

Subd. (f). Said commissioner shall also ascertain and secure the necessary information from the various parts of the state to enable him to make and furnish to engineers of the state all necessary information as to the proper size of tile and the discharge thereof under various conditions, including information as to the proper size and discharge of open ditch construction and such information shall be included in the rules to be furnished and followed as provided in section 1, chapter 441 of the Laws of 1917.

Subd. (g). Said commissioner is hereby authorized to cooperate and enter into agreement with the Minnesota State Agricultural Experiment Station and The United States government or any department thereof whenever in the opinion of said commissioner such cooperation is advisable for the purposes mentioned in this act.

Approved April 25, 1931.

CHAPTER 351—S. F. No. 568

An act relating to the State Employees' Retirement Fund and amending Laws 1929, Chapter 191.

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

Section 1. Law amended.—That the sections and subdivisions of Laws 1929, Chapter 191, as hereinafter specified be and the same hereby are amended so as to read as follows:

“Section 1. **Words and phrases defined.**—That the following words and phrases as used in this act, unless a different meaning is plainly required by the context, shall have the following meanings:

“1. ‘State Employee’ shall mean any person holding a state office or regularly employed by the state in any capacity whatever and whose salary is paid either by warrant of the state auditor or from the fees or income of any department or agency of the state, excepting court commissioners, district judges, and the president, deans, professors, and instructors in the state university and in the state teachers’ colleges, but shall not include temporary employes or those employed for a definite period of less than six months.”

"3. 'Accumulated Deductions' shall mean the total of the amounts deducted from the salary of a member *and the total amount of assessments paid by a member in lieu of such deductions* and credited to his or her individual account in the retirement fund, without interest."

"4. 'The Retirement Fund' shall mean and include the aggregate of all accumulated deductions from the salaries of members of the retirement association, *all assessments paid by such members in lieu of such deductions, and all other moneys paid into the state treasury or received by the retirement board pursuant to the provisions of this act, together with all income and profits therefrom and interest thereon.*"

"Section 2. **State employees retirement association created.**—There is hereby established a state employes' retirement association the membership of which shall consist only of state employes. Membership in said association shall be optional on the part of *persons in the employ of the state on July 1, 1929*, but all other new state employes except elective state officers shall become members of said association by acceptance of state employment. *Persons in the employ of the state on July 1, 1929*, who apply for membership in the retirement association prior to January 1, 1930, shall pay a membership fee of One Dollar (\$1.00) and *persons in the employ of the state on July 1, 1929*, who apply for membership therein after January 1, 1930, shall pay a membership fee of Ten Dollars (\$10.00), but no *person in the employ of the state on July 1, 1929*, shall be eligible to apply for membership in the retirement association after July 1, 1931. In addition to such membership fee, every *person in the employ of the state on July 1, 1929*, who becomes a member of the retirement association shall pay in a sum equal to all accrued deductions from his or her salary which would have been made had such employe become a member of the retirement association July 1, 1929, with interest thereon at the rate of four per cent (4%) per annum compounded annually."

"Section 3. **Board of managers—officers.**—The management of said state employes' retirement fund is hereby vested in a board of seven members, who shall be known as the State Employes' Retirement Board. Said board shall consist of the state auditor, the state treasurer, the insurance commissioner and four state employes who shall be *elected* by the members of the retirement association at a time and in a manner to be fixed by the retirement board. *The members of said board so elected shall hold office for a term of four years and until their successors are elected and qualified; provided that at the first election held after the passage of this act one of said members shall be elected for the term of one year, one*

member for the term of two years, one member for the term of three years, and one member for a term of four years. Any vacancy in said board caused by the death, resignation or removal of either of the members so elected shall be filled by the retirement board for the unexpired portion of the term in which such vacancy occurs. The members of the retirement board shall serve without compensation, but shall be reimbursed out of the retirement fund for expenses actually and necessarily paid or incurred in the performance of their duties, and shall suffer no loss of salary or wages through service on such board. The board shall elect a chairman and shall appoint a secretary and such other employes as may be necessary and fix their compensation. The board shall from time to time, subject to the limitations of this act and of the law, establish rules and regulations for the administration of the retirement and other provisions of this act and for the transaction of its business."

"Section 4. Payments into retirement fund.—Every member of the retirement association shall pay into the retirement fund three and one-half per cent ($3\frac{1}{2}\%$) of his or her regular salary. Such payment shall be made by deduction thereof from such salary. The head of each department is hereby directed to cause such deduction to be made *at least once each month on abstract* from the salary of each member of the retirement association and to approve one voucher payable to the state treasurer for the aggregate amount so deducted from the salaries covered by said abstract, *provided that deductions from salaries of employes paid direct by any department, institution or agency of the state shall be made by the officer or employe authorized by law to pay such salaries, and remitted by him to the state treasurer with a statement in duplicate showing the amount of each of such deductions and the names of the employes on whose account the same have been made.* All such salary deductions shall be credited to a fund to be known as the retirement fund and all interest and other income of said association shall be credited to said fund. The retirement fund shall be disbursed only for the purposes herein provided. The expenses of said association and the annuities herein provided upon retirement shall be paid only from said fund."

"Section 6. Investment board to invest funds.—The retirement board shall from time to time certify to the state board of investment for investment such portions of the retirement fund as in its judgment may not be required for *immediate use.* The state board of investment shall thereupon invest the sum so certified in such securities as are duly authorized legal investments for savings banks and trust companies, and *shall* sell any such securities upon request

of the retirement board when necessary to provide money for the payment of refunds or annuities to members and/or other lawful obligations."

