

(f) *Beneficiary and method required to change such beneficiary;*

(g) *In the case of a group term insurance policy if the policy provides that insurance of the certificate holder will terminate, in case of a policy issued to an employer, by reason of termination of the certificate holder's employment, or in case of a policy issued to an organization of which the certificate holder is a member, by reason of termination of his membership, a provision to the effect that in case of termination of employment or membership the certificate holder shall be entitled to have issued to him by the insurer, without evidence of insurability, upon application made to the insurer within 31 days after termination of employment or membership, and upon payment of the premium applicable to the class of risk to which he belongs and to the form and amount of the policy at his then attained age, a policy of life insurance only, in any one of the forms customarily issued by the insurer except term insurance, in an amount equal to the amount of his life insurance protection under such group insurance policy at the time of such termination; and shall contain a further provision to the effect that upon the death of the certificate holder during such 31 day period and before any such individual policy has become effective, the amount of insurance for which the certificate holder was entitled to make application shall be payable as a death benefit by the insurer.*

Approved April 23, 1945.

CHAPTER 603—H. F. No. 1201

An act relating to the State Employees Retirement Fund, providing for a tax levy and appropriating the proceeds therefrom; and amending Minnesota Statutes 1941, Section 352.04, as amended by Laws 1943, Chapter 622, Section 3.

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

Section 1. Minnesota Statutes 1941, Section 352.04, as amended by Laws 1943, Chapter 622, Section 3, is amended to read as follows :

352.04. Payments into retirement fund. Subdivision 1. *From and after July 1, 1945, members shall pay into the retirement fund five per cent of the compensation paid them including compensation for overtime and any allowance for*

maintenance of housing, provided, however, that those members now paying into the retirement fund $5\frac{1}{2}$ per cent and 6 per cent of the compensation paid them including compensation for overtime and any allowance for maintenance or housing shall continue to pay at the rate of $5\frac{1}{2}$ per cent and 6 per cent respectively, but no person becoming a member after June 30, 1945, shall pay more than 5 per cent. Such payments shall be made by deduction thereof from salary. No deduction shall be made from salaries on any amount thereof in excess of \$300.00 per month. The head of each department is hereby required to cause such deduction to be made from salaries on any amount thereof in excess of \$300.00 per month. The head of each department is hereby required to cause such deduction to be made from the salary of each member of the retirement association on every payroll abstract and to approve one voucher payable to the state treasurer for the aggregate amount so deducted from the salaries covered by the payroll abstract; provided, that deductions from salaries of employees paid direct by any department, institution, or agency of the state shall be made by the officer or employee authorized by law to pay such salaries, and remitted by him to the secretary of the retirement association with a statement showing the amount of each of such deductions and the names of the employees on whose account the same have been made.

Every department, bureau, division, commission, committee, or board which functions regularly as a permanent unit of the state government, shall pay to the state treasurer, for the uses and purposes of the state employees retirement fund, in the manner and at the times hereinafter specified, the amount of money hereinafter provided for, which payments shall be credited to the retirement fund by the state treasurer.

Every such unit of the state government which is wholly or substantially financially self-sustaining by reason of income or revenue derived from its own activities shall, beginning with the state's fiscal year ending June 30, 1940, and continuing with each fiscal year thereafter, allocate to the state employees retirement fund an amount equal to one-half of the total amount of superannuation annuities paid during the fiscal year to employees who were retired by such unit of the state government. Within 60 days after the end of each fiscal year, the secretary of the state employees retirement association shall compute the amounts due from such units of state government and certify the same to the state auditor who shall immediately transfer the amounts involved from the unit accounts to the state treasurer to the credit of the retirement fund, and notify the unit head of such

transaction and this authority of the state auditor to transfer shall include all sums not transferred prior to the passage of this act.

The moneys necessary to provide for contributions to the retirement fund by the various units of the state government which are wholly or substantially financially self-sustaining by reason of income or revenue derived from their own activities are hereby appropriated for such purpose out of any funds derived by such units of government as income or revenue from their own activities.

If an employee has worked in departments other than the one in which he was last employed, that portion of the annuity herein provided to be paid by the department shall be paid by the department where he was last employed.

All such salary deductions and the contributions herein provided by the state shall be credited to a fund to be known as the retirement fund and all interest and other income of the association shall be credited to this fund. The retirement fund shall be disbursed only for the purposes herein provided. The expenses of the association and the annuities herein provided upon retirement shall be paid only from such fund. Under the direction of the retirement board the head of each department shall furnish such information and keep such records as the board may require for the discharge of its duties.

The state auditor is hereby authorized and directed to cause to be levied for the year 1945 and each year thereafter upon all taxable property in the state, in the manner in which other taxes are levied, three-tenths of one mill. The proceeds of such tax levy are hereby appropriated to the state employees retirement fund.

Sec. 2. This act shall take effect July 1, 1945.

Approved April 23, 1945.

CHAPTER 604—H. F. No. 1220

An act relating to taxes on and measured by net income and amending Minnesota Statutes 1941, Section 290.01, Subdivision 3; Section 290.01, Subdivision 20; Section 290.06, Subdivision 3, as amended by Laws 1943, Chapter 656, Section 2; Section 290.07, Subdivision 4; Section 290.07, Subdivision 5;