

# HOUSE BILL NO. 5203

October 24, 2023, Introduced by Reps. Breen, Tyrone Carter, Haadsma, Hope, Brenda Carter, Snyder, MacDonell, McFall, Bezotte, Wozniak, Harris, BeGole, Johnsen, Mueller, Prestin, Hill, Mentzer and VanderWall and referred to the Committee on Local Government and Municipal Finance.

A bill to amend 1851 PA 156, entitled

"An act to define the powers and duties of the county boards of commissioners of the several counties, and to confer upon them certain local, administrative and legislative powers; and to prescribe penalties for the violation of the provisions of this act,"

by amending section 12a (MCL 46.12a), as amended by 2017 PA 204.

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

- 1           Sec. 12a. (1) Subject to subsection (34), a county board of
- 2 commissioners at a lawfully held meeting may do 1 or more of the
- 3 following:

1 (a) Provide group life, health, accident and hospitalization,  
2 and disability coverage for a county employee, a retired employee,  
3 or an employee of an office, board, or department of the county,  
4 including the board of county road commissioners, and a dependent  
5 of an employee, either with or without cost participation by the  
6 employee, and appropriate the necessary money for the insurance.  
7 For a county with 100 employees or more, the county may under this  
8 subsection self-insure for health, accident and hospitalization,  
9 and group disability coverage for a county employee, a retired  
10 employee, or an employee of an office, board, or department of the  
11 county, including the board of county road commissioners, and a  
12 dependent of an employee, either with or without cost participation  
13 by the employee, and appropriate the necessary funds.

14 (b) Adopt and establish a plan by which the county purchases  
15 or participates in the cost of an endowment policy or retirement  
16 annuity for a county employee or an employee of an office, board,  
17 or department of the county, including the board of county road  
18 commissioners, to provide monthly pension or retirement benefits  
19 for each employee 60 years of age or older in an amount not to  
20 exceed \$150.00 per month or 2% of the average monthly earnings of  
21 the employee for 5 years immediately before retirement times the  
22 years of service of the employee, whichever is the lesser amount.  
23 As an option, a county board of commissioners may adopt and  
24 establish a plan by which the county pays pension or retirement  
25 benefits to a county employee or an employee of an office, board,  
26 or department of the county, including the board of county road  
27 commissioners, who has been employed for not less than 25 years, or  
28 who is 60 years of age or older and has been employed for not less  
29 than 5 years, in monthly payments not to exceed 2.5% of the

1 employee's highest average monthly compensation or earnings  
2 received from the county or county road fund for 5 years of service  
3 times the total number of years of service of the employee,  
4 including a fraction of a year, not to exceed 3/4 of the average  
5 final compensation of the employee. A plan may also pay early  
6 retirement benefits at 55 years of age or older to the extent of  
7 actuarially equivalent benefits not increasing the costs of the  
8 plan. Except as provided in subsection (27), endowment policies,  
9 retirement benefits, pensions, or annuity retirement benefits in  
10 excess of the amounts provided in this subdivision may be provided  
11 for by a plan of employee participation to cover the cost of the  
12 excess. If the employment or the pension or retirement benefits of  
13 an employee who participated in the cost of pension or retirement  
14 benefits are terminated before the employee receives pension or  
15 retirement benefits equal to the total amount of the employee's  
16 participation, the balance of the total participation must be  
17 refunded to the employee at the time of termination, if living, or  
18 if deceased, to the employee's heir, estate, legal representative,  
19 or designated beneficiary as provided in the plan adopted and  
20 established by the county board of commissioners. If a terminated  
21 employee is rehired by the county, the employee may repay the  
22 amount of participation refunded to the employee on the employee's  
23 termination, plus compound interest from the date of refund to the  
24 dates of repayment at the rates provided in the plan. As conditions  
25 for repayment, the plan may require return to employment for a  
26 period not to exceed 3 years and may require that repayment be  
27 completed within a period of not less than 1 year following return  
28 to employment. A plan adopted for the payment of retirement  
29 benefits or a pension must grant benefits to an employee eligible

1 for pension or retirement benefits according to a uniform scale for  
2 all persons in the same general class or classification. An  
3 employee must not be denied benefits by termination of his or her  
4 employment after the employee becomes eligible for benefits under  
5 the plan and this section. An endowment policy or annuity purchased  
6 under this section must be purchased from an insurer authorized to  
7 write endowment policies or annuities in this state.

