

# HOUSE BILL No. 4967

September 24, 1987, Introduced by Reps. Johnson, Richard A. Young, Bryant, Knight and Alley and referred to the Committee on Judiciary.

A bill to amend sections 16, 21, 31, and 32 of Act No. 165 of the Public Acts of 1954, entitled "Probate judges retirement act," section 16 as amended by Act No. 187 of the Public Acts of 1984 and sections 21 and 31 as amended by Act No. 508 of the Public Acts of 1982, being sections 38.916, 38.921, 38.931, and 38.932 of the Michigan Compiled Laws; and to add sections 16a and 16b.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Section 1. Sections 16, 21, 31, and 32 of Act No. 165 of  
2 the Public Acts of 1954, section 16 as amended by Act No. 187 of  
3 the Public Acts of 1984 and sections 21 and 31 as amended by Act  
4 No. 508 of the Public Acts of 1982, being sections 38.916,  
5 38.921, 38.931, and 38.932 of the Michigan Compiled Laws, are  
6 amended and sections 16a and 16b are added to read as follows:

1       Sec. 16. (1) Upon a member's retirement from service as  
2 provided in this act, the member shall receive a retirement  
3 annuity equal to 3% of the final salary multiplied by the number  
4 of years and fraction of a year ~~for~~ OF service credited to the  
5 member's account, except that a member who makes the election  
6 described in subdivision (d) shall receive an annuity equal to  
7 3.5% of the final salary multiplied by the number of years and  
8 fraction of a year ~~for~~ OF service credited to the member's  
9 account or as otherwise provided in subdivision (d). The annuity  
10 shall:

11       (a) Not be less than \$4,000.00 per annum if the member has  
12 12 years of service credit.

13       (b) Not exceed \$15,000.00 per annum or 40% of the final  
14 salary of the member, whichever is greater.

15       (c) When added to a county pension benefit payable under  
16 section 12a of Act No. 156 of the Public Acts of 1851, as  
17 amended, being section 46.12a of the Michigan Compiled Laws, not  
18 exceed 66-2/3% of final salary FOR A RETIRANT WITH A RETIREMENT  
19 ALLOWANCE EFFECTIVE DATE BEFORE DECEMBER 1, 1986. WHEN ADDED TO  
20 A COUNTY PENSION BENEFIT PAYABLE UNDER SECTION 12A OF ACT NO. 156  
21 OF THE PUBLIC ACTS OF 1851, THE ANNUITY SHALL NOT EXCEED 70% OF  
22 FINAL SALARY FOR A RETIRANT WITH A RETIREMENT ALLOWANCE EFFECTIVE  
23 DATE ON OR AFTER DECEMBER 1, 1986.

24       (d) Not exceed 66-2/3% of THE final salary ~~if~~ OF A MEMBER  
25 WHO RETIRES WITH A RETIREMENT ALLOWANCE EFFECTIVE DATE BEFORE  
26 DECEMBER 1, 1986, AND NOT EXCEED 70% OF THE FINAL SALARY OF A  
27 MEMBER WHO RETIRES WITH A RETIREMENT ALLOWANCE EFFECTIVE DATE ON

