

SENATE BILL NO. 38

(As amended December 9, 1997)

A bill to regulate benefits provided to certain public employee retirement system participants in this state; and to prescribe powers and duties of certain retirement systems, state departments, public officials, and public employees.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "regulation of [REDACTED] retirement benefits act".

3 Sec. 2. For the purposes of this act, the words and phrases
4 defined in sections 3 and 4 have the meanings ascribed to them in
5 those sections.

6 Sec. 3. (1) "Benefit" means an annuity, a pension, a
7 retirement allowance, or an optional benefit accrued or accruing
8 to a participant under a retirement system.

9 (2) "Disability retirement provisions" means the provisions
10 in the retirement system that allow a participant to retire due

1 to incapacity that renders that participant unable to perform his
2 or her duties to his or her employer.

3 (3) "Elected public official" means an individual who holds
4 a public office that is filled by an election. Elected public
5 official includes an individual who is appointed to fill a
6 vacancy in a public office that is normally filled by an
7 election.

8 Sec. 4. (1) "Normal retirement provisions" means the provi-
9 sions of the retirement system that establish requirements of age
10 or service, or a combination of age and service, for a partici-
11 pant to be eligible for retirement under the retirement system.
12 Normal retirement provisions do not include any provision of the
13 retirement system established on a temporary or noncontinuous
14 basis that alters the previously established requirements of age
15 or service, or a combination of age and service, for a partici-
16 pant to be eligible for retirement under the retirement system.

17 (2) "Participant" means a member, deferred member, or vested
18 former member of a retirement system.

19 (3) "Retirement system" means a public employee retirement
20 system created and established by this state or any political
21 subdivision of this state.

22 Sec. 5. Notwithstanding any other provision of law, rule,
23 ordinance, or resolution to the contrary, beginning on the effec-
24 tive date of this act, an elected public official who is a par-
25 ticipant of a retirement system by virtue of holding that elec-
26 tive office shall not retire under that retirement system before
27 the date that the elected public official is eligible to retire

1 under the normal retirement provisions or the disability

2 retirement provisions of that retirement system.

Sec. 6. Notwithstanding any other provision of law, rule, ordinance, or resolution to the contrary, an elected public official who takes that elective office after the effective date of this act, who is a participant of a retirement system, and whose public office is not a full-time position is not eligible to receive credit for full-time service in that retirement system. Whether a position is a full-time position shall be determined by the state constitution or other applicable authorizing statute, charter, resolution, or ordinance. A retirement system shall grant proportionate service credit to an elected public official described in this section for less than full-time service on the basis of the number of hours that are considered full-time service. Notwithstanding section 4, as used in this section, "retirement system" does not include any of the following:

(a) The state employees' retirement system created by the state employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69.

(b) The Michigan judges retirement system created by the judges retirement act of 1992, 1992 PA 234, MCL 38.2101 to 38.2670.

(c) The public school employees' retirement system created by the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

(d) The Michigan state police retirement system created by the state police retirement act of 1986, 1986 PA 182, MCL 38.1601 to 38.1648.

Sec. 7. Notwithstanding any other provision of law, rule, ordinance, or resolution to the contrary, an elected public official who takes that elective office after the effective date of this act and who is a participant of a retirement system is eligible to combine credit for service as an elected public official with other service credit in another retirement system, but only in the manner prescribed in the reciprocal retirement act, 1961 PA 88, MCL 38.1101 to 38.1106. Notwithstanding section 4, as used in this section, "retirement system" does not include any of the following:

(a) The state employees' retirement system created by the state employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69.

(b) The Michigan judges retirement system created by the judges retirement act of 1992, 1992 PA 234, MCL 38.2101 to 38.2670.

(c) The public school employees' retirement system created by the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

(d) The Michigan state police retirement system created by the state police retirement act of 1986, 1986 PA 182, MCL 38.1601 to 38.1648.

3 Enacting section 1. This act does not take effect unless

4 all of the following bills of the 89th Legislature are enacted

5 into law:

6 (a) Senate Bill No. 34.

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8 (b) Senate Bill No. 35.

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10 (c) Senate Bill No. 36.

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12 (d) Senate Bill No. 37.

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