8 (2) In a plan adopted under this section, at least 60% of the  
9 total pension or retirement benefit granted to an employee from  
10 county funds must consist of a percentage not to exceed 2.5% of the  
11 employee's average final compensation times the employee's years of  
12 service and must be granted to each employee eligible for  
13 retirement under the plan uniformly and without restriction or  
14 limitation other than those prescribed in this section. As used in  
15 this section:

16 (a) "Average final compensation" means the annual average of  
17 the highest actual compensation received by a county employee,  
18 other than a county employee who is a judge of a municipal court of  
19 record subject to subsection (20) or a judge subject to subsection  
20 (23), during a period of 5 consecutive years of service contained  
21 within the employee's 10 years of service immediately before the  
22 employee's retirement or a period of 5 years of service as  
23 specified in the plan. In a county that adopts a plan for granting  
24 longevity pay, the county board of commissioners may exclude this  
25 longevity pay from average final compensation for the purpose of  
26 computing the rate of employee contribution and the amount of  
27 benefits payable to an employee on retirement.

28 (b) "Longevity pay" means increments of compensation payable  
29 at annual or semiannual intervals and based on years of service to

1 the county, exclusive of compensation provided for a given class of  
2 positions.

3 (3) A circuit court stenographer is eligible for membership  
4 in, and the benefits of, a pension or retirement benefit under a  
5 plan established under this section, or a social security plan  
6 established by the county or 1 of the counties that pays a portion  
7 of the compensation of a circuit court stenographer.

8 (4) If the employment of a county employee eligible to receive  
9 a pension or retirement benefit under a plan established under this  
10 section is terminated after the employee has completed 8 or more  
11 years of service in county employment, the employee must receive  
12 the amount of pension or retirement benefit to which the employee's  
13 service would have entitled the employee under the plan  
14 established, if the employee waives the employee's right to a  
15 refund of the employee's total participation on the termination of  
16 employment. The payment of pension or retirement benefits must  
17 begin, as provided in the plan, after the employee would have  
18 become eligible for retirement under the plan had the employee's  
19 employment not been terminated, but not later than 90 days after  
20 the employee becomes 65 years of age. The payment of pension or  
21 retirement benefits must not begin until the employee has applied  
22 for pension or retirement benefits in the manner prescribed in the  
23 plan established.

24 (5) A plan established under this section may provide for  
25 pension or retirement benefits for a county employee who becomes  
26 totally disabled for work in the county service from any cause,  
27 after not less than 10 years of county employment, to the extent of  
28 the limitations provided in this section. A plan may also provide  
29 for pension or retirement benefits to the extent of the limitations

1 provided in this section or \$400.00 per month, whichever is the  
2 greater amount, for an employee who becomes totally disabled for  
3 work in the county service from causes that are the direct and  
4 proximate result of county employment, to continue for the duration  
5 of the disability or until the employee becomes eligible for  
6 retirement under other provisions of the plan authorized by this  
7 section. A plan may also provide for pension or retirement  
8 benefits, to the extent of the limitations provided in this  
9 section, for the actual dependents of a county employee who dies  
10 while still employed by the county after not less than 10 years of  
11 county employment, or who dies after leaving county employment with  
12 not less than the number of years of service required to vest in  
13 the plan but before becoming eligible to receive a pension or  
14 retirement benefit. A plan may also provide for pension or  
15 retirement benefits to the extent of the limitations provided in  
16 this section or \$400.00 per month, whichever is greater, for the  
17 actual dependents of a deceased county employee whose death is the  
18 direct and proximate result of county employment. The plan may  
19 provide that the period from the end of the deceased or disabled  
20 employee's period of service to the date that employee would have  
21 become eligible for retirement is used as service for the sole  
22 purpose of computing the amount of disability or death pension.

23 (6) As used in this section, "county employee" includes a  
24 bailiff of the district court in the thirty-sixth district who  
25 serves under section 8322 of the revised judicature act of 1961,  
26 1961 PA 236, MCL 600.8322, and a person who receives more than 50%  
27 of all compensation for personal services, rendered to governmental  
28 units, from a county fund or county road fund, except a person,  
29 other than a bailiff of the district court in the thirty-sixth

