

Sec. 2. Subd. 2. **Interest payments.** Any permit extended under the provisions of this act shall be subject to the charge of six per cent per annum interest on the entire unpaid purchase price and the destruction of the timber by any cause during the period of such extension shall not relieve the purchaser for payment of the same, and said purchaser shall be liable to the state therefor as provided for in Minnesota Statutes 1945, Section 90.07.

Approved February 24, 1947.

CHAPTER 18—S. F. No. 60

An act relating to the public employees retirement association and to amend Minnesota Statutes 1941, Sections 353.01, Subdivisions 11 and 12, 353.02, 353.07, 353.09, 353.10, 353.11 and 353.20.

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

Section 1. Minnesota Statutes 1941, Section 353.01, Subdivisions 11 and 12, are amended so as to read as follows:

353.01. Definitions. Subdivision 11. **Present public employee.** "Present public employee" means any public employee receiving salary from any county, city, village, or school district on the date of the acceptance of the terms of this chapter by the governing body of the governmental subdivision by or for which he is employed or from whose funds his salary is paid; *in the case of any county, city, village, or school district which shall become subject to the terms of the retirement act effective June 1, 1947* "present public employee" means any person employed and receiving salary from the funds of any such governmental subdivision as of June 1, 1947.

Subdivision 12. **New public employee.** "New public employee" means any public employee who enters the public service in any county, city, village or school district subsequent to the date of the acceptance of the terms of this chapter by the governing body of the governmental subdivision by or for which he is employed or from whose funds his salary is paid; *in the case of any county, city, village or school district which shall become subject to the terms of the retirement act effective June 1, 1947* "new public employee"

means any person who enters the employ of any such governmental subdivision subsequent to June 1, 1947.

Section 2. Minnesota Statutes 1941, Section 353.02, is amended so as to read as follows:

353.02. Public employees retirement association established. Subdivision 1. Creation. There is hereby established a public employees retirement association, the membership of which shall consist only of public employees and employees of the association. Membership in the association shall be optional on the part of the present public employees, but all new public employees, except elective public officers, shall become members of the association by acceptance of public employment.

Subdivision 2. Application by present employees; fee; payment of accrued charges. In all governmental subdivisions heretofore operating under and affected by the provisions of this chapter prior to January 1, 1933, present public employees who apply for membership therein after January 1, 1932, shall pay a membership fee of \$10.00, but no present public employee shall be eligible to apply for membership in the retirement association after July 1, 1935, except upon the payment of such additional penalties as the retirement board may, by general rule, prescribe. In addition to this membership fee, every present public employee who becomes a member of the retirement association shall pay in a sum equal to all accrued deductions from his salary which would have been made had the employee become a member of the retirement association July 1, 1931, with interest thereon at the rate of five per cent per annum, compounded annually.

Subdivision 3. Members accepted between January 1, 1933, and May 1, 1935. In all governmental subdivisions wherein the governing body has duly accepted the provisions of this chapter subsequent to January 1, 1933, and prior to May 1, 1935, the present public employees who apply for membership in the retirement association after January 1, 1934, shall pay a membership fee of \$10.00, but no such present public employee shall be eligible to apply for membership in the retirement association after July 1, 1935, except upon the payment of such additional penalties as the retirement board may, by general rule, prescribe. In addition to such membership fee every such present public employee who becomes a member of the retirement association shall pay in a sum equal to all accrued deductions from his salary which would have been made had such employee become a member of the retirement association July 1, 1933,

with interest thereon at the rate of five per cent per annum, compounded annually.