1 OR AFTER DECEMBER 1, 1986, FOR a member who is not a member of a  
2 retirement system established pursuant to section 12a of Act  
3 No. 156 of the Public Acts of 1851, being section 46.12a of the  
4 Michigan Compiled Laws, ~~elects~~ AND WHO ELECTED BY WRITTEN  
5 NOTICE FILED WITH THE BOARD BEFORE APRIL 1, 1983 to contribute  
6 and ~~contributes~~ CONTRIBUTED 5% of his or her ~~current~~ salary  
7 AT THE TIME OF THE ELECTION for each year and month of service  
8 rendered as a probate judge prior to January 1, 1983 for which he  
9 or she ~~elects~~ ELECTED to make payment, up to a maximum of 20  
10 years. The 5% payment ~~shall be~~ IS in addition to previously  
11 paid contributions. ~~A member who elects to make contributions~~  
12 ~~under this subdivision shall file a written notice of that elec-~~  
13 ~~tion with the board before April 1, 1983.~~ The annuity shall be  
14 computed by multiplying by 3.5% OF FINAL SALARY the sum of the  
15 member's post-December 31, 1982 service and years of pre-1983  
16 service for which 5% was contributed, and multiplying by 3.0% OF  
17 FINAL SALARY his or her remaining pre-1983 service not to exceed  
18 40% of final salary. ~~, or,~~ HOWEVER, if a member filed a timely  
19 written election to make the contributions under this subdivi-  
20 sion, but prior to the member's death or retirement had not made  
21 the contribution for pre-January 1, 1983 service, but had con-  
22 tributed 7% of his or her total salary pursuant to section 21(2),  
23 then the annuity shall be computed BY ADDING TOGETHER THE PROD-  
24 UCTS OBTAINED by multiplying BY 3.0% OF FINAL SALARY the member's  
25 pre-January 1, 1983 service ~~by 3.0%~~ not to exceed 40% of final  
26 salary, and BY 3.5% OF FINAL SALARY THE MEMBER'S  
27 post-December 31, 1982 service. ~~by 3.5%. In either case, the 2~~

1 ~~products when added together shall be multiplied by the member's~~  
2 ~~final salary.~~ The annuity shall not exceed 66-2/3% of the final  
3 salary FOR A RETIRANT WITH A RETIREMENT ALLOWANCE EFFECTIVE DATE  
4 BEFORE DECEMBER 1, 1986. THE ANNUITY SHALL NOT EXCEED 70% OF THE  
5 FINAL SALARY FOR A RETIRANT WITH A RETIREMENT ALLOWANCE EFFECTIVE  
6 DATE ON OR AFTER DECEMBER 1, 1986.

7 (2) A retirant who retired before December 21, 1974, and who  
8 is receiving an annuity on October 1, 1978, shall receive an  
9 annuity of not less than \$4,000.00 for 12 years of service and a  
10 supplemental annuity of an amount equal to \$160.00 for each year  
11 of service which exceeds 12 years of service. A beneficiary of a  
12 deceased member or deceased retirant who died or retired before  
13 December 21, 1974, who is receiving an annuity on October 1,  
14 1978, shall receive an annuity of not less than \$4,000.00 for 12  
15 years of the deceased member or deceased retirant's service and a  
16 supplemental annuity of \$80.00 for each year of the deceased  
17 member or deceased retirant's service which exceeds 12 years of  
18 service.

19 (3) A RETIRANT OR THE BENEFICIARY OF A RETIRANT WHO RETIRED  
20 ON OR AFTER DECEMBER 1, 1986 AND BEFORE THE EFFECTIVE DATE OF  
21 THIS SUBSECTION SHALL HAVE HIS OR HER ANNUITY RECALCULATED BASED  
22 ON THE 70% LIMITATION PROVIDED BY SUBSECTION (1). THE RETIRANT  
23 OR BENEFICIARY SHALL BE ELIGIBLE TO RECEIVE THE RECALCULATED  
24 ANNUITY BEGINNING ON THE EFFECTIVE DATE OF THIS SUBSECTION, RET-  
25 ROACTIVE TO DECEMBER 1, 1986, BUT SHALL NOT BE ELIGIBLE TO  
26 RECEIVE THE ADJUSTED AMOUNT ATTRIBUTABLE TO ANY MONTH BEGINNING  
27 BEFORE DECEMBER 1, 1986. THE RECALCULATED ANNUITY SHALL BE THE

1 BASIS ON WHICH FUTURE ADJUSTMENTS TO THE ANNUITY, INCLUDING THE  
2 ADJUSTMENT PROVIDED BY SECTION 16A, ARE CALCULATED.

