and first became a member of the fund after June 30, 1989, and to any other member who has become at least 55 years old and whose annuity amount when calculated under this clause and in conjunction with clause (5), is higher than it is when calculated under clause (2), in conjunction with clause (3). The average salary, as defined in clause (1) multiplied by 2.5 2.63 percent for each year of service for a basic member and by 1.5 1.63 percent for each year of service for a coordinated member shall determine the amount of the retirement annuity to which the member is entitled.

(5) This clause applies to a person who has become at least 55 years old and first becomes a member of the fund after June 30, 1989, and to any other member who has become at least 55 years old and whose annuity is higher when calculated under clause (4) in conjunction with this clause than when calculated under clause (2), in conjunction with clause (3). An employee who retires under the formula annuity before the normal retirement age shall be paid the normal annuity provided in clause (4) reduced so that the reduced annuity is the actuarial equivalent of the annuity that would be payable to the employee if the employee deferred receipt of the annuity and the annuity amount were augmented at an annual rate of three percent compounded annually from the day the annuity begins to accrue until the normal retirement age.

Sec. 3. EFFECTIVE DATE.

Section 1 is effective the first payroll period beginning after July 1, 1994. Section 2 is effective on May 15, 1994.

Presented to the governor April 25, 1994

Signed by the governor April 28, 1994, 10:10 a.m.

CHAPTER 525—H.F.No. 3120

An act relating to military affairs; expediting payment to forces ordered to active duty; amending Minnesota Statutes 1992, section 192.52.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 1992, section 192.52, is amended to read:

192.52 EXPENSES OF MILITARY FÖRCES ORDERED TO ACTIVE DUTY.

In all cases where any of the military forces are called into active service by the governor and where no funds otherwise appropriated are available therefor, or where the appropriated funds, if any, are insufficient, the pay rolls of officers and enlisted members and expense bills shall be audited by the commissioner of finance; the commissioner of administration and the adjutant general, and paid

New language is indicated by underline, deletions by strikeout.

upon their certificate adjutant general shall pay the necessary amounts out of the general fund, and the necessary sums are hereby appropriated. No payment shall be made pursuant to this section until the adjutant general has given the commissioner of finance an estimate of the cost of the active service, the commissioner of finance has reported the amount of the proposed payment estimate to the committee on finance of the senate and the committee on appropriations ways and means of the house of representatives, and the commissioner of finance has approved the payment. When the active service has been completed, the commissioner of finance shall report the actual cost to the committee on finance of the senate and the committee on ways and means of the house of representatives.

Sec. 2. EFFECTIVE DATE.

This act is effective the day following final enactment.

Presented to the governor April 25, 1994

Signed by the governor April 28, 1994, 10:20 a.m.

CHAPTER 526—H.F.No. 2551

An act relating to retirement; enabling certain retired members of the public employees retirement association to rescind a selection of a joint and survivor annuity and to receive a normal retirement annuity.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. CHANGE OF BENEFIT SELECTION.

Subdivision 1. APPLICATION. This section applies to a person:

- (1) who is a retired employee of the St. Paul water utility;
- (2) who was an active member of the public employees retirement association from May 1, 1953 to June 30, 1989;
 - (3) whose retirement was effective July 1, 1989;
 - (4) whose marriage with the joint annuitant has been dissolved;
- (6) who has submitted, with the joint annuitant, a waiver of the joint and survivor optional annuity form.

Subd. 2. CHANGE AUTHORIZED. Notwithstanding Minnesota Statutes,

New language is indicated by underline, deletions by strikeout.