Sec. 2.   *Section 1 is in effect as of July 1, 1963.*

Approved May 10, 1963.

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CHAPTER 585—H. F. No. 700

An act relating to the teachers retirement fund; amending Minnesota Statutes 1961, Section 135.03, Subdivision 1; repealing Minnesota Statutes 1961, Section 135.12.

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

Section 1.   Minnesota Statutes 1961, Section 135.03, Subdivision 1, is amended to read:

135.03   **Teachers retirement fund; board of trustees; membership; duties.**   Subdivision 1.   The management of the fund shall be vested in a board of seven trustees to be known as the board of trustees of the teachers retirement fund. It shall be composed of the following persons: the commissioner of education, the state auditor, the commissioner of insurance, and four members of the fund who shall be elected *by mail ballot for terms of four years* by the members of the fund ~~at the time and place of their annual meeting~~ *in a manner to be fixed by the board of trustees of the fund.* ~~At the first election of the members of the fund, in the fall of 1962, the two new positions established by Extra Session Laws 1961, Chapter 17, shall be filled by electing one trustee who shall be elected to serve for one year and one trustee who shall serve for two years.~~ *The terms of office of all incumbent elective members of the board of trustees on the effective date of this act shall terminate on the first of July 1965. In 1965, there shall be elected four members of the board of trustees, for terms commencing on the first of July 1965, two of whom shall be elected for terms of four years each, and two for terms of two years each.* ~~The terms of the elective members shall begin~~ *Thereafter in every odd numbered year there shall be elected two members of the board of trustees for terms of four years commencing* on the first ~~Monday in January~~ *of July* next succeeding their election. *Each election shall be completed by June 1st of each succeeding odd numbered year.* In the case of elective members, vacancies shall be filled by appointment by the remainder of the board, the appointee to serve until the members of the fund have elected a trustee to serve for the unexpired term caused by such vacancy. No member shall be appointed by the board, or elected by the members of the fund as a trustee who is not a member of the fund in good standing at the time of such appointment or election. It shall be the

Changes or additions indicated by *italics,* **deletions by** ~~strikeout~~.

duty of the board of trustees to faithfully administer the law without prejudice and consistent with the expressed intent of the legislature. They shall act as trustees with a fiduciary obligation to the state of Minnesota which created the fund, the taxpayers which aid in financing it and the teachers who are its beneficiaries.

Sec. 2.   *Minnesota Statutes 1961, Section 135.12, is hereby repealed.*

Sec. 3.   *This act shall become effective July 1, 1963.*

Approved May 10, 1963.

CHAPTER 586—H. F. No 750

[Coded]

An act relating to the teachers retirement association; amending Minnesota Statutes 1961, Section 135.33, by adding a new subdivision.

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

Section 1.   Minnesota Statutes 1961, Section 135.33, is amended by adding a subdivision to read:

*Subd. 5.   **Teachers retirement association; computation of annuity.** Notwithstanding the provisions of subdivision 1 when any person retires who (a) on July 1, 1959 had ten or more years of allowable service, and (b) does not have any retroactive social security coverage by reason of his position in the retirement system, and (c) does not qualify for old age and survivor primary benefits at the time of retirement, the annuity shall be computed under section 135.44.*

Sec. 2.   *This act takes effect July 1, 1963.*

Approved May 10, 1963.

CHAPTER 587—H. F. No. 972

An act relating to taxes on and measured by net income; amending Minnesota Statutes 1961, Section 290.03.

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

Changes or additions indicated by *italics,* **deletions by** ~~strikeout~~.