



# HOUSE BILL No. 4942

July 13, 1993, Introduced by Reps. Dobb, Jaye, Gilmer, Crissman, Bullard, Walberg, Goschka, Dalman, Middleton, Horton, Kukuk, McManus, Voorhees, Galloway, Jamian, Jersevic, Kaza, McBryde, Shugars, Bender, Gernaat, Sikkema, London, Stille and Nye and referred to the Committee on Appropriations.

A bill to amend the title and section 2b of Act No. 427 of the Public Acts of 1984, entitled as amended "Municipal employees retirement act of 1984," as amended by Act No. 63 of the Public Acts of 1992, being section 38.1502b of the Michigan Compiled Laws; and to add section 59.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. The title and section 2b of Act No. 427 of the  
2 Public Acts of 1984, as amended by Act No. 63 of the Public Acts  
3 of 1992, being section 38.1502b of the Michigan Compiled Laws,  
4 are amended and section 59 is added to read as follows:

### TITLE

5  
6 An act to provide for a retirement system for CERTAIN  
7 municipal and judicial employees; to create a retirement board  
8 and to prescribe its powers and duties; to prescribe the powers

1 and duties of certain other state officers and agencies; and to  
2 repeal certain acts and parts of acts.

3       Sec. 2b. (1) "Member" means a municipal employee or judi-  
4 cial employee who is included in the membership of the retirement  
5 system.

6       (2) "Membership service" means personal service rendered a  
7 participating municipality or participating court while a member  
8 of the retirement system.

9       (3) "Municipal employee" means an individual who is paid  
10 compensation for personal services rendered for a participating  
11 municipality. Payment of compensation by a hospital, board, com-  
12 mission, public corporation, or instrumentality created by a  
13 municipality is considered payment by the municipality.

14 Municipal employee does not include any of the following:

15       (a) The mayor, village president, or a member of the govern-  
16 ing body of a participating municipality, unless the individual  
17 files a written application for membership with the retirement  
18 system.

19       (b) An individual who is employed on a basis that exempts  
20 the participating municipality from the withholding provisions of  
21 the internal revenue code.

22       (c) An individual, except a county elected official, who is  
23 wholly paid on a fee basis.

24       (d) An individual who is an active member of the ~~state of~~  
25 Michigan ~~probate~~ judges retirement system created by the  
26 ~~probate~~ judges retirement act OF 1992, Act No. ~~+65-~~ 234 of the

1 Public Acts of ~~1954~~ 1992, being sections ~~38.901~~ 38.2101 to  
 2 ~~38.933~~ 38.2608 of the Michigan Compiled Laws.

3 (e) A person, not regularly employed by the participating  
 4 municipality, who is employed by the municipality through partic-  
 5 ipation in ~~a~~ 1 OR MORE OF THE FOLLOWING PROGRAMS:

6 (i) A program established pursuant to the job training part-  
 7 nership act, Public Law 97-300, 96 Stat. 1322. In addition, a  
 8 person described in this subdivision shall not receive service  
 9 credit for the employment described in this subdivision even  
 10 though the person subsequently becomes or has been a member of  
 11 the retirement system.

12 ~~(f) A person, not regularly employed by the participating~~  
 13 ~~municipality, who is employed by the municipality through partic-~~  
 14 ~~ipation in a~~

15 (ii) A program established pursuant to the Michigan opportu-  
 16 nity and skills training program first provided for under sec-  
 17 tions 12 to 23 of Act No. 259 of the Public Acts of 1983. In  
 18 addition, a person described in this subdivision shall not  
 19 receive service credit for the employment described in this sub-  
 20 division even though the person subsequently becomes or has been  
 21 a member of this retirement system.

22 ~~(g) A person, not regularly employed by the participating~~  
 23 ~~municipality, who is employed by the municipality through partic-~~  
 24 ~~ipation in a~~

25 (iii) A program established pursuant to the Michigan commu-  
 26 nity service corps program first provided for under sections 25  
 27 to 35 of Act No. 259 of the Public Acts of 1983 and sections 148

1 to 160 of Act No. 246 of the Public Acts of 1984. In addition, a  
2 person described in this subdivision shall not receive service  
3 credit for the employment described in this subdivision even  
4 though the person subsequently becomes or has been a member of  
5 this retirement system.

6 (F) ~~(h)~~ A person, not regularly employed by the partici-  
7 pating municipality, who is employed by the municipality to  
8 administer a program described in subdivision (e) ~~, (f), or (g)~~  
9 shall not be a member of this retirement system.

10 (G) ~~(i)~~ An individual who, ~~is,~~ on the effective date of  
11 the municipality's or court's participation under this act, IS a  
12 member of another retirement system that is sponsored by the par-  
13 ticipating municipality or participating court if that individual  
14 remains as a member of the other retirement system.

15 (H) A PERSON WHO IS NOT EMPLOYED BY A PARTICIPATING MUNICI-  
16 PALITY OR A PARTICIPATING COURT ON DECEMBER 31, 1993 AND WHO  
17 BECOMES EMPLOYED BY A PARTICIPATING MUNICIPALITY OR A PARTICIPAT-  
18 ING COURT ON OR AFTER JANUARY 1, 1994, UNLESS THE PERSON IS A  
19 VESTED FORMER MEMBER. THIS SUBDIVISION DOES NOT APPLY TO EMPLOY-  
20 EES WHO ARE POLICE OFFICERS OR FIRE FIGHTERS AND WHO ARE SUBJECT  
21 TO COMPULSORY ARBITRATION OF LABOR DISPUTES PURSUANT TO ACT  
22 NO. 312 OF THE PUBLIC ACTS OF 1969, BEING SECTIONS 423.231 TO  
23 423.247 OF THE MICHIGAN COMPILED LAWS.

24 (I) A PERSON WHO IS A MEMBER OF THIS RETIREMENT SYSTEM ON  
25 DECEMBER 31, 1993 AND WHO ELECTS TO TERMINATE MEMBERSHIP IN THE  
26 MANNER PROVIDED IN THE POLITICAL SUBDIVISION PENSION AND  
27 RETIREMENT PLAN CLOSURE ACT.

1 (4) "Municipality" means a county, county road commission,  
2 city, village, township, or a combination of these units; a  
3 lawful public corporation or instrumentality established by 1 or  
4 more counties, cities, villages, townships, or a combination of  
5 these units; or a public corporation or instrumentality charged  
6 by law with the performance of a governmental function and whose  
7 jurisdiction is coextensive with 1 or more counties, cities, vil-  
8 lages, townships, or a combination of these units.

9 SEC. 59. A PARTICIPATING MUNICIPALITY OR PARTICIPATING  
10 COURT SHALL COMPLY WITH THE POLITICAL SUBDIVISION PENSION AND  
11 RETIREMENT PLAN CLOSURE ACT.

12 Section 2. This amendatory act shall not take effect unless  
13 Senate Bill No. \_\_\_\_\_ or House Bill No. 4937 (request  
14 no. 03746'93 \*\*) of the 87th Legislature is enacted into law.