and remittance shall be sent to the senior county. Such board of education or other managing body shall, on or before the thirtieth day of June, each year, transmit to the county superintendent of schools a state-

ment showing the name of each teacher, the number of months of school taught by her during the year for which the statement is made, the number of months which constitutes a school year in the district or institution, and such other information as the board may require. If no teacher in such public school or other institution comes under the provisions of Sections 135.01 to 135.15, the report shall state such fact. Each of the foregoing reports shall be verified by the person making the same; provided, that if the drawing of the warrant or order for the payment of any teacher's salary devolves upon any state officer or board, such officer or board shall make the reports herein required directly to the board of trustees and remit the money so deducted to the state treasurer.

Subd. 4. Each county superintendent shall, on or before the first day of September, each year, report under oath to the board giving an itemized summary of the statements received by him from the school boards and other managing bodies, including a statement of the total amount withheld from the salaries of the teachers as shown by these reports.

Subd. 5. Between the fifteenth and twenty-eighth days of February and between the fifteenth and thirtieth days of July, each year, the treasurer of each county shall transmit to the state treasurer all moneys received from the board of education and other managing bodies of schools or institutions to which sections 135.01 to 135.15 apply and certify under oath to the correctness of the amount so received and transmitted, and furnish such other information as the board shall require. The state treasurer shall credit all money received or withheld pursuant to the provisions of sections 135.01 to 135.15 to the fund and the reports and date received by him from the county treasurer shall be available for the board. Any person wilfully failing to perform any of the duties imposed upon him by this section shall be guilty of a misdemeanor.

Subd. 6. The state treasurer, the several county treasurers, and the treasurers of the various school districts and institutions to which sections 135.01 to 135.15 apply shall be officially liable for the receipt, handling, and disbursement of all moneys coming into their hands belonging to the fund and the sureties on the official bonds of each of these treasurers shall be liable for such moneys the same as for all other moneys belonging to the school funds of this state.

Sec. 4. Minnesota Statutes 1949, Section 135.09, is amended to read:

135.09 Teachers; other states, other schools. *Subdivision 1.* Teachers who have rendered teaching service in

other states or *in* the public schools of this state to which sections 135.01 to 135.15 do not apply, or *in* the University of Minnesota, who *prior thereto have been, or thereafter* become members of the fund, may be given credit for such teaching service by the board, *provided that no credit may be given for any part thereof rendered subsequent to June 30, 1953, for which they are entitled to receive benefits under any other retirement system;* and, after having acquired credit for 15 years of teaching service in schools or institutions to which sections 135.01 to 135.15 apply, *of which at least five years shall have been rendered subsequent to such other teaching service,* such teachers may then pay into the fund an amount equal to six percent of the average yearly salary, not exceeding \$3,500 [\$175], received during the five years immediately before completion of the required Minnesota service or July 1, 1951, whichever is later, multiplied by the number of years of such teaching service for which credit is given, together with interest thereon at the rate of four percent per annum from the time of rendering such previous service.

Subd. 2. The board shall provide in its rules and regulations the method and means for reinstatement as members of the fund of teachers who have withdrawn therefrom and who afterwards reenter teaching service. In computing the time of service of a teacher, the length of a legal school year in the district or institution where such service was rendered shall constitute a year under sections 135.01 to 135.15, provided such year is not less than the legal minimum school year of this state. No person shall be allowed credit for more than one year of teaching service for any calendar year. If a teacher teaches for only a fractional part of any year, credit shall be given for such fractional part of the year as the term of service rendered bears to the legal school year in such district or institution, but in no case shall the legal year be less than the minimum school year of this state. Commencing July 1, 1949, if a teacher teaches for only a fractional part of any year, credit shall be given for a year of teaching service if the period of teaching within the year be not less than 120 days. No credit shall be given thereafter for teaching service within a year where such teaching service is less than the minimum prescribed above.

Sec. 5. Minnesota Statutes 1949, Section 135.10, as amended by Laws 1951, Chapter 481, Section 4, is amended to read:

135.10 Fund withdrawn, where. *Subdivision 1.* When any teacher who is a member of this fund shall cease to render teaching service in any school or institution to which sections

135.01 to 135.15 apply, all moneys to the credit of such teacher as teachers' savings shall, upon written application to the board, be paid to such teacher in cash. In case of the death of a member before an annuity shall have been drawn, the amount to her credit as teachers' savings shall be payable to any beneficiary designated in writing and filed with the board, and, if no beneficiary be so designated, to her estate.

Subd. 2. A teacher ceasing to render teaching service, as hereinbefore provided, who shall have at said time to her credit 30 years or more of teaching service or has at such time or thereafter attained the age of 55 years, may, in lieu of this cash payment, use the moneys to her credit as teachers' savings as follows:

(1) To purchase from the fund a life annuity in such an amount as the teacher's age, the amount to her credit as teachers' savings, and the mortality tables in use by the board and interest at the rate of four percent per annum shall permit, which annuity shall be guaranteed by the state; or

(2) To purchase from the fund an annuity for a term of 15, 20, or 25 years in such an amount as the teacher's age, the amount to her credit as teachers' savings, and the mortality tables in use by the board and interest at the rate of four percent per annum shall permit, which annuity shall be guaranteed by the state.