3 SEC. 16A. EACH RETIREMENT ANNUITY THAT BECOMES EFFECTIVE ON  
4 OR AFTER THE EFFECTIVE DATE OF THIS SECTION SHALL BE INCREASED BY  
5 3% PER YEAR COMPOUNDED ANNUALLY. AN ADJUSTMENT REFLECTING THE  
6 INCREASE SHALL BE MADE ON JANUARY 1 OF EACH YEAR. THE AMOUNT OF  
7 INCREASE TO AN ANNUITY THAT BECOMES EFFECTIVE AFTER JANUARY 1 OF  
8 A YEAR SHALL BE PRORATED FOR THE FRACTION OF THAT YEAR THE ANNU-  
9 ITY WAS IN EFFECT. THE LIMITATIONS ON THE ANNUITY PROVIDED BY  
10 SECTION 16 SHALL NOT APPLY TO THE ANNUITY AS INCREASED BY THIS  
11 SECTION.

12 SEC. 16B. BEGINNING ON THE EFFECTIVE DATE OF THIS SECTION,  
13 THE BOARD SHALL PAY THE PREMIUM FOR HOSPITAL, MEDICAL-SURGICAL,  
14 AND SICK CARE BENEFITS, AND OTHER HEALTH CARE BENEFITS AS DETER-  
15 MINED BY THE BOARD, FOR A RETIRANT OR FOR HIS OR HER BENEFICIARY  
16 WHO ELECTS COVERAGE IN A GROUP HEALTH INSURANCE PLAN AUTHORIZED  
17 BY THE BOARD. THE EXTENT OF COVERAGE SHALL NOT BE LESS THAN COV-  
18 ERAGE PROVIDED FOR RETIRANTS AND RETIREMENT ALLOWANCE BENEFICIA-  
19 RIES OF THE STATE EMPLOYEES' RETIREMENT SYSTEM.

20 Sec. 21. (1) The annuity savings fund is created. The  
21 annuity savings fund shall be the fund in which shall be accumu-  
22 lated, at regular interest, the contributions from the salaries  
23 of members, and from which shall be paid refunds of accumulated  
24 contributions as provided in this act.

25 (2) The contributions of each member shall be 7% of the  
26 member's salary as judge, but contributions by any judge shall  
27 not exceed the sum of \$980.00 annually, except that any member

1 who makes the election described in section 16(1)(d) shall  
2 contribute 7% of the member's salary annually, beginning January  
3 1, 1983. NOTWITHSTANDING ANY OTHER PROVISION OF THIS ACT, BEGIN-  
4 NING DECEMBER 1, 1986, EACH MEMBER SHALL CONTRIBUTE AN ADDITIONAL  
5 1% OF THE MEMBER'S SALARY AS JUDGE. The manner by which the  
6 member's contributions shall be paid INCLUDING THE ASSESSMENT FOR  
7 THE 1% INCREASE IN THE CONTRIBUTION RATE REQUIRED BY THIS 1987  
8 AMENDATORY ACT, shall be determined by rules to be adopted by the  
9 board. If a member's contribution is not paid within 60 days  
10 after its due date, the member shall cease to be a member and  
11 shall forfeit for the member and the member's heirs all rights in  
12 and to any and all benefits, excepting the refund of the member's  
13 accumulated contributions, accrued or accruing under this act.  
14 The board shall provide for the maintenance of an individual  
15 account for each member showing the amount of the member's con-  
16 tributions, together with interest additions on the  
17 contributions. Upon a member's retirement from service the  
18 member's accumulated contributions shall be transferred from the  
19 annuity savings fund to the annuity reserve fund. At the expira-  
20 tion of a period of 3 years after the date a person ceases to be  
21 a member any balance of accumulated contributions standing to the  
22 person's credit in the annuity savings fund unclaimed by or on  
23 behalf of the person shall be transferred from the annuity sav-  
24 ings fund to the income fund. If a member's accumulated contri-  
25 butions are forfeited by the member, those contributions shall be  
26 transferred from the annuity savings fund to the income fund.

