

Act No. 334
Public Acts of 1990
Approved by the Governor
December 20, 1990
Filed with the Secretary of State
December 21, 1990

**STATE OF MICHIGAN
85TH LEGISLATURE
REGULAR SESSION OF 1990**

Introduced by Rep. Pridnia

ENROLLED HOUSE BILL No. 4031

AN ACT to amend section 13b of Act No. 198 of the Public Acts of 1951, entitled as amended "An act to provide for a retirement system for judges, the constitutional court administrator, and certain elected and appointed state officials; to provide for the retirement of judges, the constitutional court administrator, and certain elected and appointed state officials due to age or disability; to provide for the payment of annuities; to create a retirement board and prescribe its powers and duties; to establish certain funds in connection with the system; to provide for the funding of the system; to provide for contributions to the system by judges, the constitutional court administrator, and certain elected and appointed state officials and by the state; and to prescribe penalties," being section 38.813b of the Michigan Compiled Laws.

The People of the State of Michigan enact:

Section 1. Section 13b of Act No. 198 of the Public Acts of 1951, being section 38.813b of the Michigan Compiled Laws, is amended to read as follows:

Sec. 13b. (1) A member may elect to have credited service include service rendered previously as a municipal judge, as a justice of the peace or coroner in a governmental unit, as a circuit court commissioner, as a judge for the police court of the city of Grand Rapids or recorder's court for the city of Cadillac, as a probate judge, or as a referee of the traffic division of the recorder's court of the city of Detroit, or time served honorably on active duty as a member of the armed services of the United States, as provided in this section. A member shall not include in credited service more than 3 years of service rendered as a referee of the traffic division of the recorder's court of the city of Detroit, or more than 2 years of time served honorably on active duty as a member of the armed services of the United States.

(2) A judge who elects to receive service credit under subsection (1) may use the service credits earned as a municipal judge, as a justice of the peace, as a judge for the police court of the city of Grand Rapids or recorder's court for the city of Cadillac, as a probate judge, as a referee of the traffic division of the recorder's court of the city of Detroit, for purposes of determining retirement or death benefits under this retirement system to the same extent that the service would have been credited had it been rendered in a position covered under this act under the following conditions:

(a) If before January 1, 1992 the member who is a district or probate judge pays into the annuity savings fund an amount computed by all of the following steps:

(i) Multiplying the contribution rate by $\frac{2}{3}$ of the base salary of a circuit judge for each year and month of service credited before 1969.

(ii) Multiplying the contribution rate by the base salary of a district judge for each year and month of service credited after December 31, 1968.

(iii) Adding the regular interest the member's contributions would have earned had the member's contributions been on deposit during each year and month of service claimed as a credit.

(b) If before January 1, 1992 the member who is a supreme court justice, an appeals court judge, a circuit judge, or recorder's court judge pays into the annuity savings fund an amount equal to the amount the

contributions would have been had the member been a member serving as a circuit judge and adding the regular interest the contributions would have earned had they been on deposit during each year and month of service claimed.

(c) If on or after January 1, 1992, the member pays into the annuity savings fund an amount determined by the board and the department of management and budget to be the actuarial cost of purchasing the service.

(d) If the member claiming credit for service performed as a municipal judge, justice of the peace, coroner, circuit court commissioner, judge for the police court of the city of Grand Rapids or recorder's court for the city of Cadillac, or referee of the traffic division of the recorder's court of the city of Detroit relinquishes for the member and his or her beneficiaries all rights in and to a retirement allowance from a pension or annuity payable from funds appropriated in whole or in part by a municipality for the same period of service claimed; or if the member claiming credit for service performed as a probate judge relinquishes for the member and his or her beneficiaries all rights in and to a retirement allowance payable for the same period of service by the state of Michigan probate judges retirement system pursuant to the probate judges retirement act, Act No. 165 of the Public Acts of 1954, as amended, being sections 38.901 to 38.933 of the Michigan Compiled Laws.

(e) The years of prior service performed shall be credited from the latest to the earliest until the necessary credit for service is met.

(3) A judge who elects to receive service credit under subsection (1) may use the service credits earned as a coroner or as a circuit court commissioner for purposes of determining retirement or death benefits under this retirement system to the same extent that the service would have been credited had it been rendered in a position covered under this act under the following conditions:

(a) If before January 1, 1992 the member pays into the annuity savings fund an amount equal to the amount the contributions would have been under this act plus interest equal to the current assumed actuarial rate of return on the retirement fund, compounded annually.

(b) If on or after January 1, 1992 the member pays into the annuity savings fund an amount determined by the board and the department of management and budget to be the actuarial cost of purchasing the service.

(c) If the member claiming credit for service performed as a coroner or as a circuit court commissioner relinquishes for the member and his or her beneficiaries all rights in and to a retirement allowance from a pension or annuity payable from funds appropriated in whole or in part by a municipality for the same period of service claimed.

(4) A member claiming service for time served honorably on active duty as a member of the armed services of the United States may use the service credit for purposes of determining retirement or death benefits under this retirement system to the same extent that the service would have been credited had it been rendered in a position covered under this act if the member pays into the annuity savings fund an amount equal to 5% of the member's salary paid by the state for the year in which payment is made multiplied by the years and months of service that the member elects to purchase up to the maximum of 2 years. Armed service shall not be credited until the member has accumulated 12 years of credited service.

This act is ordered to take immediate effect.

.....
Clerk of the House of Representatives.

.....
Secretary of the Senate.

Approved.....

.....
Governor.