"Section 7. Department of Administration and Finance to make list of employees.—Within thirty days after this bill becomes a law, the department of administration and finance shall submit to the retirement board a statement showing the name, age, sex, title, compensation, and length of service as a state employe of every employe of the state as defined in Section 1 of this act, and shall upon request of the retirement board furnish to said board a like statement of all new officers or employes who have entered the service of the state."

"Section 9. Amount paid in to be refunded in certain cases.—Whenever any member of said association shall cease to be a state employe for any reason other than death or retirement for disability or superannuation, he or she shall be paid, on demand, the full amount of the accumulated deductions standing to the credit of his or her individual account, provided that any such member who has been in the service of the state for not less than five years may, in lieu thereof, upon application in writing to the retirement board within sixty days from the termination of his or her employment, be permitted to retain membership in the retirement association and to enjoy all the rights and privileges thereof upon such terms and conditions as to his employment and the payment of assessments in lieu of salary deductions as the retirement board may by general rule prescribe. Any member of the retirement association who has maintained his or her membership after leaving the employ of the state by the payment of such assessments may terminate such membership by notice in writing to the retirement board, whereupon he or she shall be paid, on demand, the full amount of the accumulated deductions standing to the credit of his or her individual account."

"Section 10. Members may be reinstated.—Whenever a state employe, who has so withdrawn his accumulated deductions shall re-enter the employment of the state within five years after such withdrawal, the annuity rights forfeited by such employe at the time of such withdrawal shall be restored upon repayment by such employe to the retirement fund of the full amount so withdrawn, and thereupon such employe shall resume his or her obligation as a member of the retirement association."

"Section 11. Retirement—annuity.—Whenever any member of the retirement association has been an employe of the state for a period of twenty (20) years and has attained the age of sixty-five (65) years or when any such employe has been in the

service of the state for a period of thirty-five years, he shall be eligible for retirement for superannuation, but such retirement shall not be compulsory, *provided that in computing such term of service the time during which any member of the association shall have maintained his membership by the payment of assessments after leaving the service of the state, in lieu of deductions, shall be included.* Such retirement may be made upon application of the member or of someone acting in his or her behalf, or *in case of an employe in active service* upon the application of the head of the department in which such member is employed. Upon such retirement such member shall receive an annuity for the remainder of his or her life equal to fifty (50) per centum of his or her average salary during the last five years of *state* service, provided that no such retirement annuity shall exceed the sum of One Hundred and Fifty Dollars (\$150.00) per month.

"If the total of annuities shall during any year become greater in amount than the annual contribution, the Board shall proportionally reduce the amount of annuities."

"Section 12. Disability—annuity.—Whenever any member of the retirement association, who has been an employe of the state for a period of 10 years, or more, or whose term of service added to the period of time during which he has maintained membership in said association by the payment of assessments in lieu of salary deductions as herein provided amounts to 10 years or more, and is under the superannuated retirement age, shall suffer a total permanent disability, as defined in the workman's compensation act, regardless of the cause thereof, such member shall be entitled to a retirement annuity in an amount bearing the same ratio to the full retirement annuity for superannuation as his term of service augmented by the period during which he has maintained membership as herein provided bears to 20 years, and whenever such member shall suffer a permanent partial disability, regardless of the cause thereof, such member shall be entitled to an annuity in such percentage of the amount computed as aforesaid in case of total permanent disability as in the judgment of the retirement board shall measure the decrease in his earning capacity caused by such permanent partial disability."

"Section 15. To be paid in monthly installments.—All annuities granted under the provisions of this act shall be paid in equal monthly installments, and shall not be increased, decreased or revoked except as provided in this act. All annuities for disability shall be in addition to any benefits accruing to a state employe under the workman's compensation act."

"Section 16. **Date of retirement.**—No retirement on account of disability or superannuation shall be granted until July 1, 1931, nor shall any member of the retirement association be entitled to receive a retirement annuity for superannuation until he shall have paid into the retirement fund, either by deductions from salary or *otherwise*, before such retirement, an amount equal to five years accumulated deductions from his or her average salary during the last five years of *state* service, and such additional amount as may be provided by law prior to July 1, 1931, and provided that until July 1, 1931, nothing done hereunder shall create or give any contract rights to anyone, except the right to receive back upon withdrawing from the association, any *salary deductions made or assessments paid* hereunder."

"Section 17. **Funds not subject to process.**—None of the moneys, annuities or other benefits mentioned in this act shall be assignable either in law or in equity or be subject to execution, levy, attachment, garnishment or other legal process *nor shall they be subject to any state income tax.*"

Approved April 25, 1931.

CHAPTER 352—S. F. No. 596

An act to amend Section 4289, General Statutes 1923, relating to insurance under workmen's compensation act.

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

Section 1. **Who may insure—policies.**—That Section 4289, General Statutes 1923, be and the same hereby are amended to read as follows:

"4289. Any employer who is responsible for compensation as provided under part 2 of this act may insure the risk in any manner then authorized by law. But those writing such insurance shall, in every case, be subject to the conditions of this section hereinafter named.

"If the risk of the employer is carried by any insurer doing business for profit, or by an insurance association or corporation formed of employers, or of employers and workmen, to insure the risks under part 2 of this act, operating by the mutual assessment