

HOUSE BILL No. 5547

April 19, 2012, Introduced by Reps. Goike, LaFontaine, Cotter, Hughes, Shaughnessy, Lund, Rogers, Johnson, Agema, McMillin, Graves, Somerville, Kowall, Forlini and Jenkins and referred to the Committee on Government Operations.

A bill to amend 1957 PA 261, entitled
 "Michigan legislative retirement system act,"
 by amending section 23c (MCL 38.1023c), as amended by 1998 PA 501.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 23c. (1) ~~After December 31, 1986~~ **EXCEPT AS OTHERWISE**
 2 **PROVIDED IN SUBSECTION (4)**, on January 1 of each year a retirement
 3 allowance attributable to a member who first becomes a member on or
 4 before January 1, 1995, shall be increased 4% compounded annually.

5 (2) ~~Beginning January 1, 1995~~ **EXCEPT AS OTHERWISE PROVIDED IN**
 6 **SUBSECTION (4)**, each retirement allowance attributable to a member
 7 who first becomes a member after January 1, 1995, shall be
 8 increased each January 1. The amount of the annual increase **UNDER**
 9 **THIS SUBSECTION** shall be equal to 4% of the retirement allowance
 10 payable as of the retirement allowance effective date.

1 (3) ~~A~~ EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (4), A
2 retirement allowance that begins after January 1 of the immediately
3 preceding calendar year shall be increased under this section on a
4 pro rata basis by the applicable percentage amount from the time
5 the retirement allowance begins to the date of the increase.

6 (4) BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT
7 ADDED THIS SUBSECTION, A RETIREMENT ALLOWANCE SHALL NOT BE
8 INCREASED UNDER THIS SECTION.