

as applicable, except as herein otherwise prescribed, which permit, when granted, shall be irrevocable for the term thereof without consent of the permittee, except for breach or non-performance of any condition of the permit by the permittee;

(b) The commissioner may allow and prescribe in the permit such time as he deems reasonable for the commencement of any construction or operations undertaken under the permit, and may, for cause shown, extend such time on application of the permittee, regardless of the limitations of said Chapter 468, as amended;

(c) All water withdrawn from said lake, or said river, for said purposes, except such as may be lost in evaporation or is contained in the finished product, shall be returned to such drainage basin;

(d) Such water, after use in such beneficiation process, and the tailings from such beneficiation process, shall be so deposited as to allow reasonable time for settlement before such water is returned to the lake, subject to such other requirements as may be prescribed in the permit; and

(e) No lands of the state shall be flooded or otherwise affected without lease or license for such purpose having first been obtained from the commissioner of conservation of the state.

Approved April 14, 1945.

CHAPTER 284—S. F. No. 978

An act relating to the State Employees Retirement Fund; amending Minnesota Statutes 1941 Section 352.01, Section 352.02 Subdivision 1, and Subdivision 2 as amended by Laws 1943 Chapter 622 Section 2, Section 352.04 Subdivision 3 as amended by Laws 1943 Chapter 622 Section 3, and Subdivisions 4 and 5, Section 352.05, and Section 352.09; and repealing Minnesota Statutes 1941, Section 352.01, Subdivision 2 as amended by Laws 1943 Chapter 622 Section 1, and Laws 1945 Chapter 38 Section 1, and Subdivision 8, and Section 352.10 as amended by Laws 1943, Chapter 622, Section 4.

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

Section 1. **Repeal.** Minnesota Statutes 1941, Section 352.01, Subdivision 2 as amended by Laws 1943 Chapter 622 Section 1, and Laws 1945 Chapter 38, Section 1, and Subdivision 8, and Section 352.10 as amended by Laws 1943, Chapter 622, Section 4, are hereby repealed.

Sec. 2. Minnesota Statutes 1941, Section 352.01, is amended by adding thereto the following Subdivisions :

Subdivision 1: "State Employee" means employees in the classified and unclassified services of the State of Minnesota as defined in the State Civil Service Act, and employees of the Minnesota Historical Society, the State Horticultural Society, and The Disabled American Veterans, Department of Minnesota, and currently contributing members of the association who are temporarily employed by the legislature during a legislative session, or any currently contributing member employed for any special service as defined in paragraph eight of this subdivision; but does not include the following :

- (1) Elective state officers;
- (2) Students who secure employment with the state or a state institution incidental to and in furtherance of their education;
- (3) Employees who are eligible to membership in the *state teachers retirement fund*, except employees of the department of education who have elected or may elect to become members of the state employees retirement association instead of the teachers retirement fund;
- (4) Employees of the University of Minnesota who are excluded from membership by action of the Board of Regents and employees who are eligible to membership in the University Faculty and Group Insurance Retirement Plan;
- (5) Officers and enlisted men in the national guard and the naval militia except such as are assigned to permanent peacetime duty;
- (6) Election officers;
- (7) Persons engaged in public work for the state but employed by contractors when the performance of such contract is authorized by the legislature or other competent authority;
- (8) Persons temporarily employed or designated by the legislature or by a legislative committee or commission or

other competent authority to make or conduct a special inquiry, investigation, examination or installation;

(9) All courts and all employees thereof, referees, receivers, jurors, and notaries public, except employees of the supreme court and referees and adjusters employed by the industrial commission;

(10) Patient and inmate help in state charitable, penal and correctional institutions including the Minnesota Soldiers Home;

(11) Persons employed for professional services where such service is incidental to regular professional duties and whose compensation is paid on a per diem basis;

(12) Employees of the Sibley House Association;

(13) Employees of the Grand Army of the Republic and employees of the Ladies of the G. A. R.;

(14) Operators and drivers employed pursuant to Laws 1941, chapter 478;

(15) Members of the board of tax appeals, the civil service board, and the members of any other state board or commission who serve the state intermittently and are paid on a per diem basis;

(16) State Highway Patrolmen.

Subd. 2. **Persons aged 65.** No state employee who has reached the full age of 65 at the time he becomes entitled to membership in the association shall be eligible to membership, but any such person who is now a member of the association shall have the option of remaining a member or taking a refundment from the retirement fund.

