



Senate Fiscal Agency  
P.O. Box 30036  
Lansing, Michigan 48909-7536



Telephone: (517) 373-5383  
Fax: (517) 373-1986

House Bill 5203 (Substitute S-1 as reported)  
Sponsor: Representative Kelly Breen  
House Committee: Local Government and Municipal Finance  
Senate Committee: Local Government

### **CONTENT**

The bill would amend Public Act 156 of 1851, which governs county boards of commissioners and allows counties to create retirement plans for their employees, to delete the cap of 1,000 hours per 12-month period that a reemployed county retiree may work with the county and continue to collect retirement benefits. The bill also specifies that employment in the county sheriff's office would be considered work with the county under this provision.

MCL 46.12a

### **BRIEF RATIONALE**

According to testimony, counties across Michigan are experiencing a law enforcement staffing shortage that pressures current personnel to work a lot of overtime. In response, these counties have recruited their retirees to return to the force; however, retirees in some of these counties may not work more than 1,000 hours per year to continue to receive their retirement benefits. The bill would remove the cap of 1,000 hours per year, which would help the 13 counties in Michigan with independent retirement boards maintain an adequate law enforcement workforce during the current staffing shortage.

Legislative Analyst: Alex Krabill

### **FISCAL IMPACT**

The bill would have a negative fiscal impact on local governmental units and no fiscal impact on the State. The bill would allow certain employees the ability to retire and continue working, thus allowing the employees to gain retirement benefits and still be employed. This type of action would increase the unfunded liabilities for the government. The amount of increased costs is indeterminate as it would depend on how many employees of a county sheriff's office took advantage of this.

Date Completed: 6-13-24

Fiscal Analyst: Bobby Canell