

# HOUSE BILL No. 6271

June 17, 2010, Introduced by Rep. LeBlanc and referred to the Committee on Military and Veterans Affairs and Homeland Security.

A bill to amend 1943 PA 240, entitled "State employees' retirement act," by amending section 55 (MCL 38.55), as amended by 2004 PA 33.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 55. (1) "Plan document" means the document that contains  
2 the provisions and procedures of Tier 2 in conformity with this act  
3 and the internal revenue code.

4           (2) "Qualified participant" means an individual who is a  
5 participant of Tier 2 and who meets 1 of the following  
6 requirements:

7           (a) An individual who is first employed and entered upon the  
8 payroll of his or her employer on or after March 31, 1997, and who  
9 before March 31, 1997 would have been eligible to be a member of  
10 Tier 1.

1 (b) An individual who elects to terminate membership in Tier 1  
2 and who elects to participate in Tier 2 in the manner prescribed in  
3 section 50.

4 (C) AN INDIVIDUAL WHO IS AN ADJUTANT GENERAL OR AN ASSISTANT  
5 ADJUTANT GENERAL UNDER THE MICHIGAN MILITARY ACT, 1967 PA 150, MCL  
6 32.501 TO 32.851, AND WHO IS FIRST EMPLOYED AS AN ADJUTANT GENERAL  
7 OR ASSISTANT ADJUTANT GENERAL ON OR AFTER JANUARY 1, 2011.

8 (3) "Refund beneficiary" means an individual nominated by a  
9 qualified participant or a former qualified participant under  
10 section 66 to receive a distribution of the participant's  
11 accumulated balance in the manner prescribed in section 67.

12 (4) "State treasurer" means the treasurer of this state.

13 (5) Except as otherwise provided in this subsection, "year of  
14 service" means each period during which a qualified participant is  
15 employed by the employer and is credited with 2,080 hours of  
16 service. The Tier 2 plan administrator and the plan document may  
17 provide for a lesser number of annual hours and a maximum number of  
18 hours per pay period for any classification of employees, provided  
19 that no participant shall receive credit for more than 1 year of  
20 service for any 12-month period of employment. Beginning January 1,  
21 2003, full service credit shall also be given to a participant for  
22 furlough hours, for required 1-day layoffs, for required and  
23 designated temporary layoffs, for a year in which a participant  
24 temporarily leaves employment to enter active military duty and  
25 then dies during that active military duty, and for participation  
26 in the banked leave time program. In the event a terminated  
27 participant is reemployed, such individual shall retain credit for

1 all full and partial years of service completed prior to such  
2 reemployment, for purposes of determining his or her vesting  
3 percentage in any employer contributions made pursuant to section  
4 63(2) and (3) after his or her reemployment.

5 Enacting section 1. This amendatory act does not take effect  
6 unless Senate Bill No. \_\_\_\_\_ or House Bill No. 6270 (request no.  
7 06745'10) of the 95th Legislature is enacted into law.