Subd. 3. **Heads of department.** Heads of departments required by law to be appointed by the governor or other elective officials may request exemption from membership provided they are not members of the association at the date of such appointment and the request for exemption is made within 90 days from the date of entering upon the duties of the position to which appointed, and they shall not thereafter be entitled to membership so long as they continue in the position which entitled them to exemption from membership.

Subd. 4. **Accumulated deductions.** Nothing in this act shall terminate the membership of any present member of the association unless he should become eligible to and elect membership in the state teachers retirement fund in which

event membership in the state employees retirement association shall cease; and if such member is entitled to service credit in the teachers retirement fund for the same period of service during which he was a member of the state employees retirement association he shall be entitled to a refundment but not entitled to an annuity from the state employees retirement fund for such duplicated period of service.

Subd. 5. **Membership not retroactive.** The membership of any person who may become entitled to membership under this act shall not be retroactive.

Subd. 6. **Disabled veterans.** The membership of employees of the Minnesota Historical Society and employees of The Disabled American Veterans, Department of Minnesota, paid by state auditor's warrants and all employees of such society and such veterans' organization heretofore so paid or now contributing to the retirement fund are hereby declared to have such status as of the date their respective contributions began.

Sec. 3. Minnesota Statutes 1941, Section 352.02, Subdivision 1, is amended to read as follows:

352.02. **State employees retirement association.** Subdivision 1. There is hereby established a state employees retirement association the membership of which shall consist only of state employees. Membership in such association shall be optional on the part of persons in the employ of the state on July 1, 1929, but all new state employees entering the service of the state thereafter, except elective state officers and others specifically excluded from membership by this act, shall become members of the association by acceptance of state employment and the head of the department shall thereupon cause deductions to be made from the salary of such new employees, and acceptance of employment shall be deemed consent to have such deductions made from salary for deposit to the credit of the member's individual account in the retirement fund. In the event that any error has been or should be made in the deductions from the salaries of members it shall be the duty of heads of departments to cause corrections to be made in such deductions upon discovery of the error. 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, except as provided in this chapter.

Sec. 4. Minnesota Statutes 1941, Section 352.02, Subdivision 2, as amended by Laws 1943; Chapter 622, Section 2; is amended to read as follows:

Subd. 2. **State employees who may be members.** Any person employed by the state on July 1, 1941, who was a state employee on July 1, 1929, and did not exercise his option to become a member of the association on or before July 1, 1931, shall become a member as of July 1, 1941, the same as though he had on that day become a new state employee. Such persons and any person who has prior to *the effective date of this act* become a member by reason of being a new state employee shall have the option of electing to become a member as of July 1, 1929, by making payments in lieu of salary deductions from July 1, 1929, to the date of becoming a member, at the rate required for the person's age on July 1, 1929, according to the rate schedule in effect at the date of becoming a member, plus interest at four per cent per annum compounded annually. Such payments to be based upon the salary, wages or compensation actually received, subject to the \$300.00 minimum provision, including any allowance for maintenance or housing not in excess of \$50.00 a month. Nothing herein shall give any person required to become a member on July 1, 1941, or any person electing to become a member as of July 1, 1929, credit for any service prior to July 1, 1929, nor shall any person becoming a member as provided herein have the right to make any payments in lieu of salary deductions, or receive credit for service for any period he was out of the state service or when he was on leave of absence or lay-off from July 1, 1929, to the date of becoming a member; and beginning with the date of his return to the state service, or active service as the case may be, payments shall be at the rate required for his age at the date of returning to work.

(2) All payments provided for in this section must be paid not later than 27 months from the date of becoming a member, and shall be paid in either a lump sum or in monthly installments by payroll deductions. Any person who has not completed the payments provided for in this section within 27 months from the date of becoming a member, shall have returned to him the sums paid less \$10.00 and shall thereupon be a member from July 1, 1941, or the date of becoming a member by reason of being a new state employee. The retirement board shall at the member's option accept notes for any balance due at the expiration of the 27 months, such notes to be paid in installments on or before July 1, 1947, but the entire principal sum with interest at four per cent per annum must be paid before the member is entitled to credit for service subsequent to June 30, 1929, and prior to July 1, 1941.

