

THE PUBLIC SCHOOL EMPLOYEES RETIREMENT ACT OF 1979 (EXCERPT)
Act 300 of 1980

38.1370 State of Michigan service; condition for granting membership or prior service credit; requirements; petition for transfer of service credit, accumulated contributions, and interest; refund; member ineligible to initiate service credit purchase.

Sec. 70.

(1) Until September 29, 2017 at 5 p.m. Eastern Daylight Saving Time, as a condition for granting membership or prior service credit under this act for state of Michigan service, a member shall meet both of the following requirements:

(a) Pay to the retirement system an amount equal to the amount the member would have contributed under the contributory plan for service performed before July 1, 1977 under the schedule governing member contributions in effect at the time of that service had the service been performed under this act or former 1945 PA 136, together with regular interest from the end of the school fiscal year in which the service was performed to the semiannual anniversary of the date following payment.

(b) Relinquish all rights to retirement under the state employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69. Until September 29, 2017 at 5 p.m. Eastern Daylight Saving Time, a member is entitled to receive benefits under sections 43b and 43c for service performed on or after January 1, 1987 if the member pays the difference between the actuarial equivalent of the benefits provided by sections 43b and 43c and by the state employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69.

(2) Credit for service performed as a state employee under the state employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69, must be on the same basis for eligibility in all respects for any form of retirement provided in this act as if the service were performed in a reporting unit under this act.

(3) Until September 29, 2017 at 5 p.m. Eastern Daylight Saving Time, a former member who on or before July 1, 1974, was employed in the state classified or unclassified service, whose membership was transferred to the state employees' retirement system under the state employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69, and who again became a member of the retirement system created under former 1945 PA 136 or becomes a member of the retirement system created under this act, is entitled to petition the retirement system in writing for a transfer of the member's accumulated contributions, including interest, and service standing to the member's credit with the state employees' retirement system to this retirement system. On receipt of the member's petition, service standing to the member's credit, accumulated contributions, and interest must be transferred from the employee's savings fund created under the state employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69, to the reserve for employee contributions of this retirement system. An individual whose membership service and accumulated contributions are transferred back to this retirement system immediately shall have the transferred service credit recognized by the retirement system on the same basis as if the individual continuously had been a member of the retirement system.

(4) If a member who made payment for state of Michigan service dies and a retirement allowance beneficiary has not been designated, or withdraws from service before his or her retirement becomes effective, the payment made by the member must be refunded to the member or to the member's refund beneficiary on request.

(5) After September 29, 2017 at 5 p.m. Eastern Daylight Saving Time, a member is not eligible to initiate a service credit purchase under this section.

History: 1980, Act 300, Imd. Eff. Oct. 31, 1980 ;-- Am. 1989, Act 194, Imd. Eff. Aug. 25, 1989 ;-- Am. 2017, Act 92, Imd. Eff. July 13, 2017

Popular Name: Act 300