1 district, engaged for special services on a contract or fee basis.  
2 Until December 31, 1979, a plan adopted under this section may  
3 include as a county employee a person on leave of absence from  
4 county employment who is not a member of another retirement system  
5 except as a retirant and who pays or arranges payment of  
6 contributions equal to the contributions that would have been  
7 required to be paid under the plan by both the county and the  
8 employee, based on the compensation the employee would have  
9 received from the county, if the employee had not taken a leave of  
10 absence or a person who complies with the requirements of such a  
11 provision approved for inclusion in a plan by the county board of  
12 commissioners before January 1, 1976, who is considered a county  
13 employee during the period of compliance. A plan adopted under this  
14 section may exclude a person who is employed on a temporary basis  
15 and a person employed in a position normally requiring less than  
16 1,000 hours, or some lesser specified number of hours, work per  
17 year. A bailiff serving in the district court in the thirty-sixth  
18 district is eligible to receive benefits under this section if a  
19 plan has been established by law by which the cost of benefits is  
20 payable from sources including charges on all legal instruments in  
21 which the service of process by a bailiff is required and earmarked  
22 by law for benefits, and contributions made by the city of Detroit  
23 and each bailiff under section 8322(6) of the revised judicature  
24 act of 1961, 1961 PA 236, MCL 600.8322. The plan must provide that  
25 a bailiff or former bailiff who served as bailiff as of January 1,  
26 1967, may retire after 25 years of service regardless of age, with  
27 maximum benefits to be computed as follows: starting as of January  
28 1, 1969, the average of any 5 years of earnings of the previous 10  
29 years served in succession before retirement multiplied by 1.9%

1 times the years of service; starting as of June 1, 1975, the  
2 average of any 5 years of earnings multiplied by 2% times the years  
3 of service. As used in this subsection, "earnings" means the salary  
4 and fees, other than mileage, received by a bailiff under section  
5 8322(5) of the revised judicature act of 1961, 1961 PA 236, MCL  
6 600.8322. The plan must provide that health, accident, and  
7 hospitalization insurance premiums may be paid out of the earnings  
8 of this fund. These payments must be made at the discretion of the  
9 pension board of trustees. A county that has a retirement fund for  
10 bailiffs under this section shall annually review the retirement  
11 fund and shall ensure that the fund is maintained in an actuarially  
12 sound condition. Copies of the actuarial reports must be provided  
13 to the employer designated under section 8274(2) or (3) of the  
14 revised judicature act of 1961, 1961 PA 236, MCL 600.8274, and to  
15 the state court administrator.

16 (7) An employee while receiving a pension or retirement  
17 benefit because of disability, under this section, may be  
18 considered as employed in the county service for the purpose of  
19 retirement under this section.

20 (8) A county employee who is included by law in another  
21 pension or retirement system by reason of the compensation the  
22 employee receives from the county may be excluded from a plan  
23 established under this section or included only to the extent of  
24 the difference between benefits granted under this section and the  
25 other pension or retirement system.

26 (9) The county board of commissioners, on the request of a  
27 county employee, by not less than a 3/5 vote may credit the county  
28 employee with the amount of government service resulting from  
29 employment with the United States government, except military



1 service, employment with a state, or employment with any of their  
2 political subdivisions under the following conditions:

3 (a) Employment by the county occurred within 15 years  
4 following the county employee's separation from service of the last  
5 unit of government by which the county employee was employed.

6 (b) Service rendered before the last break in service of more  
7 than 15 years is not credited.

8 (c) Service that is recognized for the purpose of a deferred  
9 retirement allowance under a retirement system or other employer-  
10 funded retirement benefit plan, except for a retirement benefit  
11 plan under the social security act, chapter 531, 49 Stat. 620, of  
12 the United States government, a state, or a political subdivision  
13 of a state is not credited if the county employee retired under a  
14 retirement system of the United States government, a state, or any  
15 of their political subdivisions or until the county employee  
16 irrevocably forfeits the right to the deferred retirement  
17 allowance.

18 (d) The county employee deposits in the plan established under  
19 this section an amount equal to the aggregate amount of  
20 contributions the county employee would have made had the service  
21 been acquired while employed by the county, plus interest from the  
22 dates the contributions would have been made to the date of  
23 deposit, at rates determined by the county board of commissioners.  
24 If records are insufficient or unavailable to compute the exact  
25 amount of required deposit, the county board of commissioners may  
26 estimate the amount.

27 (e) The county employee has 8 or more years of credited  
28 service in county employment, is vested in the county plan, and  
29 deposits in the county employees' retirement system an amount equal

1 to the aggregate amount of contributions the employer would have  
2 made had the government service being credited under this section  
3 been acquired while employed by the county.

4 (10) A plan adopted under this section may provide for annual  
5 or less frequent postretirement redetermination of a pension. The  
6 redetermined amount of pension must be not greater than the amount  
7 of pension otherwise payable multiplied by the sum of 100% and the  
8 percentage the county board of commissioners determines appropriate  
9 for each full year, excluding a fraction of a year, in the period  
10 from the effective date of payments of the pension and the date  
11 that the redetermination is being made. The redetermined amount  
12 must not be less than the amount of pension otherwise payable. A  
13 provision of this section that limits the amount of a pension does  
14 not apply to the operation of this subsection redetermining the  
15 amount of a pension. As used in this subsection, "the amount of  
16 pension otherwise payable" means the amount of pension that would  
17 be payable without regard to this subsection. The application of a  
18 provision redetermining pension amounts may be restricted to  
19 pensions that have an effective date of payment either before or  
20 after a specified date.

