Act No. 378 Public Acts of 2018 Approved by the Governor December 18, 2018 Filed with the Secretary of State December 18, 2018 EFFECTIVE DATE: December 18, 2018

## STATE OF MICHIGAN 99TH LEGISLATURE REGULAR SESSION OF 2018

Introduced by Senators Stamas, O'Brien, MacGregor, Hildenbrand, Horn, Jones, Kowall, Emmons, Zorn, Hansen, Brandenburg, Knollenberg and Schmidt

## **ENROLLED SENATE BILL No. 747**

AN ACT to amend 1967 PA 150, entitled "An act to provide for the militia of this state and its organization, command, personnel, administration, training, supply, discipline, deployment, employment, and retirement; and to repeal acts and parts of acts," by amending section 306 (MCL 32.706), as amended by 2013 PA 99.

## The People of the State of Michigan enact:

Sec. 306. (1) Beginning January 1, 2011, except as otherwise provided in this section, the adjutant general and the assistant adjutants general who began employment on or after January 1, 2011 when relieved under honorable circumstances must receive retirement benefits as a qualified participant under the state employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69. Retirement benefits will start on the date of retirement or honorable relief from duty.

(2) Beginning July 2, 2013, and subject to the limitation provided in subsection (5), the adjutant general and the assistant adjutants general when retired or relieved under honorable circumstances must be placed on the retired list of the National Guard. The adjutant general and the assistant adjutants general must receive retirement pay, equal to 45% of his or her final base pay as provided in the United States Department of Defense Military Pay Charts for an officer of like grade and total years of service. Subject to subsection (3), retirement benefits will start on the date of retirement or honorable relief from duty.

(3) Retirement under subsection (2) requires all of the following:

(a) Until the effective date of the amendatory act that added subsection (6), not less than 20 years active service with the National Guard or state defense force, or both, and beginning with the effective date of the amendatory act that added subsection (6), not less than 20 years active service with the National Guard.

(b) Not less than 4 consecutive years of special duty as an adjutant general or assistant adjutant general. However, the requirement for serving 4 consecutive years of service as an adjutant general or assistant adjutant general for retirement pay is waived if the service member is relieved because of a new governor assuming office.

(c) The service member is 55 years of age or older.

(4) For a retirant who retires under subsection (2) before the effective date of the amendatory act that added subsection (6), any retirement pay received from the federal government for military service must be deducted when computing the amount to be received from this state for an adjutant general or assistant adjutant general who retires under subsection (2). The deduction must start on the first day of the month the officer becomes eligible for federal retirement. Once established, the amount of the deduction must not be changed.

(5) Only 1 adjutant general appointed by the governor under section 302 in any 4-year period is eligible for retirement under subsection (2). Only 2 assistant adjutants general in any 4-year period are eligible for retirement under subsection (2). However, if the adjutant general or an assistant adjutant general is mobilized pursuant to a federal mobilization and the governor appoints a replacement adjutant general under section 302 or the adjutant general

appoints a replacement assistant adjutant general, the replacement adjutant general or replacement assistant adjutant general is eligible for retirement under subsection (2). If any change or error in the records results in any member, retirant, or beneficiary receiving from the retirement system more or less than he or she would have been entitled to receive if the records had been correct, the retirement system shall correct that error and, as far as practicable, shall adjust the payment in such a manner that the actuarial equivalent of the benefit to which that member, retirant, or beneficiary was correctly entitled will be paid.

(6) The retirement pay for a retirant who first begins receiving retirement pay under subsection (2) on or after the effective date of the amendatory act that added this subsection is not subject to an annual cost of living increase.

This act is ordered to take immediate effect.

Secretary of the Senate

Clerk of the House of Representatives

Approved .....

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Governor