

HOUSE BILL No. 5626

March 21, 1990, Introduced by Rep. Middaugh and referred to the Committee on Senior Citizens and Retirement.

A bill to amend sections 2 and 10 of Act No. 155 of the Public Acts of 1954, entitled

"Probate judges retirement act,"

section 2 as amended by Act No. 187 of the Public Acts of 1984 and section 10 as amended by Act No. 355 of the Public Acts of 1980, being sections 38.902 and 38.910 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 2 and 10 of Act No. 165 of the Public
2 Acts of 1954, section 2 as amended by Act No. 187 of the Public
3 Acts of 1984 and section 10 as amended by Act No. 355 of the
4 Public Acts of 1980, being sections 38.902 and 38.910 of the
5 Michigan Compiled Laws, are amended to read as follows:

6 Sec. 2. As used in this act:

1 (a) "Board" means the retirement board provided for in this
2 act.

3 (b) "Judge" means a duly elected or appointed probate judge
4 of this state. "Judge" includes the person holding the position
5 of deputy court administrator for probate courts.

6 (c) "Presiding judge" means the judge elected to that posi-
7 tion ~~in accord with~~ UNDER section 819 of THE REVISED JUDICATURE
8 ACT OF 1961, Act No. 236 of the Public Acts of 1961, being sec-
9 tion 600.819 of the Michigan Compiled Laws.

10 (d) "Member" means a probate judge who, ~~shall,~~ subject to
11 this act, ~~agree~~ AGREES to become a member of the retirement
12 system.

13 (e) "New member" means a member without prior service cred-
14 ited to the member's service account.

15 (f) "Original member" means a member with prior service
16 credited to the member's service account.

17 (g) "Service" means service performed as a probate judge or
18 as an elected state official who has been paid an annual state
19 salary, or as a judge or associate judge of a municipal court, a
20 justice of the peace, A CIRCUIT COURT COMMISSIONER, or a judge
21 who was a member of the judges' retirement system established by
22 THE JUDGES' RETIREMENT ACT, Act No. 198 of the Public Acts of
23 1951, as amended, being sections 38.801 to 38.831 of the Michigan
24 Compiled Laws.

25 (h) "Membership service" means service performed on or after
26 July 1, 1954, as a member.

1 (i) "Prior service" means service performed before July 1,
2 1954, as a probate judge.

3 (j) "Beneficiary" means a person, except a retirant, who is
4 in receipt of, or who has entitlement to, an annuity or other
5 benefit provided by this act.

6 (k) "Annuity" means an annual amount ~~—~~ payable by the
7 retirement system ~~—~~ throughout the life of a person ~~—~~ or for
8 a shorter period as provided in this act. An annuity shall be
9 paid in equal monthly installments.

10 (l) "Annuity reserve" means the present value of an annuity,
11 or benefit in lieu of an annuity, computed according to the mor-
12 tality tables and regular interest, as the board adopts.

13 (m) "Regular interest" means the rate of interest compounded
14 annually, as the board determines.

15 (n) "Final salary" means actual salary of a member at the
16 time of the member's retirement.

17 (o) "Accumulated contributions" means the sum of the amounts
18 contributed by a member and credited to the member's individual
19 account in the annuity savings fund, together with regular inter-
20 est on the contributions.

21 (p) "Retirant" means a member who retires with an annuity
22 payable by the retirement system.

23 (q) "Aggregate annual compensation" means the salary equiva-
24 lent to the salary paid by the state to the judges of the dis-
25 trict court unless the probate judge serves a single county of
26 less than 15,000 population in which case the minimum salary
27 payable from state and county funds shall be included.

1 Sec. 10. (1) The board shall credit each member with the
2 number of years and months of service to which the member is
3 entitled. The board shall allow service credit for the month in
4 which a member's retirement becomes effective notwithstanding
5 that the member retires from service before the end of the
6 month. Except for the month in which a member's retirement
7 becomes effective, the board shall not allow service credit for a
8 month for which a member received less than 1 month's salary.
9 The board shall not allow more than 1 month of service for the
10 service rendered in a calendar month. A person who is a member
11 by reason of being deputy court administrator for probate courts,
12 or who is a former elected state official who received an annual
13 state salary for service performed in the elected state office
14 during the period for which credit is being claimed; ~~—~~ or who
15 is a judge or associate judge of a municipal court, a justice of
16 the peace, A CIRCUIT COURT COMMISSIONER, or a judge who was a
17 member of the judges' retirement system ~~—~~ shall not receive
18 credit for service performed before the date the person last
19 becomes a member of the retirement system until the person pays
20 into the annuity savings fund an amount equal to the amount the
21 person's accumulated contributions would have been had the person
22 been a member. A member claiming credit for service performed as
23 an elected state official shall relinquish the rights to a
24 retirement allowance for the member or the member's beneficiaries
25 from a pension or annuity payable from the Michigan legislative
26 retirement system ESTABLISHED BY THE MICHIGAN LEGISLATIVE
27 RETIREMENT SYSTEM ACT, ACT NO. 261 OF THE PUBLIC ACTS OF 1957,

1 BEING SECTIONS 38.1001 TO 38.1060 OF THE MICHIGAN COMPILED LAWS,
2 or from any other ~~public~~ PUBLICLY supported retirement system
3 for the same period of service claimed. A member claiming credit
4 for service performed as a judge or associate judge of a municipi-
5 pal court, ~~or~~ as a justice of the peace, OR AS A CIRCUIT COURT
6 COMMISSIONER shall relinquish ~~their~~ HIS OR HER rights to a
7 retirement allowance for the member or the member's beneficiaries
8 from a pension or annuity payable from the funds appropriated by
9 a municipality for the same period of service claimed. A member
10 claiming credit for service performed while a member of the
11 judges' retirement system ESTABLISHED BY THE JUDGES' RETIREMENT
12 ACT, ACT NO. 198 OF THE PUBLIC ACTS OF 1951, BEING SECTIONS
13 38.801 TO 38.831 OF THE MICHIGAN COMPILED LAWS, shall relinquish
14 the rights to a retirement allowance for the member or the
15 member's beneficiaries payable for the same period of service by
16 the judges' retirement system established by Act No. 198 of the
17 Public Acts of 1951, as amended.

18 (2) After July 1, 1979, a member who has 12 or more years of
19 service pursuant to this section and who ~~serves~~ SERVED in
20 active duty as a member of the armed forces of the United States
21 prior to June 1, 1980, or who serves in active duty as a member
22 of the armed forces of the United States after May 31, 1980,
23 during ~~the~~ A period of time described in section ~~1(I)~~ 1(I) of
24 Act No. 190 of the Public Acts of 1965, as amended, being section
25 35.61 of the Michigan Compiled Laws, may elect to receive service
26 credit for not more than 2 years of active duty upon request and
27 payment to the retirement system of an amount equal to 5% of the

1 ~~pension~~ JUDICIAL salary for the credit year in which payment is
2 made multiplied by the years of service that the person ~~elected~~
3 ELECTS to purchase, up to the maximum. The member shall have
4 served honorably during the period of time for which service
5 credit is elected.