21 (11) The cost of pension or retirement benefits for a county  
22 employee under this section may be paid from the same fund from  
23 which the employee receives compensation, and the county board of  
24 commissioners may appropriate the necessary funds to carry out the  
25 purposes of this section. If a county establishes a plan by which  
26 the county pays pension or retirement benefits to an employee under  
27 this section, the county, under provisions for pension or  
28 retirement benefits that are incorporated in the plan, shall  
29 establish and maintain reserves on an actuarial basis in the manner

1 provided in this subsection sufficient to finance the pension and  
2 retirement and death benefit liabilities under the plan and  
3 sufficient to pay the pension and retirement and death benefits as  
4 they become due. A county that adopts a retirement plan under this  
5 section and establishes reserves on an actuarial basis shall  
6 maintain the reserves as provided in this subsection. The reserves  
7 must be determined by an actuarial valuation and established and  
8 maintained by yearly appropriations by the county and contributions  
9 by employees. The reserves must be established, maintained, and  
10 funded to cover the pension and other benefits provided for in the  
11 plan in the same manner and within the same limits as to time as is  
12 provided for Benefit Program B in the municipal employees  
13 retirement system described in former section 14 of the municipal  
14 employees retirement act of 1984, 1984 PA 427. These reserves are  
15 trust funds and must not be used for any other purpose than the  
16 payment of pension, retirement, and other benefits and refunds of  
17 employee contributions pursuant to the plan established in a  
18 county. An employee's contributions must be kept and accumulated in  
19 a separate fund and used only for the payment of annuities and  
20 refunds to employees. This subsection does not apply to a county  
21 that adopted a retirement plan under this section and did not  
22 establish reserves on an actuarial basis before October 11, 1947.

23 (12) If a county establishes a plan for the payment of pension  
24 and retirement benefits to its employees under this section, the  
25 county board of commissioners may provide for a board of trustees  
26 to administer the plan and for the manner of election or  
27 appointment of the members of the board of trustees. The county  
28 board of commissioners may grant authority to the board of trustees  
29 to fully administer and operate the plan and to deposit, invest,

1 and reinvest the funds and reserves of the plan within the  
2 limitations prescribed by the county board of commissioners in the  
3 plan. The county board of commissioners may authorize the  
4 investment of funds of a county retirement plan established under  
5 this section in anything in which the funds of the state employees'  
6 retirement system or the funds of the municipal employees  
7 retirement system may be invested, under the state employees'  
8 retirement act, 1943 PA 240, MCL 38.1 to 38.69, and the municipal  
9 employees retirement act of 1984, 1984 PA 427, MCL 38.1501 to  
10 38.1555. A county retirement plan established under this section  
11 may provide for financing, funding, and the payment of benefits in  
12 the same manner and to the same extent as is provided for in the  
13 state employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69,  
14 and the municipal employees retirement act of 1984, 1984 PA 427,  
15 MCL 38.1501 to 38.1555, may provide for and require contributions  
16 by county employees, and may permit additional employee  
17 contributions on a voluntary basis.

18 (13) On the approval of the county board of commissioners, a  
19 member who entered the Armed Service of the United States before  
20 June 1, 1980 or who entered the Armed Service of the United States  
21 after May 31, 1980 during a time of war or emergency condition as  
22 described in section 1 of 1965 PA 190, MCL 35.61, as that section  
23 read on September 19, 2016, may elect to receive credited service  
24 for not more than 5 years of active military service. Credit for  
25 military service must be given on request and payment to the  
26 retirement system of an amount equal to 5% of the member's full-  
27 time or equated full-time annual compensation for the year in which  
28 payment is made multiplied by the number of years, and fraction of  
29 a year, of credited service that the member elects to purchase up

1 to the maximum. Service must not be credited if the service is or  
2 would be credited under any other federal, state, or local publicly  
3 supported retirement system, except for service that is or would be  
4 credited under the federal government for services in the reserve.  
5 Service must not be credited under this subsection until the member  
6 has the number of years of credited service needed to vest under  
7 the plan. Only completed years and months of armed service may be  
8 credited under this subsection.

