

HOUSE BILL No. 4765

May 1, 1991, Introduced by Reps. Nye, Barns, Ciaramitaro, Martin, Strand, Bobier, Bouchard, Law, Bandstra, Fitzgerald, Brown, Perry Bullard, Harder, Baade, Olshove, DeMars and London and referred to the Committee on Senior Citizens and Retirement.

A bill to amend sections 16, 17, 18, 20, and 27 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 section 27 as amended by Act No. 38 of the Public Acts of 1985, being sections 38.916, 38.917, 38.918, 38.920, and 38.927 of the Michigan Compiled Laws; and to add section 13.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 16, 17, 18, 20, and 27 of Act No. 165
2 of the Public Acts of 1954, section 16 as amended by Act No. 187
3 of the Public Acts of 1984 and section 27 as amended by Act
4 No. 38 of the Public Acts of 1985, being sections 38.916, 38.917,
5 38.918, 38.920, and 38.927 of the Michigan Compiled Laws, are
6 amended and section 13 is added to read as follows:

1 SEC. 13. (1) AS USED IN THIS SECTION:

2 (A) "ALTERNATE PAYEE" MEANS A SPOUSE OF A PARTICIPANT UNDER
3 A JUDGMENT OF SEPARATE MAINTENANCE, OR A FORMER SPOUSE, CHILD, OR
4 DEPENDENT OF A PARTICIPANT, WHO IS NAMED IN AN ELIGIBLE DOMESTIC
5 RELATIONS ORDER.

6 (B) "BENEFIT" MEANS A PENSION, AN ANNUITY, A RETIREMENT
7 ALLOWANCE, OR AN OPTIONAL BENEFIT ACCRUED OR ACCRUING TO A PAR-
8 TICIPANT UNDER THIS ACT OR A POSTRETIREMENT SUBSIDY PAYABLE TO A
9 PARTICIPANT UNDER THIS ACT.

10 (C) "DOMESTIC RELATIONS ORDER" MEANS A JUDGMENT, DECREE, OR
11 ORDER OF A COURT MADE PURSUANT TO THE DOMESTIC RELATIONS LAW OF
12 THIS STATE AND RELATING TO THE PROVISION OF ALIMONY PAYMENTS,
13 CHILD SUPPORT, OR MARITAL PROPERTY RIGHTS TO A SPOUSE OF A PAR-
14 TICIPANT UNDER A JUDGMENT OF SEPARATE MAINTENANCE, OR A FORMER
15 SPOUSE, CHILD, OR DEPENDENT OF A PARTICIPANT.

16 (D) "EARLIEST RETIREMENT DATE" MEANS THE EARLIEST DATE ON
17 WHICH A PARTICIPANT MEETS ALL OF THE REQUIREMENTS FOR RETIREMENT
18 UNDER THIS ACT EXCEPT FOR TERMINATION OF EMPLOYMENT.

19 (E) "ELIGIBLE DOMESTIC RELATIONS ORDER" OR "EDRO" MEANS A
20 DOMESTIC RELATIONS ORDER THAT IS CONSIDERED AN ELIGIBLE DOMESTIC
21 RELATIONS ORDER UNDER SUBSECTION (10) OR THAT MEETS ALL OF THE
22 FOLLOWING REQUIREMENTS:

23 (i) THE DOMESTIC RELATIONS ORDER STATES THE NAME, LAST KNOWN
24 ADDRESS, AND SOCIAL SECURITY NUMBER OF THE PARTICIPANT.

25 (ii) THE DOMESTIC RELATIONS ORDER STATES THE NAME, LAST
26 KNOWN ADDRESS, AND SOCIAL SECURITY NUMBER OF THE ALTERNATE
27 PAYEE.

1 (iii) THE DOMESTIC RELATIONS ORDER STATES THE AMOUNT OR
2 PERCENTAGE OF THE BENEFIT TO BE PAID TO AN ALTERNATE PAYEE, OR
3 THE MANNER UNDER WHICH THE RETIREMENT SYSTEM IS TO DETERMINE THE
4 AMOUNT OR PERCENTAGE OF THE BENEFIT TO BE PAID TO AN ALTERNATE
5 PAYEE.

6 (iv) THE DOMESTIC RELATIONS ORDER STATES THAT IT APPLIES TO
7 THE STATE OF MICHIGAN PROBATE JUDGES RETIREMENT SYSTEM AND THAT
8 THE RETIREMENT SYSTEM SHALL MAKE PAYMENTS TO THE ALTERNATE PAYEE
9 AS REQUIRED UNDER THE ELIGIBLE DOMESTIC RELATIONS ORDER AND THIS
10 SECTION.

