Subd. 4. The commissioner of corrections shall report to the 1967 each successive legislature the status of the account.

Approved June 2, 1967.

EXTRA SESSION

CHAPTER 53—S. F. No. 55

An act relating to the public employees retirement association; amending Minnesota Statutes 1965, Sections 353.27, Subdivisions 2, 3, and 5; 353.29, Subdivision 2; 353.39; 353.65, Subdivisions 2, 3, and 5; 353.66, Subdivision 2; 353.69; 355.83, Subdivisions 1, 2, and 3; 355.84, Subdivision 1; 355.89.

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

- Section 1. Minnesota Statutes 1965, Section 353.27, Subdivision 2, is amended to read:
- Subd. 2. Public employees retirement association; employee contributions. The employee contribution to the fund shall be an amount equal to six percent of the salary of every member. This contribution shall be made by deduction from salary in the manner provided in subdivision 4. Prior to July 1, 1965 no deduction shall be made from any salary in excess of \$4,800 in any calendar year; from and after July 1, 1965 to July 1, 1967 deductions shall be made on the salary received limited to \$6,000 in any calendar year, and thereafter deductions shall be made on total salary. Where any portion of a member's salary is paid from other than public funds, such member's employee contribution shall be based on the total salary received limited to \$6,000 in any ealendar year from all sources.
- Sec. 2. Minnesota Statutes 1965, Section 353.27, Subdivision 3, is amended to read:
- Subd. 3. Employer contributions. The employer contribution to the fund shall be an amount equal to four percent of the salary of each member not exceeding \$4,800 in any calendar year for the period July 1, 1956 to June 30, 1957; five percent of such salary for the following 12 month period; and six percent of such salary subsequently through June 30, 1965; and thereafter six percent of the salary received limited to \$6,000 in any calendar year for the period from July 1, 1965 to July 1, 1967; and thereafter

six percent of the total salary. This contribution shall be made by the means and in the manner provided in section 353.28.

- Sec. 3. Minnesota Statutes 1965, Section 353.27, Subdivision 5, is amended to read:
- Subd. 5. Additional employer contributions. An additional contribution shall be made to the fund based on two and one-half percent of the salary of each member not to exceed \$6,000 \$4,800 in any calendar year commencing from July 1, 1958; to June 30, 1959; June 30, 1965; two and one-half percent of the salary of each member not to exceed \$6,000 in any calendar year from July 1, 1965 to July 1, 1967; and each year thereafter, two and one-half percent of the total salary of each member, for the purpose of amortizing the deficit in the fund. This contribution shall be made from funds available to the employing subdivision by the means and in the manner provided in section 353.28. This subdivision takes effect July 1, 1959:
- Sec. 4. Minnesota Statutes 1965, Section 353.29, Subdivision 2, is amended to read:
- Subd. 2. Average salary. The retirement annuity hereunder payable at age 65 or thereafter shall be computed in accordance with the applicable provisions of the formula stated in subdivision 3 hereof, on the basis of the member's average salary for the period of his allowable service. Such retirement annuity is known as the "normal" retirement annuity.
- (a) For years prior to July 1, 1957, "average salary" for the purpose of determining a member's retirement annuity means the amount equivalent to the average of his highest salary upon which employee contributions were paid to the retirement fund for any five consecutive years prior to that date;
- (b) For each year subsequent to June 30, 1957, "average salary" of a member for the purpose of determining his retirement annuity means his salary not exceeding \$4,800 in any one calendar year through June 30, 1965; and his salary not exceeding \$6,000 for every calendar year thereafter, from July 1, 1965 to July 1, 1967, and thereafter his total salary, on which he had made upon which employee contributions were paid to the retirement fund.
- Sec. 5. Minnesota Statutes 1965, Section 353.39, is amended to read:
- 353.39 Military service credit. Any employee given a leave of absence to enter military service and who returns to public serv-

ice upon discharge from military service as provided in Minnesota Statutes, Section 192.262, may obtain credit for his period of military service, but he shall not receive credit for any voluntary extension of military service at the instance of the member beyond the initial period of enlistment, induction or call to active duty. Such member may obtain such credit by paying into the fund an employee contribution based upon his salary at the date of return from military service. The amount of this contribution shall be six percent of his salary not to exceed \$4,800 in any calendar year through June 30, 1965; and six percent of his salary not exceeding to exceed \$6,000 for every in any calendar year thereafter for the period from July 1, 1965 to July 1, 1967, and thereafter six percent of the total salary, plus interest at four percent per annum compounded annually. In such cases the matching employer contribution and additional contribution provided in section 353.27 shall be paid by the department employing such member upon his return to public service and the governmental subdivision involved is hereby authorized to appropriate money therefor and such contributions shall be made at the time and in the manner provided in section 353.27.