9 (14) A member who enters or entered any Armed Service of the  
10 United States may purchase credited service for periods of  
11 continuous active duty lasting 30 days or more, subject to the  
12 following conditions:

13 (a) The county board of commissioners authorizes the purchase  
14 of credited service under this subsection by an affirmative vote of  
15 a majority of the members of the county board of commissioners. The  
16 county board of commissioners shall establish a written policy to  
17 implement this subsection to provide uniform application of this  
18 subsection to all members of the plan.

19 (b) The member has at least the number of years of credited  
20 service needed to vest under the plan, not including any credited  
21 service purchased under this subsection and subsection (13).

22 (c) The member pays the plan 5% of the member's annual  
23 compensation multiplied by the period of credited service being  
24 purchased. As used in this subdivision, "annual compensation" means  
25 the aggregate amount of compensation paid the member during the 4  
26 most recent calendar quarters for each of which the member was  
27 credited 3/12 of a year of credited service.

28 (d) Fractional months of armed service is not recognized for  
29 the purposes of this subsection.

1 (e) Armed service credited a member under subsection (13) is  
2 not the basis of credited service under this section.

3 (f) Armed service credited a member under this subsection does  
4 not exceed either 5 years or the difference between 5 years and the  
5 armed service credited the member under subsection (13).

6 (g) Credited service is not granted for periods of armed  
7 service that are or could be used for obtaining or increasing a  
8 benefit from another retirement system, except for service that is  
9 or would be credited under the federal government for services in  
10 the reserve.

11 (15) As used in this subsection, "transitional public  
12 employment program" means a public service employment program in  
13 the area of environmental quality, health care, education, public  
14 safety, crime prevention and control, prison rehabilitation,  
15 transportation, recreation, maintenance of parks, streets, and  
16 other public facilities, solid waste removal, pollution control,  
17 housing and neighborhood improvements, rural development,  
18 conservation, beautification, veterans' outreach, or any other area  
19 of human betterment and community improvement as part of a program  
20 of comprehensive manpower services authorized, undertaken, and  
21 financed under the former comprehensive employment and training act  
22 of 1973, Public Law 93-203. A person participating in a  
23 transitional public employment program is not eligible for  
24 membership in a retirement system or pension plan established under  
25 this section. If the person later becomes a member of a retirement  
26 system or pension plan established under this section within 12  
27 months after the date of termination as a participant in a  
28 transitional public employment program, service credit must be  
29 given for employment in the transitional public employment program

1 for purposes of determining a retirement allowance on the payment  
2 by the person and the person's employer under the transitional  
3 public employment program from money provided under the former  
4 comprehensive employment and training act of 1973, Public Law 93-  
5 203, as money permits, to the retirement system of the  
6 contributions, plus regular interest, the person and the employer  
7 would have paid had the employment been rendered in a position  
8 covered by this section. During the person's employment in the  
9 transitional public employment program, the person's employer shall  
10 provide an opportunity by payroll deduction for the person to make  
11 his or her employee contribution to the applicable pension system.  
12 To provide for the eventual payment of the employer's contribution,  
13 the person's employer shall during this same period place in  
14 reserve a reasonable but not necessarily an actuarially determined  
15 amount equal to the contributions that the employer would have paid  
16 to the retirement system for those employees in the transitional  
17 public employment program as if they were members under this  
18 section, but only for the number of employees that the employer  
19 determined would transfer from the transitional public employment  
20 program into positions covered by this section. If the money  
21 provided under the former comprehensive employment and training act  
22 of 1973, Public Law 93-203, is insufficient, the person's current  
23 employer shall pay the remainder of the employer contributions.

24 (16) Subsection (15) does not exclude the participant in a  
25 transitional public employment program from the accident,  
26 disability, or other benefits available to members of a retirement  
27 system covered by this section.

28 (17) If a probate judge who is a member of a plan established  
29 under this section contributes for 20 years or more, the county

1 board of commissioners may allow the probate judge to cease further  
2 contributions.

3 (18) An employee of the circuit court in the third judicial  
4 circuit, the common pleas court of the city of Detroit, or the  
5 recorder's court of the city of Detroit who became an employee of  
6 the state judicial council on September 1, 1981, and who was 44  
7 years of age or older as of that date, and who will have  
8 accumulated 25 or more years of service credit by September 1,  
9 1987, continues to be eligible for membership in, and the benefits  
10 of, a pension or retirement benefit plan established under this  
11 section in the same manner as the employee was eligible before  
12 September 1, 1981. A person who was an employee of the circuit  
13 court in the third judicial circuit, the common pleas court of the  
14 city of Detroit, or the recorder's court of the city of Detroit on  
15 August 31, 1981, who last entered county employment before November  
16 2, 1956, who became an employee of the state judicial council on  
17 September 1, 1981, and who accumulated not less than 24 years of  
18 service credit by August 31, 1981, continues to be eligible for  
19 membership in, and the benefits of, a pension or retirement benefit  
20 plan established under this section in the same manner as the  
21 employee was eligible before September 1, 1981. An election to  
22 continue to be a member of a pension or retirement benefit plan  
23 established under this section as authorized by section 594(2) of  
24 the revised judicature act of 1961, 1961 PA 236, MCL 600.594, as  
25 that section read on February 8, 1985, or section 36(2) of former  
26 1919 PA 369, is not effective unless the employee has made the  
27 election in the manner prescribed by those sections and has made  
28 the payments required by those sections.