11 (v) THE DOMESTIC RELATIONS ORDER DOES NOT REQUIRE THE
12 RETIREMENT SYSTEM TO PROVIDE A TYPE OR FORM OF BENEFIT NOT PRO-
13 VIDED BY THIS ACT OR A FORM OF PAYMENT NOT PROVIDED BY THIS
14 SECTION.

15 (vi) THE DOMESTIC RELATIONS ORDER DOES NOT REQUIRE THE
16 RETIREMENT SYSTEM TO PROVIDE AN INCREASED BENEFIT DETERMINED ON
17 THE BASIS OF ACTUARIAL VALUE.

18 (vii) THE DOMESTIC RELATIONS ORDER DOES NOT REQUIRE THE PAY-
19 MENT OF A BENEFIT TO AN ALTERNATE PAYEE THAT IS REQUIRED TO BE
20 PAID TO ANOTHER ALTERNATE PAYEE UNDER A PREVIOUSLY FILED ELIGIBLE
21 DOMESTIC RELATIONS ORDER.

22 (viii) THE DOMESTIC RELATIONS ORDER IS FILED BEFORE THE
23 PARTICIPANT'S RETIREMENT ALLOWANCE EFFECTIVE DATE.

24 (F) "PARTICIPANT" MEANS A MEMBER, DEFERRED MEMBER, DECEASED
25 FORMER MEMBER, OR RETIRANT UNDER THIS ACT.

26 (G) "POSTRETIREMENT SUBSIDY" INCLUDES, BUT IS NOT LIMITED
27 TO, ALL OF THE FOLLOWING:

1 (i) A SUPPLEMENTAL ANNUITY MADE PURSUANT TO SECTION 16(2).

2 (ii) A PERCENTAGE INCREASE TO A BENEFIT PAYABLE TO A
3 PARTICIPANT.

4 (iii) ANY OTHER PAYMENT TO A PARTICIPANT OR INCREASE TO A
5 BENEFIT PAYABLE TO A PARTICIPANT PURSUANT TO THIS ACT, EXCLUDING
6 HEALTH BENEFITS.

7 (2) SUBJECT TO THE REQUIREMENTS OF THIS SECTION, AN ALTER-
8 NATE PAYEE IS ENTITLED TO AN ACTUAL INTEREST IN A SHARE OF A BEN-
9 EFIT THAT IS OR WILL BECOME PAYABLE TO A PARTICIPANT UNDER THIS
10 ACT, IF SO PROVIDED IN AN EDRO FILED WITH THE RETIREMENT SYSTEM.
11 THE RETIREMENT SYSTEM SHALL ADMINISTER THE PAYMENT OF A BENEFIT
12 UNDER THIS ACT PURSUANT TO THE EDRO AND THIS SECTION.

13 (3) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, THE PAY-
14 MENT OF A BENEFIT TO AN ALTERNATE PAYEE UNDER AN EDRO AND THIS
15 SECTION SHALL BEGIN ON THE RETIREMENT ALLOWANCE EFFECTIVE DATE OF
16 THE PARTICIPANT. THE PAYMENT OF A BENEFIT UNDER AN EDRO AND THIS
17 SECTION SHALL BE PAID IN 1 OF THE FOLLOWING FORMS:

18 (A) A SINGLE LIFE ANNUITY THAT IS EQUAL TO THE ACTUARIAL
19 EQUIVALENT OF THE ALTERNATE PAYEE'S SHARE OF THE BENEFIT PAYABLE
20 THROUGHOUT THE LIFE OF THE ALTERNATE PAYEE.

21 (B) A REDUCED BENEFIT THAT IS EQUAL TO THE ACTUARIAL EQUIVA-
22 LENT OF THE TOTAL BENEFIT BEING DIVIDED UNDER THE EDRO PAYABLE
23 THROUGHOUT THE LIVES OF THE PARTICIPANT AND THE ALTERNATE PAYEE.
24 THE REDUCED BENEFIT SHALL BE PAYABLE IN THE MANNER PROVIDED UNDER
25 OPTION A OR OPTION B UNDER SECTION 17(1). THE EDRO SHALL SPECIFY
26 THE PERCENTAGE OR AMOUNT OF THE REDUCED BENEFIT THAT IS PAYABLE
27 UNDER THIS SUBDIVISION TO THE PARTICIPANT AND TO THE ALTERNATE

