

Act No. 9
Public Acts of 1989
Approved by the Governor
May 2, 1989
Filed with the Secretary of State
May 3, 1989

**STATE OF MICHIGAN
85TH LEGISLATURE
REGULAR SESSION OF 1989**

Introduced by Reps. Ciaramitaro and Barns

ENROLLED HOUSE BILL No. 4133

AN ACT to amend section 17j of Act No. 240 of the Public Acts of 1943, entitled as amended "An act to provide for a state employees' retirement system; to create a state employees' retirement board and prescribe its powers and duties; to establish certain funds in connection therewith and to require contributions thereto by state employees and by the state; to create certain accounts and provide for expenditures from those accounts; to prescribe the powers and duties of certain state agencies; and to provide penalties for the violation of certain provisions of this act," as added by Act No. 57 of the Public Acts of 1987, being section 38.17j of the Michigan Compiled Laws; and to add section 17k.

The People of the State of Michigan enact:

Section 1. Section 17j of Act No. 240 of the Public Acts of 1943, as added by Act No. 57 of the Public Acts of 1987, being section 38.17j of the Michigan Compiled Laws, is amended and section 17k is added to read as follows:

Sec. 17j. (1) On and after June 23, 1987, a member who is otherwise entitled to purchase service credit under section 17g, 17h, 17i, or 17k shall not purchase a combined total of more than 10 years of service credit under those sections.

(2) On and after June 23, 1987, a member who under section 17c, 17e, 17f, 17g, 17h, 17i, 17k, or 18(2) is otherwise entitled to purchase service credit may purchase such service credit in separate increments equal to 1 or more full years, or a remaining fraction of a year, if any, or both. Partial purchase of service credit under this section shall not bar future purchases otherwise in compliance with this section and the provisions of this act authorizing the purchase, but computation of the amount of payment due shall be made separately for each purchase.

(3) 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 or estate.

Sec. 17k. (1) A member who is or was absent from service with the state for purposes of approved medical leave may purchase service credit for the time period or periods during which the person was absent from service with the state because of approved medical leave, upon payment to the board of an amount that 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 full-time or equated full-time fiscal year compensation previously received by the member as a member of the system. The total service credited under this section shall not exceed 5 years. As used in this subsection, "approved medical leave" means the period during which a member is not accruing retirement service credit while absent from service because of a personal injury or mental or physical illness as authorized and certified by the member's employer.

(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) 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 or estate.

Section 2. This amendatory act shall take effect July 1, 1989.

This act is ordered to take immediate effect.

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Clerk of the House of Representatives.

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Secretary of the Senate.

Approved

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Governor.