29 (19) A plan adopted under this section may provide that an



1 employee of the circuit court in the third judicial circuit, the  
2 common pleas court of the city of Detroit, or the recorder's court  
3 of the city of Detroit who is a member of the Wayne County  
4 employees' retirement system on August 31, 1981, who becomes an  
5 employee of the state judicial council and a member of the state  
6 employees' retirement system on September 1, 1981, receive a  
7 benefit based on the annual average of the highest actual  
8 compensation received by the employee during a period of 5 years of  
9 county or state service.

10 (20) Beginning September 1, 1981, for determining the  
11 retirement benefit for a county employee who is a judge of a  
12 municipal court of record under subsection (2), "average final  
13 compensation" means the annual average of the highest actual  
14 compensation received by the judge as additional salary under  
15 section 13(2) of former 1919 PA 369, or section 9932(3) of the  
16 revised judicature act of 1961, 1961 PA 236, MCL 600.9932, during a  
17 period of 5 years of service as specified in the plan. This  
18 subsection must not be construed to diminish or impair an accrued  
19 financial benefit.

20 (21) Beginning September 1, 1981, for each county employee who  
21 is a judge of a municipal court of record, or of the circuit or  
22 district court, the sum of the average final compensation  
23 determined for that county employee under this section and the  
24 final salary determined for that county employee as a member of the  
25 state of Michigan judges' retirement system created by former 1951  
26 PA 198, or as a member of the Michigan judges retirement system  
27 created by the judges retirement act of 1992, 1992 PA 234, MCL  
28 38.2101 to 38.2670, must not exceed the employee's total annual  
29 judicial salary payable from all sources at the time of his or her

1 retirement. This subsection must not be construed to diminish or  
2 impair an accrued financial benefit.

3 (22) Beginning September 1, 1981, for a county employee who is  
4 a judge of the probate court, the sum of the average final  
5 compensation calculated for the employee under this section and the  
6 final salary calculated for the employee as a member of the state  
7 of Michigan probate judges retirement system created by former 1954  
8 PA 165 or as a member of the Michigan judges retirement system  
9 created by the judges retirement act of 1992, 1992 PA 234, MCL  
10 38.2101 to 38.2670, must not exceed the employee's total annual  
11 judicial salary payable from all sources at the time of his or her  
12 retirement. This subsection must not be construed to diminish or  
13 impair an accrued financial benefit.

14 (23) Beginning September 1, 1981, for determining a retirement  
15 benefit under subsection (2) for a county employee who is a judge  
16 who receives an annuity under section 14(5) of former 1951 PA 198  
17 or under section 503(2)(c) of the judges retirement act of 1992,  
18 1992 PA 234, MCL 38.2503, "average final compensation" means the  
19 difference between the judge's total annual salary payable from all  
20 sources on August 31, 1981, and the judge's state base salary  
21 payable on August 31, 1981. This subsection must not be construed  
22 to diminish or impair an accrued financial benefit.

23 (24) Beginning January 1, 1983, the sum of the final salary  
24 determined for a county employee who is a judge of the probate  
25 court used as the basis for determining the judge's retirement  
26 allowance as a member of a retirement system established under this  
27 section and the salary or compensation figure used as the basis for  
28 determining the judge's retirement allowance as a member of the  
29 state of Michigan judges' retirement system created by former 1951

1 PA 198 or as a member of the Michigan judges retirement system  
2 created by the judges retirement act of 1992, 1992 PA 234, MCL  
3 38.2101 to 38.2670, must not exceed the judge's total annual salary  
4 payable from all sources at the time of his or her retirement. This  
5 subsection must not be construed to diminish or impair an accrued  
6 financial benefit.

7 (25) The county board of commissioners, on the request of a  
8 county employee, by not less than a 3/5 vote may credit the county  
9 employee with the amount of membership service that the county  
10 employee was previously credited with by the retirement system  
11 established under this section under the following conditions:

12 (a) The membership service previously credited to the county  
13 employee was service rendered for the same county.