- Sec. 6. Minnesota Statutes 1965, Section 353.65, Subdivision 2, is amended to read:
- Subd. 2. Employee contributions. The employee contribution to the fund shall be an amount equal to six percent of the salary of every member. This contribution shall be made by deduction from salary in the manner provided in subdivision 4. Prior to July 1, 1965 no deduction shall be made from any salary in excess of \$4,800 in any calendar year; from and after July 1, 1965 to June 30, 1967 deductions shall be made on the salary received limited to \$6,000 in any calendar year; and from and after July 1, 1967 deductions shall be made on total salary. Where any portion of a member's salary is paid from other than public funds, such member's employee contribution shall be based on the total salary received limited to \$6,000 in any ealendar year from all sources.
- Sec. 7. Minnesota Statutes 1965, Section 353.65, Subdivision 3, is amended to read:
- Subd. 3. Employer contributions. The employer contribution to the fund shall be an amount equal to nine percent of the salary of each member not exceeding \$4,800 in every any calendar year for the period July 1, 1958 through June 30, 1965; and thereafter nine percent of the salary received limited to \$6,000: in any calendar year for the period from July 1, 1965 to June 30, 1967; and thereafter nine percent of the total salary. This contribution

shall be made by the means and in the manner provided in section 353.28.

- Sec. 8. Minnesota Statutes 1965, Section 353.65, Subdivision 5, is amended to read:
- Subd. 5. Additional employer contributions. An additional contribution shall be made to the fund based on two and one-half percent of the salary of each member not to exceed \$4,800 in any calendar year through June 30, 1965; and each year thereafter the additional employer contribution shall be an amount equivalent to two and one-half percent of the salary of each member not in excees of to exceed \$6,000 in any calendar year from July 1, 1965 to June 30, 1967, and each year thereafter, two and one-half percent of the total salary of each member, for the purpose of amortizing the deficit in the fund. This contribution shall be made from funds available to the employing subdivision by the means and in the manner provided in section 353.28.
- Sec. 9 Minnesota Statutes 1965, Section 353.66, Subdivision 2, is amended to read:
- Subd. 2. Average salary. The retirement annuity hereunder payable at age 58 or thereafter shall be computed in accordance with the applicable provisions of the formula stated in subdivision 3 hereof, on the basis of the member's average salary for the period of his allowable service while performing the duties of a police officer or fire fighter. If the member has earned allowable service while performing services other than those of a police officer or fire fighter, the annuity representing such service shall be computed in accordance with sections 353.29 and 353.30. Such retirement annuity is known as the "normal" retirement annuity.²²
- (a) For years prior to July 1, 1957, "average salary" for the purpose of determining a member's retirement annuity means the amount equivalent to the average of his highest salary upon which deductions employee contributions were based paid to the retirement fund for any five consecutive years prior to that date limited to \$4,800 per year;
- (b) For each year subsequent to June 30, 1957, "average salary" of a member for the purpose of determining his retirement annuity means his salary not exceeding \$4,800 in any one calendar year through June 30, 1965; and his salary not in excess of \$6,000 for every calendar year thereafter, from July 1, 1965 to June 30, 1967, and thereafter his total salary, and for which he had made upon which employee contributions were paid to the retirement fund.

- (e) Average salary in no case shall exceed \$6,000 per year.
- Sec. 10. Minnesota Statutes 1965, Section 353.69, is amended to read:
- Officers or employees of non-covered municipalities; optional membership. Any former member who is an elected official or an employee of a municipality not covered by the public employees retirement association, has the option to continue his membership in the association for any period of service with the municipality. This option applies to future service as well as past service. Any person desiring to exercise this option shall make application to the board, shall designate the period of service for which he desired coverage and shall pay the employee contribution to the fund for such service at the rate of six percent of salary limited to \$4,800 per in any calendar year through June 30, 1965; and thereafter at the rate of six percent of total salary not in excess of \$6,000 in any calendar year- for the period from July 1, 1965 to July 1, 1967, and thereafter six percent of the total salary. The municipality shall pay a matching amount plus the amount to amortize the deficit in the fund in the manner provided in sections 353.27, subdivision 5, and 353.28. Contributions for any past service shall be paid with interest at the rate of four percent per annum compounded annually. Notwithstanding any provision to the contrary, no such person shall be entitled to credit for service with the public employees retirement association if for the same period of service he receives credit with any other public retirement or pension plan maintained by the municipality.
- Sec. 11. Minnesota Statutes 1965, Section 355.83, Subdivision 1, is amended to read:
- 355.83 Contributions by employer and employees. Employee contributions. The hospital employee contribution to the public employees retirement fund shall be an amount equal to three percent of the salary of every member. This contribution shall be made by deduction from salary. Prior to July 1, 1965 no deduction shall be made from any salary in excess of \$4,800 in any calendar year:; from and after July 1, 1965 to June 30, 1967 deductions shall be made on total the salary not in excess of received limited to \$6,000 in any calendar year-, and from and after July 1, 1967 deductions shall be made on total salary. Where any portion of a hospital employee member's salary is paid from other than public funds, such member's employee contribution shall be based on the total salary received limited to \$6,000 in any calendar year from all sources.

