

MICHIGAN LEGISLATIVE RETIREMENT SYSTEM ACT (EXCERPT)
Act 261 of 1957

38.1022 Survivors' retirement fund; creation; purpose; contributions; rate; payroll deductions; computing retirement reserves for retirement allowances; financing; state's appropriations for survivors' retirement allowances.

Sec. 22.

(1) The survivors' retirement fund is created in the retirement system. The retirement system shall accumulate in the survivors' retirement fund reserves for the payment of retirement allowances to survivors. The retirement system shall pay the survivor retirement allowances from the survivors' retirement fund. Except as otherwise provided in this subsection, each member shall make contributions to the survivors' retirement fund of 0.5% of each payment of salary received that is attributable to service performed on and after January 1, 1995. A member shall not make contributions to the survivors' retirement fund for more than 20 years. The contributions shall be made by payroll deductions and each member is considered to consent and agree to the deductions as a condition of membership in the retirement system. Beginning on the effective date of section 36a, member contributions required under this subsection are suspended unless reinstated by the board under section 36a.

(2) The board shall adopt mortality and other experience tables and the prescribed rate of interest. Upon the basis of those tables and the interest rate, the actuary shall compute annually the retirement reserves for retirement allowances being paid survivors, and to be paid survivors upon the deaths of members, deferred vested members, and retirants, as provided in this act. It is the intention of this act that the retirement reserves shall be financed by appropriations made by this state, determined pursuant to subsections (3), (4), and (5).

(3) The state's appropriation for survivors' retirement allowances to be paid upon the death of members, deferred vested members, and retirants shall be an amount that will provide the net reserves, after allowing for members' contributions to the survivors' retirement fund and transfers to be made to the fund from the members' savings fund, or other available funds for retirement allowances to be paid to survivors of members, deferred vested members, and retirants who will probably die during the next ensuing fiscal year.

(4) The state's appropriation for survivors' retirement allowances to be paid upon the death of retirants shall be an amount determined pursuant to the financing methods provided for in section 20(2) and (3).

(5) The state's appropriation for survivors' retirement allowances being paid from the survivors' retirement fund shall be an amount that if paid annually over a period of years to be determined by the board, but not to exceed 50 years, will amortize at the prescribed rate of interest the unfunded reserves for the retirement allowances.

History: 1957, Act 261, Eff. Sept. 27, 1957 ;-- Am. 1960, Act 113, Eff. Aug. 17, 1960 ;-- Am. 1968, Act 229, Eff. July 1, 1968 ;-- Am. 1974, Act 215, Eff. Dec. 31, 1974 ;-- Am. 1981, Act 123, Imd. Eff. July 23, 1981 ;-- Am. 1994, Act 359, Eff. Dec. 31, 1994 ;-- Am. 1998, Act 501, Imd. Eff. Jan. 5, 1999