

HOUSE BILL No. 5369

December 4, 1991, Introduced by Rep. Yokich and referred to the Committee on Judiciary.

A bill to amend section 14c of Act No. 198 of the Public Acts of 1951, entitled as amended "Judges' retirement act," as amended by Act No. 208 of the Public Acts of 1984, being section 38.814c of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 14c of Act No. 198 of the Public Acts of
2 1951, as amended by Act No. 208 of the Public Acts of 1984, being
3 section 38.814c of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 14c. (1) All duly elected or appointed judges of the
6 probate court, the district court, the recorder's court of the
7 city of Detroit, or the circuit court who are not exempt from
8 section 14a and who have not filed a written notice not to
9 participate under the provisions of section 14a shall convert the

1 balance of the state salary standardization payment annually
2 prescribed by law but which when added to \$2,250.00 will not
3 exceed 40% of the difference between the state base salary and
4 the maximum total salary for any state fiscal year beginning
5 after September 30, 1982 and payable to the county, city, or dis-
6 trict control unit ~~which~~ THAT pays the judge's supplemental
7 salary, as an addition to the judge's state base salary for pur-
8 poses of computation of retirement benefits unless before April
9 1, 1983, or within 30 days from taking office, or within 30 days
10 after an election made pursuant to section 14a(2), whichever is
11 later, a written notice not to participate in the provisions of
12 this section is filed with the board. HOWEVER, A JUDGE WHO CON-
13 VERTS THE BALANCE OF THE STATE SALARY STANDARDIZATION PAYMENT
14 UNDER THIS SUBSECTION ON OR BEFORE JANUARY 1, 1992, MAY ELECT NOT
15 TO PARTICIPATE IN THE CONVERSION OF THE BALANCE OF THE STATE
16 SALARY STANDARDIZATION PAYMENT AS AN ADDITION TO THE STATE BASE
17 SALARY FOR PURPOSES OF COMPUTATION OF RETIREMENT BENEFITS UNDER
18 THIS SUBSECTION BY WRITTEN NOTICE NOT TO PARTICIPATE FILED WITH
19 THE BOARD AFTER JANUARY 1, 1992 AND BEFORE MARCH 1, 1992. In the
20 absence of a written notice not to participate in the provisions
21 of this section, the final average compensation figure used to
22 calculate the judge's combined county, city, or district control
23 unit pension shall be reduced by the amount of the state salary
24 standardization payment described in this subsection.

25 (2) Each judge of the district court, the recorder's court
26 of the city of Detroit, or the circuit court who made an election
27 to convert \$2,250.00 of the state salary standardization payment

1 pursuant to section 14a(2) and who converted the balance of the
2 salary standardization payment pursuant to subsection (1) shall
3 pay into the annuity savings fund an amount equal to the amount
4 the contributions would have been if the judge had elected to
5 convert the balance of the salary standardization payment effec-
6 tive April 1, 1983, including the increase in contribution on
7 state base salary required under section 20(2)(c), plus interest
8 as determined by the board but not less than the assumed actuar-
9 ial rate nor more than the average earnings rate of return on the
10 retirement fund during the period the judge would have otherwise
11 contributed. Payment shall be made not later than 120 days after
12 ~~the effective date of this subsection~~ JULY 9, 1984. However,
13 the payment will not be accepted unless the judge provides certi-
14 fication that his or her compensation reported to a local govern-
15 ment retirement plan during the same period of time, if any,
16 shall be reduced by a like amount.

17 (3) This section ~~shall~~ DOES not apply to a member who is a
18 judge of the district court in the thirty-sixth district or a
19 probate judge serving in a single county of less than 15,000
20 population.

21 (4) For purposes of subsection (1), the state base salary of
22 a probate judge means an amount equal to the salary paid by the
23 state to a judge of the district court.