(3) To purchase from the fund an annuity for the life of the teacher which in the event of death shall continue and be payable to a designated beneficiary or beneficiaries until the sum of the annuity payments made equals the amount of teachers' savings applied to purchase such annuity in such amount as the teacher's age, the amount to her credit as teachers' savings and the mortality tables in use by the board and interest at the rate of four percent per annum shall permit, which annuity shall be guaranteed by the state; or

(4) To purchase from the fund an annuity for the life of the teacher which in the event of death shall continue and be payable to a designated beneficiary or beneficiaries until annuity payments have been made for a total of fifteen years in such an amount as the teacher's age, the amount to her credit as teachers' savings and the mortality tables in use by the board and interest at the rate of four percent per annum shall permit, which annuity shall be guaranteed by the state; provided that in the case of a designated beneficiary other than a surviving spouse, child, grandchild or parent, such payments by the state shall not continue beyond the death of such teacher.

Subd. 3 Every teacher who is rendering teaching service in any school or institution to which sections 135.01 to 135.15 apply and has credit as teachers' savings in an amount of not less than \$1,000 may at any time prior to retirement elect to purchase a term annuity as provided in this section payable immediately upon death to a designated beneficiary or in lieu thereof may elect to purchase an annuity payable immediately upon death to the teacher's spouse for life or to each dependent child until attaining the age of 18, or both, in proportions to be designated by the teacher, in such an amount as the spouse's age, the amount to the teacher's credit as teachers' savings and the mortality tables in use by the board and interest at the rate of four percent per annum shall permit, which annuity shall be guaranteed by the state. Any election made hereunder may be rescinded during the teacher's life.

Subd. 4. If such teacher shall elect to purchase an annuity, as hereinbefore provided, the state shall, at the time of the payment of such annuity, pay to the teacher or designated beneficiary an amount equivalent to such annuity, to be paid from state funds hereinafter provided; provided, the amount of the annuities so paid by the state shall not exceed in amount the term of life annuities which such annuitant could purchase with the moneys to her credit as teachers' savings for the first 40 years of teaching service, if she has a teaching service credit in excess of 40 years.

Annuities to be paid under the provisions of this section shall be payable quarterly on the first days of January, April, July and October.

Subd. 5 A teacher who has purchased an annuity as in this section provided and has thereafter resumed teaching in any school or institution to which sections 135.01 to 135.15 apply shall continue to receive payments in accordance with such annuity during any year in which her income from such teaching service does not exceed the amount of \$900.

Subd. 6. If, during the fifteenth or any subsequent year of teaching service, any member of the fund shall become totally disabled and the board shall determine that such member is permanently disqualified to render teaching service, as herein provided, such member shall, on written application to the board, be paid the amount to her credit as teachers' savings or may use this amount to purchase from the fund an annuity as above provided. If such teacher shall elect to purchase an annuity, as hereinbefore provided, the state shall at the time of the payment of such annuity pay to the teacher or designated beneficiary an amount equivalent to such annuity to be paid from the state funds hereinafter provided.

Subd. 7. Every teacher retired under the total disability provision shall, if required by the board, submit to an annual physical examination by a physician designated by the board, who shall report his findings to the board, and the board's decision as to the teacher's continued total disability and right to further benefits under the total disability provision shall be final. A teacher who receives total disability benefits, as hereinafore provided, shall have the amount of the benefits, exclusive of the payments from state funds, charged against the amount credited to her account as teachers' savings.

Sec. 6. The effective date of this act shall be July 1, 1953.

Approved April 24, 1953.

CHAPTER 751—S. F. No. 780

An act relating to proceedings in eminent domain by the state; amending Minnesota Statutes 1949, Sections 117.08 and 117.14.

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

Section 1. Minnesota Statutes 1949, Section 117.08, is amended to read:

117.08 Appraisers; powers, duties. The commissioners, having qualified according to law, shall meet as directed by the order of appointment and hear the allegations and proofs of all persons interested touching the matters to them committed. They may adjourn from time to time and from place to place within the county, giving oral notice to those present of the time and place of their next meeting. All testimony taken by them shall be given publicly, under oath, and in their presence. They shall view the premises, and any of them may issue subpoenas for witnesses, which shall be served as subpoenas in civil actions are served, and at the cost of the parties applying therefor. If deemed necessary, they may require the petitioner to furnish for their use maps or plats showing the character and extent of the proposed undertaking and the situation of lands desired therefor. In proper cases they may reserve to the owner a right of way or other privilege in or over the land taken, or attach reasonable conditions to such taking in addition to the damages given, or they may make an alternative award, conditioned upon the granting or withholding of the right specified. Without unreasonable delay they shall make a separate assessment and award of the damages which in their judgment will result to each of the owners of the land by reason of such taking and within 30 days after making such