1 PAYEE WHILE BOTH ARE ALIVE. IF THE PARTICIPANT PREDECEASES THE
2 ALTERNATE PAYEE WHILE A REDUCED BENEFIT IS BEING PAID TO THE PAR-
3 TICIPANT AND THE ALTERNATE PAYEE UNDER THIS SUBDIVISION, THE SUR-
4 VIVOR PORTION OF THE REDUCED BENEFIT SHALL BE PAYABLE TO THE
5 ALTERNATE PAYEE. IF THE ALTERNATE PAYEE PREDECEASES THE PARTICI-
6 PANT WHILE A REDUCED BENEFIT IS BEING PAID TO THE PARTICIPANT AND
7 THE ALTERNATE PAYEE UNDER THIS SUBDIVISION, THE ALTERNATE PAYEE'S
8 PERCENTAGE OR AMOUNT OF THE REDUCED BENEFIT SHALL REVERT TO AND
9 BECOME PAYABLE TO THE PARTICIPANT.

10 (C) A SINGLE LIFE ANNUITY THAT IS EQUAL TO THE ALTERNATE
11 PAYEE'S SHARE OF THE BENEFIT PAYABLE THROUGHOUT THE LIFE OF THE
12 PARTICIPANT.

13 (4) AN EDRO MAY PROVIDE FOR THE PAYMENT OF A BENEFIT TO AN
14 ALTERNATE PAYEE BEGINNING ON OR AFTER THE PARTICIPANT'S EARLIEST
15 RETIREMENT DATE BUT BEFORE THE PARTICIPANT TERMINATES EMPLOYMENT
16 AS PROVIDED IN THIS SUBSECTION. AN ALTERNATE PAYEE SHALL BEGIN
17 TO RECEIVE THE PAYMENT OF A BENEFIT UNDER THIS SUBSECTION EFFEC-
18 TIVE THE FIRST DAY OF THE MONTH IMMEDIATELY FOLLOWING THE MONTH
19 IN WHICH THE ALTERNATE PAYEE NOTIFIES THE RETIREMENT SYSTEM OF
20 HIS OR HER ELECTION TO BEGIN TO RECEIVE PAYMENT OF HIS OR HER
21 INTEREST IN THE BENEFIT OF A PARTICIPANT. IF AN ALTERNATE PAYEE
22 ELECTS TO RECEIVE HIS OR HER INTEREST IN THE BENEFIT OF A PARTIC-
23 IPANT AFTER THE PARTICIPANT'S EARLIEST RETIREMENT DATE BUT BEFORE
24 THE PARTICIPANT'S TERMINATION OF EMPLOYMENT, THE ALTERNATE PAYEE
25 IS ONLY ENTITLED TO THE ACTUARIAL EQUIVALENT OF THE ALTERNATE
26 PAYEE'S SHARE OF THE PARTICIPANT'S BENEFIT THAT WOULD BE PAYABLE
27 WHEN THE PARTICIPANT REACHES AGE 60. IF THE PARTICIPANT RETIRES

1 BEFORE AGE 60, THE RETIREMENT SYSTEM SHALL RECALCULATE THE
2 BENEFIT PAYABLE TO THE ALTERNATE PAYEE SO THAT THE RECALCULATED
3 BENEFIT PAYABLE TO THE ALTERNATE PAYEE PLUS THE BENEFIT PREVI-
4 OUSLY PAID TO THE ALTERNATE PAYEE ARE THE ACTUARIAL EQUIVALENT OF
5 THE ALTERNATE PAYEE'S SHARE OF THE BENEFIT PAYABLE TO THE
6 PARTICIPANT. IF THE RECALCULATED BENEFIT IS MORE THAN THE BENE-
7 FIT THE ALTERNATE PAYEE IS RECEIVING, THE RETIREMENT SYSTEM SHALL
8 BEGIN PAYING THE RECALCULATED BENEFIT TO THE ALTERNATE PAYEE
9 EFFECTIVE THE FIRST DAY OF THE MONTH IMMEDIATELY FOLLOWING THE
10 MONTH IN WHICH THE PARTICIPANT RETIRES.