Subdivision 4. Members accepted subsequent to May 1, 1935. In all governmental subdivisions wherein the governing body thereof has duly accepted the provisions of this chapter subsequent to May 1, 1935, present public employees may apply for membership in the association at any time within a period of two years from the first day of the first calendar month next succeeding the date of the acceptance of the terms of this chapter by the governing body of the governmental subdivision concerned and at any time thereafter, upon the payment of such additional penalties as the retirement board may, by general rule, prescribe. Any such present public employee who shall apply for membership in the association shall be required to pay a membership fee of \$10.00. In addition thereto, any such present public employee shall pay into the retirement fund a sum equal to all accrued deductions which would have been made had such present public employee become a member of the association on the first day of the first calendar month next succeeding the date of the acceptance of the terms of this chapter by the governing body of the governmental subdivision concerned, together with interest thereon at the rate of five per cent per annum, compounded annually.

Subdivision 5. Members accepted subsequent to June 1, 1947. In the case of all governmental subdivisions not heretofore affected by the provisions of the retirement act but which shall become subject to the terms of the retirement act effective June 1, 1947, the present public employees thereof may apply for membership in the association at any time within a period of two years from July 1, 1947, and at any time thereafter upon the payment of such additional penalties, as the retirement board may, by general rule, prescribe. Any such present public employees who shall apply for membership in the association shall be required to pay a membership fee of \$10.00, in addition to a sum equal to all accrued deductions which would have been made had such present public employees become members of the association on July 1, 1947, with interest thereon at the rate of five per cent per annum, compounded annually.

Subdivision 6. Provisions relating to an elected public officer. An elected public officer, eligible for membership in the association, may exercise his option to become a member thereof, but such option once exercised, may not be withdrawn during the incumbency of such officer in the office to which he was elected or re-elected. If holding office at the

time of the acceptance of the terms of this chapter by the governing body of the governmental subdivision concerned, the terms and conditions of membership pertaining to a present public employee shall govern the admission of such elected public officer to membership in the association. Any person elected to a public office in any governmental subdivision affected by the provisions of this chapter, subsequent to the date of the acceptance of the terms of this chapter by the governing body of the governmental subdivision concerned, may apply for membership in the association at any time within a period of two years from the date he first became eligible for membership in the association, and at any time thereafter upon the payment of such additional penalties as the retirement board may, by general rule, prescribe. Any such person who applied for membership in the association shall be required to pay a membership fee of \$10.00. In addition thereto, any such elected public officer shall pay into the retirement fund a sum equal to all accrued deductions which would have been made had such elected public officer become a member of the association on the first day of the first calendar month next succeeding the date he first assumed the office to which he was elected, together with interest thereon at the rate of five per cent per annum, compounded annually.

Subdivision 7. Provisions relating to an elected public officer holding office in a governmental subdivision. In the case of any governmental subdivision which shall become subject to the provisions of the retirement act effective June 1, 1947, an elected public officer holding office in such governmental subdivision as of said date may be admitted to membership in the association under the same terms and conditions of membership as pertaining to present public employees. In the case of any governmental subdivision which shall become subject to the provisions of the retirement act effective June 1, 1947, any person elected to a public office in such subdivision subsequent to said date, may apply for membership in the association at any time within a period of two years from the date he first became eligible for membership in the association, and at any time thereafter upon the payment of such additional penalties as the retirement board may, by general rule, prescribe. Any such person who applied for membership in the association shall be required to pay a membership fee of \$10.00. In addition thereto, any such elected public officer shall pay into the retirement fund a sum equal to all accrued deductions which would have been made had such elected public officer become a member of the association on the first day of the first calendar month

next succeeding the date he first assumed the office to which he was elected, together with interest thereon at the rate of five per cent per annum, compounded annually.

Subdivision 8. Successor appointee. Any person appointed to fill a vacancy in an elective office and becomes eligible thereby to membership in the association may likewise exercise his option to become a member thereof under the terms and conditions that govern the admission of elective public officers to membership in the association.

Subdivision 9. Termination; limitations. Except as in this chapter otherwise provided, membership in the association may not be terminated by resignation, or in any manner other than by death, or by leaving the employ of the governmental subdivision concerned. No employee of any governmental subdivision shall be required to become a member of any retirement fund or relief association, or to contribute to any fund established for such purpose, except the retirement fund established pursuant to the provisions of this chapter.

