

HOUSE BILL No. 5673

April 9, 1990, Introduced by Reps. DeMars, Bartnik, Wartner, Varga, Gagliardi, Allen, Barns, Webb, Hart, Niederstadt, Scott, Stallworth, Hickner, Berman, Stabenow, Willis Bullard, Johnson, Joe Young, Jr., Martin, Pitoniak, Weeks, Gubow, London, Sparks, Pridnia, Fitzgerald, Crandall, Miller, Wallace, Keith, Stopczynski, Murphy, Spaniola, Bennett, Van Regenmorter, Hoffman, Maynard, Ostling and Palamara and referred to the Committee on Senior Citizens and Retirement.

A bill to amend section 2b of Act No. 427 of the Public Acts of 1984, entitled as amended

"Municipal employees retirement act of 1984,"

as amended by Act No. 51 of the Public Acts of 1989, being section 38.1502b of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 2b of Act No. 427 of the Public Acts of
2 1984, as amended by Act No. 51 of the Public Acts of 1989, being
3 section 38.1502b of the Michigan Compiled Laws, is amended to
4 read as follows:

5 Sec. 2b. (1) "Member" means a municipal employee or judi-
6 cial employee who is included in the membership of the retirement
7 system.

1 (2) "Membership service" means personal service rendered a
2 participating municipality or participating court while a member
3 of the retirement system.

4 (3) "Municipal employee" means an individual who is paid
5 compensation for personal services rendered for a participating
6 municipality. Payment of compensation by a hospital, board, com-
7 mission, public corporation, or instrumentality created by a
8 municipality is considered payment by the municipality.
9 Municipal employee does not include any of the following:

10 (a) The mayor, village president, or a member of the govern-
11 ing body of a participating municipality, unless 10 or more other
12 municipal employees are members of the retirement system, and
13 unless the individual makes written application for membership
14 and is covered by the federal social security old age, survivors,
15 disability, and hospital insurance program, under the social
16 security act, chapter 531, 49 Stat. 620, on account of employment
17 by the participating municipality. Written application must be
18 filed with the retirement system within 60 days from the more
19 recent of the date the individual last qualified for the position
20 and the date the municipality becomes a participating
21 municipality.

22 (b) An individual who is employed on a basis that exempts
23 the participating municipality from the withholding provisions of
24 the internal revenue code.

25 (c) An individual, except a county elected official, who is
26 wholly paid on a fee basis.

1 (d) An individual who is an active member of the Michigan
2 probate judges' retirement system created by the probate judges
3 retirement act, Act No. 165 of the Public Acts of 1954, being
4 sections 38.901 to 38.933 of the Michigan Compiled Laws.

5 (e) A person, not regularly employed by the participating
6 municipality, who is employed by the municipality through partic-
7 ipation in a program established pursuant to the job training
8 partnership act, Public Law 97-300, 96 Stat. 1322. In addition,
9 a person described in this subdivision shall not receive service
10 credit for the employment described in this subdivision even
11 though the person subsequently becomes or has been a member of
12 the retirement system.

13 (f) A person, not regularly employed by the participating
14 municipality, who is employed by the municipality through partic-
15 ipation in a program established pursuant to the Michigan oppor-
16 tunity and skills training program first provided for under sec-
17 tions 12 to 23 of Act No. 259 of the Public Acts of 1983. In
18 addition, a person described in this subdivision shall not
19 receive service credit for the employment described in this sub-
20 division even though the person subsequently becomes or has been
21 a member of this retirement system.

22 (g) A person, not regularly employed by the participating
23 municipality, who is employed by the municipality through partic-
24 ipation in a program established pursuant to the Michigan commu-
25 nity service corps program first provided for under sections 25
26 to 35 of Act No. 259 of the Public Acts of 1983 and sections 148
27 to 160 of Act No. 246 of the Public Acts of 1984. In addition, a

1 person described in this subdivision shall not receive service
2 credit for the employment described in this subdivision even
3 though the person subsequently becomes or has been a member of
4 this retirement system.

5 (h) A person, not regularly employed by the participating
6 municipality, who is employed by the municipality to administer a
7 program described in subdivision (e), (f), or (g) shall not be a
8 member of this retirement system.

9 (i) An individual who is, on the effective date of the
10 municipality's or court's participation under this act, a member
11 of another retirement system that is sponsored by the participat-
12 ing municipality or participating court if that individual
13 remains as a member of the other retirement system.

14 (J) THE ELECTED ASSESSOR, CLERK, OR TREASURER OF A PARTICI-
15 PATING MUNICIPALITY WHO IS FIRST ELECTED ON OR AFTER THE EFFEC-
16 TIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBDIVISION,
17 UNLESS 10 OR MORE OTHER MUNICIPAL EMPLOYEES ARE MEMBERS OF THE
18 RETIREMENT SYSTEM, AND UNLESS THE INDIVIDUAL MAKES WRITTEN APPLI-
19 CATION FOR MEMBERSHIP AND IS COVERED BY THE FEDERAL SOCIAL SECUR-
20 ITY OLD AGE, SURVIVORS, DISABILITY, AND HOSPITAL INSURANCE PRO-
21 GRAM, UNDER THE SOCIAL SECURITY ACT, CHAPTER 531, 49 STAT. 620,
22 ON ACCOUNT OF EMPLOYMENT BY THE PARTICIPATING MUNICIPALITY.
23 WRITTEN APPLICATION MUST BE FILED WITH THE RETIREMENT SYSTEM
24 WITHIN 60 DAYS FROM THE MORE RECENT OF THE DATE THE INDIVIDUAL
25 LAST QUALIFIED FOR THE POSITION AND THE DATE THE MUNICIPALITY
26 BECOMES A PARTICIPATING MUNICIPALITY.

1 (4) "Municipality" means a county, county road commission,
2 city, village, township, or a combination of these units; a
3 lawful public corporation or instrumentality established by 1 or
4 more counties, cities, villages, townships, or a combination of
5 these units; or a public corporation or instrumentality charged
6 by law with the performance of a governmental function and whose
7 jurisdiction is coextensive with 1 or more counties, cities, vil-
8 lages, townships, or a combination of these units.