11 (5) AN EDRO MAY PROVIDE THAT A SPOUSE UNDER A JUDGMENT OF
12 SEPARATE MAINTENANCE OR A FORMER SPOUSE IS CONSIDERED THE SPOUSE
13 OF A PARTICIPANT FOR THE PURPOSE OF RECEIVING A BENEFIT AS A SUR-
14 VIVING SPOUSE UNDER SECTION 17 OR 20. THE BENEFIT PAYABLE TO A
15 SPOUSE UNDER A JUDGMENT OF SEPARATE MAINTENANCE OR A FORMER
16 SPOUSE AS A SURVIVING SPOUSE UNDER THIS SUBSECTION SHALL BE COM-
17 PUTED AS PROVIDED IN THE EDRO AND SECTION 17 OR 20. IF THE
18 AMOUNT OR PERCENTAGE OF THE BENEFIT TO BE PAID TO A SPOUSE UNDER
19 A JUDGMENT OF SEPARATE MAINTENANCE OR A FORMER SPOUSE AS THE SUR-
20 VIVING SPOUSE OF THE PARTICIPANT UNDER THIS SUBSECTION IS LESS
21 THAN THE ENTIRE AMOUNT PAYABLE UNDER SECTION 17 OR 20, THE SUR-
22 VIVING SPOUSE OR OTHER BENEFICIARY OF THE PARTICIPANT, AS DETER-
23 MINED UNDER SECTION 17 OR 20, SHALL BE ENTITLED TO RECEIVE THE
24 PORTION OF THE BENEFIT NOT PAYABLE TO A SPOUSE UNDER A JUDGMENT
25 OF SEPARATE MAINTENANCE OR A FORMER SPOUSE UNDER THIS
26 SUBSECTION.

1 (6) IF AN ALTERNATE PAYEE UNDER THIS SECTION DIES BEFORE
2 RECEIVING ANY PAYMENT OF HIS OR HER INTEREST IN A BENEFIT
3 PURSUANT TO THIS SECTION AND AN EDRO, THAT INTEREST REVERTS TO
4 THE PARTICIPANT.

5 (7) THE CREATION, ASSIGNMENT, OR RECOGNITION OF A RIGHT OF
6 AN ALTERNATE PAYEE TO AN ACTUAL INTEREST IN A SHARE OF A BENEFIT
7 THAT IS OR WILL BECOME PAYABLE TO A PARTICIPANT PURSUANT TO AN
8 EDRO UNDER THIS SECTION IS NOT A PROHIBITED ASSIGNMENT UNDER SEC-
9 TION 27.

10 (8) THE RETIREMENT SYSTEM SHALL ESTABLISH A REASONABLE PRO-
11 CEDURE TO DETERMINE IF A DOMESTIC RELATIONS ORDER IS AN EDRO
12 UNDER THIS SECTION. THE RETIREMENT SYSTEM SHALL PROMPTLY NOTIFY
13 THE PARTICIPANT AND ALTERNATE PAYEE NAMED IN A DOMESTIC RELATIONS
14 ORDER THAT THE RETIREMENT SYSTEM HAS RECEIVED THE DOMESTIC RELA-
15 TIONS ORDER. THE NOTICE SHALL INCLUDE A DESCRIPTION OF THE PRO-
16 CEDURE BY WHICH THE RETIREMENT SYSTEM DETERMINES IF THE DOMESTIC
17 RELATIONS ORDER IS AN EDRO UNDER THIS SECTION.

18 (9) THE RETIREMENT SYSTEM SHALL, WITHIN A REASONABLE PERIOD
19 OF TIME AFTER RECEIVING A DOMESTIC RELATIONS ORDER, DETERMINE IF
20 THE DOMESTIC RELATIONS ORDER IS AN EDRO UNDER THIS SECTION. IF
21 THE RETIREMENT SYSTEM DETERMINES THAT THE DOMESTIC RELATIONS
22 ORDER IS AN EDRO UNDER THIS SECTION, THE RETIREMENT SYSTEM SHALL
23 PROMPTLY NOTIFY THE PARTICIPANT AND ALTERNATE PAYEE NAMED IN THE
24 EDRO THAT THE DOMESTIC RELATIONS ORDER IS AN EDRO. THE RETIRE-
25 MENT SYSTEM SHALL BEGIN THE PAYMENT OF A BENEFIT UNDER THIS SEC-
26 TION PURSUANT TO THE EDRO AND THIS SECTION ON THE FIRST DAY OF
27 THE MONTH FOLLOWING THE MONTH IN WHICH THE DOMESTIC RELATIONS