14 (b) Service that is recognized for the purpose of a deferred  
15 retirement allowance under a retirement system or other employer-  
16 funded retirement benefit plan, except for a retirement benefit  
17 plan under the social security act, chapter 531, 49 Stat. 620, of  
18 the United States government, a state, or a political subdivision  
19 of a state is not credited if the county employee retired under a  
20 retirement system of the United States government, a state, or any  
21 of their political subdivisions or until the county employee  
22 irrevocably forfeits the right to the deferred retirement  
23 allowance.

24 (c) The county employee deposits in the plan established under  
25 this section an amount equal to the aggregate amount of  
26 contributions the county employee made at the time of the previous  
27 membership service plus interest from the date of withdrawal of the  
28 accumulated contributions to the date of deposit, at rates  
29 determined by the county board of commissioners. If records are

1 insufficient or unavailable to compute the exact amount of required  
2 deposit, the county board of commissioners may estimate the amount.

3 (d) The county employee deposits in the county employees'  
4 retirement system an amount equal to the aggregate amount of  
5 contributions the employer made at the time of the previous  
6 membership service plus interest from the date of separation to the  
7 date of deposit, at rates determined by the county board of  
8 commissioners.

9 (26) A person participating in a program described in this  
10 subsection is not eligible for membership in a retirement system or  
11 pension plan established under this section. In addition, the  
12 person must not receive service credit for the employment described  
13 in this subsection even though the person subsequently becomes or  
14 has been a member of the retirement system. This subsection applies  
15 to all of the following:

16 (a) A person, not regularly employed by the county, who is  
17 employed by the county through participation in a program  
18 established pursuant to the job training partnership act, Public  
19 Law 97-300, 96 Stat. 1322.

20 (b) A person, not regularly employed by the county, who is  
21 employed by the county through participation in a program  
22 established under the Michigan opportunity and skills training  
23 program, first established under sections 12 to 23 of former 1983  
24 PA 259.

25 (c) A person, not regularly employed by the county, who is  
26 employed by the county through participation in a program  
27 established under the Michigan community service corps program,  
28 first established under sections 25 to 35 of former 1983 PA 259 and  
29 sections 148 to 160 of former 1984 PA 246.

1 (d) A person, not regularly employed by the county, who is  
2 hired by the county to administer a program described in  
3 subdivision (a), (b), or (c).

4 (27) If a county enters into a collective bargaining agreement  
5 under 1947 PA 336, MCL 423.201 to 423.217, that provides for  
6 retirement benefits that are in excess of the retirement benefits  
7 otherwise authorized under this section for employees of the county  
8 who are covered by a plan under this section, the county board of  
9 commissioners may amend or adopt a plan under this section to  
10 provide those benefits to employees who are members of the  
11 bargaining unit covered by the agreement, and may, after December  
12 31, 1987, amend or adopt a plan under this section to provide those  
13 benefits to other employees of the county.

14 (28) One of the following conditions applies to a retirant who  
15 is receiving a pension or retirement benefit from a plan under this  
16 section if the retirant becomes employed by a county that has  
17 established a plan under this section:

18 (a) Payment of the pension or retirement benefit to the  
19 retirant must be suspended if the retirant is employed by the  
20 county from which the retirant retired and the retirant does not  
21 meet the requirements of subdivision (b) or (d). Suspension of the  
22 payment of the pension or retirement benefit is effective the first  
23 day of the calendar month that follows the sixtieth day after the  
24 retirant is employed by the county. Payment of the pension or  
25 retirement benefit must resume on the first day of the calendar  
26 month that follows termination of the employment. Payment of the  
27 pension or retirement benefit must resume without change in amount  
28 or conditions by reason of the employment. The retirant must not be  
29 a member of the plan during the period of employment.

1 (b) Payment of the pension or retirement benefit to the  
2 retirant continues without change in amount or conditions by reason  
3 of employment by the county from which the retirant retired if all  
4 of the following requirements are met:

5 (i) The retirant meets 1 of the following requirements:

6 (A) For ~~any~~ a retirant, is employed by the county for not more  
7 than 1,000 hours in any 12-month period.

8 (B) For a retirant who was not an elected or appointed county  
9 official at retirement, is elected or appointed as a county  
10 official for a term of office that begins after the retirant's  
11 retirement allowance effective date.

12 (C) For a retirant who was an elected or appointed county  
13 official at retirement, is elected or appointed as a county  
14 official to a different office from which the retirant retired for  
15 a term of office that begins after the retirant's retirement  
16 allowance effective date.