- Sec. 12. Minnesota Statutes 1965, Section 355.83, Subdivision 2, is amended to read:
- Subd. 2. Employer contributions. The employer contribution to the fund shall be an amount equal to three percent of the salary of each hospital employee member not exceeding \$4,800 in any calendar year through June 30, 1965; and thereafter three percent of the total salary not in excess of received limited to \$6,000 in any calendar year. for the period from July 1, 1965 to June 30, 1967; and thereafter three percent of the total salary.
- Sec. 13. Minnesota Statutes 1965, Section 355.83, Subdivision 3, is amended to read:
- Subd. 3. Additional employer contributions. An additional contribution shall be made to the fund based on the salary of each such member not to exceed \$4,800 in any calendar year through June 30, 1965; and thereafter the additional employer contribution shall be based on the total salary of each such member not in excess of to exceed \$6,000 in any calendar year; from July 1, 1965 to June 30, 1967; and thereafter the additional employer contribution shall be based on the total salary of each such member, for the purpose of amortizing the deficit in the fund. This contribution shall be made from funds available to the employing political subdivision. The amount of this additional contribution shall be the amounts specified below for the years noted:
 - (a) 1963-65 2 percent
 - (b) 1966 and after 1½ percent
- Sec. 14. Minnesota Statutes 1965, Section 355.84, Subdivision 1, is amended to read:
- 355.84 Retirement benefits. Subdivision 1. Average salary. The retirement annuity hereunder shall be computed in accordance with the applicable provisions of the formula stated in subdivision 2 hereof on the basis of each hospital employee member's average salary for the period of his allowable service.
- (a) For years prior to July 1, 1957, average salary for the purpose of determining a member's retirement annuity means the amount equivalent to the average of his highest salary upon which deductions are based employee contributions were paid to the retirement fund for any five consecutive years prior to that date.
- (b) For each year subsequent to June 30, 1957, "average salary" of a member for the purpose of determining his retirement annuity means his salary not exceeding \$4,800 in any one calendar

year through June 30, 1965; and his total salary not in excess of \$6,000 for any calendar year for every ealendar year thereafter, from July 1, 1965 to June 30, 1967, and thereafter his total salary, for which he had made upon which employee contributions were paid to the retirement fund.

- (e) Average salary in no case shall exceed \$6,000:
- Sec. 15. Minnesota Statutes 1965, Section 355.89, is amended to read:
- 355,89 Military service credit. After any agreement or modification is made, any hospital employee member given a leave of absence to enter military service and who returns to public service upon discharge from military service as provided in Minnesota Statutes, Section 192.262, may obtain credit for his period of military service but he shall not receive credit for any voluntary extension of military service at the instance of the member beyond the initial period of enlistment, induction or call to active duty. Such member may obtain such credit by paying into the fund an employee contribution based upon his salary at the date of return from military service. The amount of this contribution shall be three percent of his salary not to exceed \$4,800 in any calendar year through June 30, 1965, and thereafter three percent of his total salary not in excess of to exceed \$6,000 in any calendar year, for the period from July 1, 1965 to June 30, 1967, and thereafter three percent of his total salary, plus interest at four percent per annum compounded annually. In such cases the matching employer contribution and additional contribution shall be paid by the political subdivision employing such member upon his return to public service and the political subdivision involved is hereby authorized to appropriate money therefor.

Approved June 2, 1967.

EXTRA SESSION

CHAPTER 54—S. F. No. 59

An act relating to the salary and fees of judges of probate in certain counties; amending Minnesota Statutes 1965, Section 525.081.

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