1 ORDER WAS DETERMINED TO BE AN EDRO OR THE FIRST DAY OF THE MONTH
2 FOLLOWING THE MONTH IN WHICH A BENEFIT IS PAYABLE UNDER THE EDRO
3 AND THIS SECTION, WHICHEVER IS LATER. IF THE RETIREMENT SYSTEM
4 DETERMINES THAT THE DOMESTIC RELATIONS ORDER IS NOT AN EDRO UNDER
5 THIS SECTION, THE RETIREMENT SYSTEM SHALL PROMPTLY NOTIFY THE
6 PARTICIPANT AND ALTERNATE PAYEE NAMED IN THE DOMESTIC RELATIONS
7 ORDER THAT THE DOMESTIC RELATIONS ORDER IS NOT AN EDRO. THE
8 RETIREMENT SYSTEM SHALL SPECIFY IN THE NOTICE WHY THE RETIREMENT
9 SYSTEM DETERMINED THAT THE DOMESTIC RELATIONS ORDER IS NOT AN
10 EDRO UNDER THIS SECTION. A DETERMINATION BY THE RETIREMENT
11 SYSTEM THAT A DOMESTIC RELATIONS ORDER IS NOT AN EDRO UNDER THIS
12 SECTION DOES NOT PROHIBIT A PARTICIPANT, ALTERNATE PAYEE, OR
13 COURT FROM FILING AN AMENDED DOMESTIC RELATIONS ORDER WITH THE
14 RETIREMENT SYSTEM UNDER THIS SECTION.

15 (10) A DOMESTIC RELATIONS ORDER FILED WITH THE RETIREMENT
16 SYSTEM BEFORE THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED
17 THIS SECTION SHALL BE CONSIDERED AN EDRO UNDER THIS SECTION IF
18 THE RETIREMENT SYSTEM IS MAKING PAYMENTS UNDER THE DOMESTIC RELA-
19 TIONS ORDER ON THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT
20 ADDED THIS SECTION OR TO THE EXTENT A DOMESTIC RELATIONS ORDER IS
21 CONSISTENT WITH THE PROVISIONS OF THIS SECTION. THIS SUBSECTION
22 DOES NOT PROHIBIT A PARTICIPANT, ALTERNATE PAYEE, OR COURT FROM
23 FILING AN AMENDED DOMESTIC RELATIONS ORDER UNDER THIS SECTION.

24 Sec. 16. (1) Upon a member's retirement from service as
25 provided in this act, the member shall receive a retirement annu-
26 ity equal to 3% of the final salary multiplied by the number of
27 years and fraction of a year ~~for~~ OF service credited to the

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

7 (a) Not be less than \$4,000.00 per annum if the member has
8 12 years of service credit.

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

11 (c) When added to a county pension benefit payable under
12 section 12a of Act No. 156 of the Public Acts of 1851, as
13 amended, being section 46.12a of the Michigan Compiled Laws, not
14 exceed 66-2/3% of THE final salary.

15 (d) Not exceed 66-2/3% of THE final salary ~~if~~ FOR a member
16 who is not a member of a retirement system established pursuant
17 to section 12a of Act No. 156 of the Public Acts of 1851, being
18 section 46.12a of the Michigan Compiled Laws, AND WHO elects to
19 contribute and contributes 5% of his or her current salary for
20 each year and month of service rendered as a probate judge ~~prior~~
21 ~~to~~ BEFORE January 1, 1983 for which he or she elects to make
22 payment, up to a maximum of 20 years. The 5% payment ~~shall be~~
23 IS in addition to previously paid contributions. A member who
24 elects to make contributions under this subdivision shall file a
25 written notice of that election with the board before April 1,
26 1983. The annuity shall be computed by multiplying by 3.5% the
27 sum of the member's post-December 31, 1982 service and years of

1 pre-1983 service for which 5% was contributed and multiplying by
2 3.0% his or her remaining pre-1983 service not to exceed 40% of
3 final salary, or, if a member filed a timely written election to
4 make the contributions under this subdivision, but ~~prior to~~
5 BEFORE the member's death or retirement had not made the contri-
6 bution for pre-January 1, 1983 service, but had contributed 7% of
7 his or her total salary pursuant to section 21(2), then the annu-
8 ity shall be computed by multiplying the member's pre-January 1,
9 1983 service by 3.0% not to exceed 40% of final salary and
10 post-December 31, 1982 service by 3.5%. In either case, the 2
11 products when added together shall be multiplied by the member's
12 final salary. The annuity shall not exceed 66-2/3% of the final
13 salary.

14 (2) A retirant who retired before December 21, 1974, and who
15 is receiving an annuity on October 1, 1978, shall receive an
16 annuity of not less than \$4,000.00 for 12 years of service and a
17 supplemental annuity of an amount equal to \$160.00 for each year
18 of service ~~which~~ THAT exceeds 12 years of service. A benefi-
19 ciary of a deceased member or deceased retirant who died or
20 retired before December 21, 1974, who is receiving an annuity on
21 October 1, 1978, shall receive an annuity of not less than
22 \$4,000.00 for 12 years of the deceased member or deceased
23 retirant's service and a supplemental annuity of \$80.00 for each
24 year of the deceased member or deceased retirant's service which
25 exceeds 12 years of service.