Sec. 5. Minnesota Statutes 1941, Section 352.04, Subdivision 3, as amended by Laws 1943, Chapter 622, Section 3, is amended to read as follows:

Subd. 3. **Credit for service, when.** No credit for service shall be allowed any member for periods such member may have been a state employee from June 30, 1929, to July 1, 1939, unless deductions shall have been made from the salary of such member or he has made payment in lieu thereof. From and after July 1, 1939, no credit for service shall be allowed any member for any calendar month in which he receives no salary or wages unless the head of the department gives notice, in writing, to the secretary of the retirement board within or prior to the calendar month when no salary or wages are received, that the member is on leave, or is on sick leave, or is inactive because of the seasonal nature of his work, as the case may be; unless the member's name is carried on the department payroll abstract marked "on leave", "sick leave", or "inactive".

Subd. 4. **Absent because of temporary disability.** Members who are absent from their duties because of temporary disability resulting from injuries for which the state is liable under the Workmen's Compensation Law shall be given credit for service during such temporary disability, and the Industrial Commission shall furnish the retirement board with a copy of each abstract submitted to the state auditor and to be charged to the state compensation revolving fund, which shall be construed as notice to the retirement board that the employees listed thereon have sustained injury arising out of and in the course of employment by the State of Minnesota and are entitled to credit for service on the records of the association during the time compensation is received for temporary disability resulting from such injury, but shall not be used for any other purpose.

Subd. 5. **Limitation on payments in lieu of salary deductions.** From and after July 1, 1939, no member shall be entitled to make payments in lieu of salary deductions for periods no salary or wages are received; the deductions made from the compensation received shall cover periods of inactivity, provided notice is given or the payroll abstract is marked as provided herein. Salaries paid for a fractional part of any calendar month shall be considered the compensation for the entire calendar month unless state service has terminated.

Subd. 6. **Serviceman granted leave of absence.** Any member, however, who is granted a leave of absence to accept employment in essential war work during the present war

emergency and until the cessation of hostilities as declared by proper federal authority, or until July 1, 1947, whichever may first occur, shall be required to pay into the retirement fund during such leave of absence, a sum equal to the deductions required on the basis of the salary received from the state at the time such leave began, payments to be made either monthly or within one year from the date of returning to the service of the state. Those members of the state employment service of the Division of Employment and Security who were transferred to the United States Employment Service for the purpose of the war emergency shall be considered as engaged in essential war work.

Sec. 6. Minnesota Statutes 1941, Section 352.04, Subdivision 4, is amended to read as follows:

Subd. 7. **No credit for former service, when.** *Upon acceptance of a refundment of the accumulated deductions standing to the credit of a member in the retirement fund, all existing service credits and all rights and benefits to which the member was entitled prior to the acceptance of such refundment shall terminate and shall not again be restored. However, should any former member of the retirement association who has taken a refundment or refundments from the retirement fund prior to July 1, 1945, again become a member of the retirement association he may by making application to the retirement board within six months from the date of again becoming a member, repay the last refundment received from the retirement fund with interest at four per cent per annum compounded annually from the date of refundment to the date of repayment and thereupon have restored the annuity rights forfeited by the acceptance of the refundment; repayment to be completed within five years upon such terms and conditions as the retirement board may by general rule prescribe, but payment with interest must be completed before any member is entitled to receive an annuity from the retirement fund.*

Sec. 7. Minnesota Statutes 1941, Section 352.04, Subdivision 5, is amended to read as follows:

Subd. 8. **Status determined by board.** *The final power to determine the status of any individual in the employ of the state for the purposes of this chapter is hereby vested in the retirement board and its decision shall be final. Any individual or group of employees who have made contributions to the retirement fund for a period of two years shall not have membership terminated so long as such individual or group*

continues in the same employment, except as herein specifically provided.

Sec. 8. Minnesota Statutes 1941, Section 352.05, is amended to read as follows:

352.05. State treasurer to be treasurer of association. The state treasurer shall be ex-officio treasurer of the retirement funds of the association and his general bond to the state shall cover all liability for his acts as treasurer of these funds. All moneys of the association received by him shall be set aside in the state treasury to the credit of the proper fund. He shall deliver to the secretary of the retirement board each month copies of all payroll abstracts of the state together with the state auditor's warrants covering the deductions made on these payroll abstracts for the retirement fund; whereupon the secretary shall cause to be made, in triplicate, a list of the auditor's warrants and these warrants shall then be deposited with the state treasurer to be credited to the retirement fund. He shall pay out of this fund only on warrants issued by the state auditor, upon *abstracts* signed by the secretary of the retirement board; provided, that *abstracts* for investments may be signed by the secretary of the state board of investment.