Section 3. Minnesota Statutes 1941, Section 353.07, is amended so as to read as follows:

353.07. Heads of departments to make monthly statements. Within 90 days *from and after June 1, 1947* the heads of the departments *in governmental subdivisions which shall become subject to the terms of the retirement act* shall submit to the retirement board a statement showing the name, age, sex, title, compensation, and length of service in his department of every public employee in his department, as defined in section 353.01, and, on the first day of each calendar month thereafter, furnish the retirement board a like statement of all new officers or employees who have entered the public service as public employees in his department, and, at the same time, notify the board of all removals, withdrawals, and changes in salaries of any members of the retirement association which have occurred during the preceding month, and furnish to the board a like statement of all new officers or employees who have entered the service as public employees.

Section 4. Minnesota Statutes 1941, Section 353.09, is amended so as to read as follows:

353.09. Payment upon termination of membership. Whenever any member of said association shall cease to be a public employee for any reason other than death or retirement, he shall be paid, on demand, after thirty (30) days' notice, the

full amount of the accumulated deductions standing to the credit of his or her individual account. Provided that any such person who was a member of said association prior to the date of passage of this act and who has been in the public service for not less than ten (10) *consecutive* years and who has been a contributing member for not less than four (4) years immediately prior thereto, may, in lieu thereof, upon application in writing to the retirement board within sixty (60) days from the termination of his or her employment, become a non-employee member 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. Provided, however, the requirement for non-employee membership of any person who shall become a member of said association from and after the date of passage of this act shall be ten (10) years of contributory membership immediately prior to termination of his or her employment, and further, application for non-employee membership shall be made within sixty (60) days from the date he or she shall cease to be a public employee, and assessment shall be paid as hereinbefore provided. Any member of the retirement association who has maintained his or her membership after leaving the public service 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, after thirty (30) days' notice, the full amount of the accumulated deductions standing to the credit of his or her individual account.

Section 5. Minnesota Statutes 1941, Section 353.10, is amended so as to read as follows:

353.10. Forfeited rights restored. When a public employee who has withdrawn his accumulated deductions shall re-enter the public service after such withdrawal, the annuity rights forfeited by such employee at the time of such withdrawal shall be restored upon repayment by such employee to the retirement fund of the full amount so withdrawn, with interest thereon at the rate of five per cent per annum, compounded annually from the date of withdrawal. Unless such public employee shall make these payments, with interest thereon at the rate of five per cent per annum, compounded annually from the date he shall have so re-entered the public service, he shall be required, before any retirement is granted to him, to make or to have made contributions to the retirement fund for a period of years equivalent to that originally required of him for the purpose of qualifying for a retire-

ment annuity at the time he first became a member of the association.

Section 6. Minnesota Statutes 1941, Section 353.11, is amended so as to read as follows:

353.11. Retirement. Except as in this chapter otherwise provided, when any member of the retirement association has been a public employee for a period of 20 years and has attained the age of 65 years, or when any such employee has been a public employee for a period of 35 years and shall have attained the age of 60 years, he shall be eligible for retirement, provided that in computing such terms 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 as a public employee, in lieu of deductions, shall be included. Provided, however, that no person shall be entitled to receive a retirement annuity unless he has either attained the age of 65 years and has been a public employee for a period of 20 years, or has attained the age of 60 years and has been a public employee for a period of at least 35 years. Such retirement shall be made upon application of the member or of someone acting in his behalf, or, in the case of any employee in active service, upon the application of the head of the department in which such member is employed. Except as in this chapter otherwise provided, upon such retirement such member shall receive an annuity for the remainder of his life equal to 50 per cent of the average annual salary received for the entire period of his membership in the association. In computing the average annual salary of members who have contributed by assessments, in lieu of salary deductions or otherwise, the average annual salary received while such member was in the public service as a member of the association shall, for the purpose of construing this section, be considered the salary of such member for that period of his membership in the association during which he made contributions to the retirement fund by assessments, in lieu of salary deductions or otherwise. In computing the period of past service, employment by or for any of the governmental subdivisions, as defined and enumerated by this chapter, shall be counted. No such retirement annuity shall, in any event, exceed the sum of \$1,800 per annum. Membership in the association for any present public employee shall commence upon the date of the acceptance of the application for membership by the retirement board and, in no event, shall the retirement board grant to any person who shall have been a member of the association prior to the date