26 (3) THE PAYMENT OF AN ANNUITY UNDER THIS SECTION IS SUBJECT
27 TO AN ELIGIBLE DOMESTIC RELATIONS ORDER UNDER SECTION 13.

1 Sec. 17. (1) ~~Any~~ A member, before the effective date of
2 his OR HER retirement under section 12 or section 18, ~~of this~~
3 ~~act,~~ may elect to receive his OR HER retirement annuity payable
4 throughout his OR HER life and terminating at ~~his~~ death,
5 ~~herein~~ called a regular retirement annuity; or ~~he~~ THE MEMBER
6 may elect to receive the actuarial equivalent of his OR HER regu-
7 lar retirement annuity, at that time, in a reduced retirement
8 annuity payable throughout his OR HER life, and nominate a bene-
9 ficiary, ~~in accordance with~~ PURSUANT TO option A or B, as ~~set~~
10 ~~forth below~~ PROVIDED IN THIS SUBSECTION. If a member fails to
11 elect an option as ~~herein~~ provided IN THIS SUBSECTION, ~~he~~ THE
12 MEMBER shall be presumed to have automatically elected to receive
13 his OR HER retirement annuity as a regular retirement annuity.
14 THE OPTIONS ARE AS FOLLOWS:

15 (A) Option A. Under this option, upon the death of the
16 retirant, his OR HER reduced retirement annuity shall be contin-
17 ued throughout the life of and paid to the person having an
18 insurable interest in ~~his~~ THE MEMBER'S life ~~as he has~~ THAT
19 THE MEMBER nominated by written designation duly executed and
20 filed with the board before the date of his OR HER retirement.

21 ~~, or~~

22 (B) Option B. Under this option, upon the death of the
23 retirant, 1/2 OF his OR HER reduced retirement annuity shall be
24 continued throughout the life of and paid to the person having an
25 insurable interest in ~~his~~ THE MEMBER'S life ~~as he has~~ THAT
26 THE MEMBER nominated by written designation duly executed and
27 filed with the board before the date of his OR HER retirement.

1 (2) A REGULAR RETIREMENT ANNUITY OR A REDUCED RETIREMENT
 2 ANNUITY PAYABLE UNDER SUBSECTION (1) IS SUBJECT TO AN ELIGIBLE
 3 DOMESTIC RELATIONS ORDER UNDER SECTION 13.

4 Sec. 18. (1) If a member who has 8 or more years of service
 5 credited to him OR HER becomes physically or mentally totally and
 6 permanently incapacitated to perform his OR HER judicial duties,
 7 ~~he~~ THE MEMBER shall be retired by the board upon his OR HER
 8 written application for retirement filed with the governor and
 9 the board if after a medical examination of the member, made by
 10 or under the direction of the medical director, the medical
 11 director certifies ALL OF THE FOLLOWING in writing to the board:
 12 ~~(1) that~~

13 (A) THAT the member is physically or mentally totally inca-
 14 pacitated to perform his OR HER judicial duties. ~~;(2) that~~

15 (B) THAT the incapacity is likely to be permanent. ~~; and~~
 16 ~~(3) that~~

17 (C) THAT the member should be retired.

18 (2) If a member who ~~(1)~~ has 8 or more years of service
 19 credited to him ~~;(2)~~ OR HER becomes physically or mentally
 20 totally and permanently incapacitated to perform his OR HER judi-
 21 cial duties ~~;~~ and ~~(3)~~ fails to apply for retirement as pro-
 22 vided in subsection (1), an application for his OR HER retirement
 23 may be filed with the governor and the board by the ~~chairman~~
 24 CHAIRPERSON of the judicial tenure commission or the chief jus-
 25 tice of the supreme court. The member, by agreeing to become a
 26 member of the retirement system, agrees to submit ~~himself~~ to a
 27 medical examination to be made by or under the direction of the

