

**STATE EMPLOYEES' RETIREMENT ACT (EXCERPT)**  
**Act 240 of 1943**

**38.17i Full-time service with federal government or as state employee with another state; purchase of service credit.**

Sec. 17i.

(1) A member may elect to purchase service credit for not more than 5 years of full-time service with the federal government, or as a state employee with another state, upon request and presentation of documentation of the employment rendered which is verifiable from official federal or state government retirement system records or other acceptable documentation as determined by the retirement board, and upon payment to the board of an amount which is equal to the actuarial cost multiplied by the member's full-time or equated full-time fiscal year compensation for the fiscal year in which payment is made multiplied by each year and fraction of a year of service to be purchased, up to the maximum. For the purpose of computing payment under this subsection, the compensation amount used shall not be less than the highest fiscal year compensation previously received by the member as a member of the system. A member may not purchase service credit under this section for service with the federal government that may be purchased under section 18.

(2) Service credit purchased under this section shall not be used to satisfy the minimum number of years of service credit required to receive a retirement allowance under this act.

(3) Service credit purchased under this section shall not be creditable toward retirement under this act if the member is eligible to receive a pension or annuity for the same service from another retirement system.

(4) If a member who made payment under this section dies and a retirement allowance is not payable or if the member leaves service with the state before his or her retirement allowance becomes effective, the payment made by the member shall be refunded upon request to the member, to the person designated by the member in writing to the board, or if a person is not designated, then to the member's legal representative.

**History:** Add. 1987, Act 57, Imd. Eff. June 23, 1987 ;-- Am. 1987, Act 241, Imd. Eff. Dec. 28, 1987