of the passage of this act any pro rata annuity, as provided for in section 353.14, until and unless four full years of membership in the association shall have elapsed, nor shall the retirement board grant any pro rata annuity based on a greater number of years of contributions to the retirement fund than then stand to the credit of such member on the books of the association, or any full retirement annuity, as hereinafter provided, until and unless five full years of membership have so elapsed. Provided further that, in no event, shall the retirement board grant to any person who shall become a member of the association from and after the date of passage of this act any annuity, as provided for in section 353.14, until and unless ten full years of membership have elapsed. No taxes shall be levied or raised for the aid of the retirement association or the membership thereof by any governmental subdivision of this state affected by the provisions of this chapter, *unless the retirement of any member or members of said retirement association be not voluntary, in the event of which the governmental subdivision from which said member is or members are so retired shall assume the liability to pay one-half of the costs of all annuities granted such member or members by the retirement board pursuant to the provisions of this chapter, and such governmental subdivisions are hereby authorized, empowered and directed to pay such share of said annuities from moneys collected from taxes or other revenues.* The total amount of such contributory share of such annuities shall, before September 30th of each year, be duly determined by the retirement board and certified to any such governmental subdivision for the period of the previous 12 months ending June 30th immediately preceding. The amount so certified by the retirement board shall be included in the next budget of any such governmental subdivision subsequent to the certification by the retirement board and shall be levied, collected, and apportioned in the same manner as other taxes are levied, collected, and apportioned, and, for the express purposes of this section, the payment of all such annuities are hereby made obligations of the governmental subdivisions concerned in the proportion and to the extent provided. Any levy authorized under this section shall be in addition to and exclusive of all levies authorized for other purposes. *However, the governing body of any governmental subdivision affected by the provisions of this chapter may from time to time and under proper resolution, ordinance or rule, make contributions to the retirement fund of said retirement association from moneys derived from revenues other than general taxes, and such governmental subdivision*

is hereby authorized and empowered to make such contributions. Such resolution, ordinance or rule may limit the use of such contributions by the retirement association for specific purposes as set forth therein, and such limitations shall be binding upon said retirement association. The retirement board shall have the right to refuse acceptance of any or all of such conditional contributions.

Section 7. Minnesota Statutes 1941, Section 353.20, is amended so as to read as follows:

353.20. Application. *All governmental subdivisions as defined and enumerated by this chapter, not heretofore affected by the provisions of this retirement act, shall become operative under and subject to the terms of this chapter effective June 1, 1947, thereby authorizing, empowering and directing that salary deductions be made for public employees as contemplated by section 353.04. In all such governmental subdivisions, salary deductions for present public employees who may hereafter become members of the retirement association shall be computed from July 1, 1947. Salary deductions for all other present public employees in all governmental subdivisions heretofore operating under and affected by the provisions of this chapter prior to January 1, 1933, shall be computed from the first day of July, 1931, and in all governmental subdivisions wherein the governing body has duly accepted the provisions of this chapter subsequent to January 1, 1933, and prior to May 1, 1935, shall be computed from the first day of July, 1933. Salary deductions for present public employees in all governmental subdivisions wherein the governing body thereof has duly accepted the terms and provisions of this chapter subsequent to May 1, 1935, and who shall thereafter become members of the retirement association, shall be computed from the first day of the first calendar month next succeeding the date of the acceptance of the terms of this chapter by the governing body of the governmental subdivision concerned.*

Approved February 24, 1947.

CHAPTER 19—S. F. No. 89

[Coded as Section 85.173, Subdivisions 1 and 2]

An act relating to the acquisition and establishment of Pine Tree State Park.

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