1 medical director. If, after a medical examination of the member,
2 made by or under the direction of the medical director, the medi-
3 cal director certifies in writing to the board ~~(1)~~ that the
4 member is physically or mentally totally incapacitated to perform
5 his OR HER judicial duties, ~~(2)~~ that the incapacity is likely
6 to be permanent, and ~~(3)~~ that the member should be retired, the
7 board may request ~~him~~ THE MEMBER to retire. Due notice of the
8 board's decision shall be given the member and the governor, and
9 the member shall agree to retire upon the request. However, the
10 member, within 30 days following the giving of the notice, may
11 appeal to a medical committee consisting of 3 physicians, 1 of
12 whom is to be designated by the board, 1 by the member, and 1 by
13 the first 2 physicians so designated. After a medical examina-
14 tion of the member, made by or under the direction of the medical
15 committee, the medical committee shall report its findings to the
16 board. The majority opinion of the medical committee, filed in
17 writing with the board, shall be binding on the board and the
18 member. If the member refuses to submit to medical examinations
19 as ~~herein~~ required IN THIS SECTION, and the refusal continues
20 for 90 days; or the decision of the board or the medical commit-
21 tee, if a medical committee is requested, is that the member
22 should retire and ~~he~~ THE MEMBER fails to retire within 60 days
23 following the date he OR SHE is notified of the decision by reg-
24 istered mail sent to his OR HER last known residence address,
25 ~~he~~ THE MEMBER shall forfeit for ~~himself~~ THE MEMBER and his OR
26 HER heirs all rights in and to any and all benefits, excepting
27 the refund of his OR HER accumulated contributions, accrued or

1 accruing under this act, and ~~he~~ THE MEMBER shall not again
2 become a member or beneficiary of the retirement system.

3 (3) A member retiring from service under this section shall
4 receive a retirement annuity provided for in section 16.

5 (4) A RETIREMENT ANNUITY PAYABLE UNDER THIS SECTION IS
6 SUBJECT TO AN ELIGIBLE DOMESTIC RELATIONS ORDER UNDER SECTION 13.

7 Sec. 20. (1) If a member ceases to be a judge before his OR
8 HER retirement with an annuity payable by the retirement system,
9 except as provided in section 15, ~~he~~ THE MEMBER shall be paid
10 the amount of his OR HER accumulated contributions standing to
11 his OR HER credit in the annuity savings fund ~~as he shall~~
12 ~~demand~~ IF THE MEMBER APPLIES in writing on forms furnished by
13 the board ~~, if it~~ AND IF THE RETURN OF ACCUMULATED
14 CONTRIBUTIONS has not been forfeited under this act.

15 (2) If a member dies before becoming entitled to receive a
16 retirement annuity, and no annuity becomes payable by the retire-
17 ment system on account of ~~his~~ THE MEMBER'S death, his OR HER
18 accumulated contributions standing to his OR HER credit in the
19 annuity savings fund at the time of his OR HER death shall be
20 paid to the person or persons ~~he~~ THE MEMBER has nominated by
21 written designation duly executed and filed with the board. If
22 there is not a designated person or persons surviving the member,
23 his OR HER accumulated contributions shall be paid to his OR HER
24 legal representative. If a retired member and his OR HER option
25 A or option B beneficiary or his OR HER spouse, if applicable,
26 die before there is paid an aggregate amount of annuity equal to
27 the accumulated contributions standing to his OR HER credit in

1 the annuity savings fund at the time of his OR HER retirement or
2 death, the difference between his OR HER accumulated contribu-
3 tions and the aggregate amount of annuity paid shall be paid to
4 the person or persons nominated by written designation duly exe-
5 cuted and filed with the board. If a designated person does not
6 survive the retired member and his OR HER option A or option B
7 beneficiary or his OR HER spouse, the difference shall be paid to
8 the legal representative of the last to die of the retired member
9 and his OR HER option A or option B beneficiary or his OR HER
10 spouse.

11 (3) If a member who has 8 or more years of service credit
12 dies while in office or if a member dies following his OR HER
13 retirement, the FOLLOWING applicable annuity shall be paid:

14 (a) To the spouse. If the deceased member or retired member
15 leaves a spouse to whom he OR SHE was married at the time of his
16 OR HER death, the spouse shall be paid an annuity equal to 1/2
17 the amount of annuity computed according to section 16 based on
18 the deceased member's final salary and service credit. A
19 spouse's annuity shall terminate upon the death of the spouse.

20 (b) To the children. If the deceased member or retired
21 member does not leave a spouse, or if the spouse dies subsequent
22 to the member's or retired member's death, and if no annuity is
23 payable or will become payable under section 17, each of the
24 member's or retired member's unmarried children under the age of
25 19 years shall be paid an annuity terminating upon the child's
26 adoption, marriage, attainment of age 19 years, or death,
27 whichever occurs first. The amount of annuity paid a child shall

1 be an equal share of the amount of annuity determined according
2 to subdivision (a). Upon termination of a child's annuity, it
3 shall be divided into equal shares and added to the annuities
4 being paid the remaining eligible children, if any. If a child
5 is attending school full-time, the board may continue the annuity
6 during the period of full-time school attendance, but not beyond
7 the child's attainment of age 22 years.