1       Sec. 31. At the time of filing a petition in the probate  
2 court for any of the following matters, there shall be paid to  
3 the register of the court by the moving party, except when the  
4 moving party is the attorney general, the department of treasury,  
5 the department of social services, the state public administrator  
6 of the state of Michigan, or the administrator of veterans  
7 affairs of the United States veterans administration, the sum of  
8 ~~\$15.00~~ \$25.00 as a filing fee for each of the following:

9       (a) Administration of a small estate, whether testate or  
10 intestate, if the value of the property involved exceeds  
11 ~~\$2,500.00~~ \$5,000.00.

12       (b) Independent probate of either a testate or intestate  
13 estate.

14       (c) Supervision in an independent probate proceeding if the  
15 petition is filed by a person other than the independent personal  
16 representative of the estate to which the proceeding relates.

17       (d) Administration of the estate of a person dying  
18 intestate.

19       (e) Admission of a will to probate, whether the decedent is  
20 a resident of this state or a nonresident.

21       (f) Local administration of the estate of a nonresident  
22 decedent by a foreign fiduciary.

23       (g) Appointment of a conservator or other protective order.

24       (h) Appointment or removal of a trustee.

25       (i) Construction of a trust or a declaration of rights under  
26 a trust.

1 (j) Appointment of a temporary fiduciary other than a  
2 guardian.

3 (k) Determination of heirs.

4 (l) Commencing any matter over which the probate court has  
5 exclusive jurisdiction or is granted concurrent jurisdiction pur-  
6 suant to section 22 of Act No. 642 of the Public Acts of 1978, as  
7 amended, being section 700.22 of the Michigan Compiled Laws, if  
8 that matter is ancillary to the settlement of an estate of a  
9 decedent, ward, or trust.

10 (m) The change of name of an adult.

11 (n) Adoption.

12 Sec. 32. (1) The register of probate, ~~shall,~~ on or before  
13 the 5th day of the month following receipt of ~~said~~ THESE fees,  
14 SHALL pay over to the county treasurer all fees ~~so~~ received ~~by~~  
15 ~~him~~ during the preceding month. ~~, and the~~ THE county trea-  
16 surer ~~shall,~~ within 5 days thereafter SHALL transmit ~~said~~ THE  
17 amount of fees so collected ~~to the executive secretary of the~~  
18 ~~retirement system~~ IN THE MANNER PROVIDED IN SUBSECTION (2), all  
19 in accordance with the established rules and regulations govern-  
20 ing accounting procedures for counties. ~~The executive secretary~~  
21 ~~shall deposit said fees with the treasurer of the state of~~  
22 ~~Michigan as provided in section 22(c) of this act.~~

23 (2) THE FEES COLLECTED SHALL BE TRANSMITTED EACH MONTH TO  
24 THE EXECUTIVE SECRETARY OF THE PROBATE JUDGES' RETIREMENT SYSTEM  
25 AND THE EXECUTIVE SECRETARY OF THE JUDGES' RETIREMENT SYSTEM IN  
26 THE PERCENTAGE THAT THE NUMBER OF JUDGES WHO ARE MEMBERS OF EACH



1 RESPECTIVE RETIREMENT SYSTEM BEARS TO THE TOTAL NUMBER OF JUDGES  
2 THAT ARE MEMBERS OF BOTH OF THE RETIREMENT SYSTEMS.

3 Section 2. This amendatory act shall not take effect unless  
4 all of the following bills of the 84th Legislature are enacted  
5 into law:

6 (a) Senate Bill No. \_\_\_\_\_ or House Bill No. 4965 (request  
7 no. 00610'87 \*).

8 (b) Senate Bill No. \_\_\_\_\_ or House Bill No. 4966 (request  
9 no. 00611'87 \*).