17 (D) For a retirant who was an elected or appointed county  
18 official at retirement, is elected or appointed as a county  
19 official to the same office from which the retirant retired for a  
20 term of office that begins 2 years or more after the retirant's  
21 retirement allowance effective date.

22 **(E) The retirant is employed by a county sheriff's office.**

23 (ii) The retirant is not eligible for any benefits from the  
24 county other than those required by law or otherwise provided to  
25 the retirant because of his or her being a retirant.

26 (iii) The retirant is not a member of the plan during the period  
27 of reemployment, does not receive additional retirement credits  
28 during the period of reemployment, and does not receive an increase  
29 in pension or retirement benefits because of the employment under

1 this subdivision.

2 (c) Payment of the pension or retirement benefit to the  
3 retirant continues without change in amount or conditions by reason  
4 of the employment if the retirant becomes employed by a county  
5 other than the county from which the retirant retired. For the  
6 purposes of membership and potential benefit entitlement under the  
7 plan of the other county, the retirant is considered in the same  
8 manner as an individual with no previous record of employment by  
9 that county.

10 (d) Payment of the pension or retirement benefit to the  
11 retirant continues without change in amount or conditions by reason  
12 of employment by the county from which the retirant retired if the  
13 retirant was an employee of the state judicial council on September  
14 30, 1996, and becomes a county-paid employee of the recorder's  
15 court of the city of Detroit or the third judicial circuit of the  
16 circuit court on October 1, 1996.

17 (29) A county may increase the percentage of the highest  
18 average monthly compensation or earnings that was used to calculate  
19 the pension or retirement benefit under subsection (1)(b) of an  
20 individual receiving a pension or retirement benefit under this  
21 section on the date the county increases the percentage of  
22 compensation or earnings. The county shall recalculate the pension  
23 or retirement benefit using the increased percentage of  
24 compensation or earnings. The person receiving the pension or  
25 retirement benefit is eligible to receive an adjusted pension or  
26 retirement benefit based on the recalculation effective the first  
27 day of the month following the date the county increases the  
28 percentage of compensation or earnings under this subsection.

29 (30) The payment of pension or retirement benefits under a

1 plan established under this section is subject to an eligible  
2 domestic relations order under the eligible domestic relations  
3 order act, 1991 PA 46, MCL 38.1701 to 38.1711.

4 (31) If a county retirement plan established under this  
5 section provides an optional form of payment of a retirement  
6 allowance and if a retirant receiving a reduced retirement  
7 allowance under that plan is divorced from the spouse who had been  
8 named the retirant's survivor beneficiary, the election of a  
9 reduced retirement allowance form of payment must be considered  
10 void by the retirement system if the judgment of divorce or award  
11 or order of the court, or an amended judgment of divorce or award  
12 or order of the court dated after July 18, 1991 provides that the  
13 election of a reduced retirement allowance form of payment is to be  
14 considered void by the retirement system and the retirant provides  
15 a certified copy of the judgment of divorce or award or order of  
16 the court, or an amended judgment of divorce or award or order of  
17 the court, to the retirement system. If the election of a reduced  
18 retirement allowance form of payment is considered void by the  
19 retirement system under this subsection, the retirant's retirement  
20 allowance must revert to a straight life retirement allowance,  
21 including postretirement adjustments, if any, subject to an award  
22 or order of the court. The retirement allowance must revert to a  
23 straight life retirement allowance under this subsection effective  
24 the first of the month after the date the retirement system  
25 receives a certified copy of the judgment of divorce or award or  
26 order of the court. This subsection does not supersede a judgment  
27 of divorce or award or order of the court in effect on July 18,  
28 1991. This subsection does not require the retirement system to  
29 distribute or pay retirement assets on behalf of a retirant in an



1 amount that exceeds the actuarially determined amount that would  
2 otherwise become payable if a judgment of divorce had not been  
3 rendered.

4 (32) If a county board of commissioners of a county that has a  
5 population of more than 400,000 but less than 800,000 has an  
6 employee credit union organized under the credit union act, 2003 PA  
7 215, MCL 490.101 to 490.601, or former 1925 PA 285, the county  
8 board of commissioners may include as a member of a plan under this  
9 section a past or present employee of the credit union, if that  
10 past or present employee has 5 or more years of service credit with  
11 that credit union on or before June 30, 1990.

12 (33) The county board of commissioners shall establish a  
13 written policy to implement ~~the provisions of~~ this section to  
14 provide uniform application of this section to all members of the  
15 plan.

16 (34) Notwithstanding anything in this act to the contrary, a  
17 pension or retirement benefit under this section is subject to the  
18 protecting local government retirement and benefits act, **2017 PA**  
19 **202, MCL 38.2801 to 38.2812.**