Sec. 9. Minnesota Statutes 1941, Section 352.09, is amended to read as follows:

352.09. Refundment in certain cases. *Any member before applying for an annuity and after separation from state service shall be entitled to the return of the full amount of the accumulated deductions standing to the credit of his individual account upon making application therefor on a form furnished by the retirement board, which form shall include certification by the head of the department where the member was last employed. The member's application and such certification by the department head shall be final proof of the fact of such separation from the state service. Any such person who has been a member of the retirement association for not less than ten years may, in lieu of applying for such refundment leave the sum to his credit in the retirement fund and at the time he would have been eligible to receive a superannuation annuity if his state service had not been terminated, or at any time thereafter make application for an annuity the amount of which shall be in the same proportion as the number of years service, for which the member is entitled to credit, is to the number of years service required had the member continued in the state service until eligible to receive a full superannuation annuity as provided by this*

chapter. Any person who has been a member of the retirement association five years or more may in lieu of applying for a refundment leave the sum to his credit in the retirement fund and at the age of 65 or any time thereafter, make application for an annuity determined as follows: for each year of service during which he has made payments to the retirement fund and for which he is entitled to credit on the records of the retirement association, an annuity equal to one-seventieth of his average salary upon which deductions for the retirement fund have been made while a state employee. All annuities provided for in this section shall begin on the first day of the calendar month in which the application for such annuity is granted by the retirement board. Members who have elected to take either a proportional deferred annuity or a deferred annuity prior to the effective date of this act who again become state employees shall surrender their certificates and shall be entitled to full credit for the service covered by the surrendered certificate. Salary deductions are to be made according to the age at the time of again becoming a state employee. No annuity provided for in this section shall exceed the maximum provided by this chapter. There shall be no limit as to the time in which application for refundment may be made, but upon making application for annuity the right to make application for refundment terminates. Membership in the retirement association ceases upon the termination of employment in the classified and unclassified services of the state, or as employees of the Minnesota Historical Society, the State Horticultural Society, and The Disabled American Veterans, Department of Minnesota, whichever applies, except that persons receiving an annuity shall be considered members.

Sec. 10. Ex-member returning to state employment. Subdivision 1. Whenever a member who has withdrawn his accumulated deductions shall reenter employment entitling him to membership in the state employees retirement association, he shall become a member of the association on the same basis as a new employee and shall not be entitled to credit for any former service, nor shall the annuity rights forfeited at the time of taking a refundment be restored, except that members who took refundments prior to July 1, 1945, may repay the last refundment as is provided in this chapter.

Subd. 2. Should any former member who has received either an annuity, a proportional deferred annuity, or a deferred annuity again receive salary or wages from the state his annuity shall cease during the period of employment but no deductions shall be made from his earnings for the retire-

ment fund. Upon the termination of his employment annuity payments shall be resumed and there shall be no change in the amount of such annuity because of such employment.

Approved April 14, 1945.

CHAPTER 285—S. F. No. 562

An act for the promotion of safety of travel, minimizing of accidents on public highways and relating to the giving of proof of financial responsibility and security by owners and drivers of motor vehicles; repealing Minnesota Statutes 1941, Chapter 170.

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

Section 1. **Definitions.** Subdivision 1. The following words and phrases, when used in this act, shall, for the purpose of this act, have the meanings respectively ascribed to them in this section except in those instances where the context clearly indicates a different meaning.

Subd. 2. "Commissioner" means the commissioner of highways of the State of Minnesota acting directly or through his authorized agents.

Subd. 3. "Judgment" means any judgment which shall have become final by expiration without appeal of the time within which an appeal might have been perfected, or by final affirmation on appeal, rendered by a court of competent jurisdiction of any state of the United States, upon a cause of action arising out of ownership, maintenance, or use of any motor vehicle, for damages, including damages for care and loss of services, because of bodily injury to or death of any person, or for damages because of injury to or destruction of property, including the loss of use thereof, or upon a cause of action on an agreement of settlement for such damages.

Subd. 4. "License" means any license, temporary instruction permit or temporary license issued under the law of this State pertaining to the licensing of persons to operate motor vehicles.

Subd. 5. "Motor Vehicle" means every self-propelled vehicle which is designed for use upon a highway, including