8 (4) An annuity shall not be paid under this section if an
9 annuity is being paid or will become payable under section 17 or
10 if a refund of accumulated contributions is paid under this
11 section.

12 (5) The spouse of a deceased member may elect a refund of
13 accumulated contributions instead of an annuity if the member
14 died in office. The spouse of a deceased retired member may
15 elect to be paid an annuity under an optional form of payment
16 elected by the retired member pursuant to section 17 or may elect
17 to be paid an annuity pursuant to this section.

18 (6) The spouse of any deceased inactive member who is enti-
19 tled to a deferred annuity under section 15 and who has attained
20 age 60 years ~~—~~ shall be entitled to apply to the retirement
21 board for and receive an annuity in the amount of 1/2 of the
22 retirement annuity provided for the judge in section 16 if the
23 judge's accumulated contributions have not been refunded as pro-
24 vided in this act. The annuity to be paid to the spouse of an
25 inactive member shall begin on the date the inactive member would
26 have been age 60 years, entitling him OR HER to a deferred
27 annuity under section 15 if he OR SHE had lived until that age,

1 if at that time the spouse has attained age 55 years; otherwise
 2 the annuity shall begin as of the date the spouse attains age 55
 3 years. The annuity shall terminate upon the death of the
 4 spouse. The spouse shall have the election of coming under this
 5 subsection, or of accepting the refund of accumulated contribu-
 6 tions if the judge had not become a retirant, or of accepting an
 7 annuity provided for and elected by the judge, under an option
 8 provided for in section 17, if the judge was retired at the time
 9 of his OR HER death.

10 (7) The benefits established by this section shall be pay-
 11 able only upon application ~~therefor~~ FOR THOSE BENEFITS and only
 12 from and after ~~the effective date of this section~~ AUGUST 11,
 13 1969.

14 (8) THE REFUND OF ACCUMULATED CONTRIBUTIONS AND PAYMENT OF
 15 AN ANNUITY UNDER THIS SECTION ARE SUBJECT TO AN ELIGIBLE DOMESTIC
 16 RELATIONS ORDER UNDER SECTION 13.

17 Sec. 27. (1) The right of ~~any~~ A person to an annuity,
 18 ~~to~~ the return of accumulated contributions, the annuity itself,
 19 ~~any~~ AN optional benefit, any other right accrued or accruing to
 20 ~~any~~ A person under ~~the provisions of~~ this act, and the money
 21 belonging to the retirement system ~~shall be~~ IS unassignable and
 22 ~~shall~~ IS not ~~be~~ subject to execution, garnishment, attach-
 23 ment, the operation of bankruptcy or insolvency law, or any other
 24 process of law, except as is specifically provided in this act.

25 (2) The right of ~~any~~ A member, AN inactive member who
 26 meets the requirements of section 15, or A retirant to an
 27 annuity, ~~to~~ the return of accumulated contributions, the

1 annuity itself, ~~any~~ AN optional benefit, or any other benefit
2 under ~~the provisions of~~ this act shall be subject to award by a
3 court pursuant to section 18 of chapter 84 of the Revised
4 Statutes of 1846, being section 552.18 of the Michigan Compiled
5 Laws, and to any other order of a court pertaining to ALIMONY OR
6 child support. THE RIGHT OF A MEMBER, AN INACTIVE MEMBER UNDER
7 SECTION 15, OR A RETIRANT TO AN ANNUITY, THE RETURN OF ACCUMU-
8 LATED CONTRIBUTIONS, THE ANNUITY ITSELF, AN OPTIONAL BENEFIT, OR
9 ANY OTHER BENEFIT UNDER THIS ACT IS SUBJECT TO AN ELIGIBLE DOMES-
10 TIC RELATIONS ORDER PURSUANT TO SECTION 13.

11 (3) If an award or order described in subsection (2)
12 requires the retirement system to withhold payment of a pension,
13 deferred pension, accumulated contributions, or other benefit
14 from the person to whom it is due or requires the retirement
15 system to make payment or requires the person to request that the
16 retirement system make payment of a pension, deferred pension,
17 accumulated contributions, or other benefit, for the purpose of
18 meeting the person's obligations to a spouse, former spouse or
19 child, as provided in subsection (2), the withholding or payment
20 provisions of the award or order shall be effective only against
21 such amounts as they become payable to the person receiving a
22 retirement allowance UNLESS OTHERWISE PROVIDED IN AN ELIGIBLE
23 DOMESTIC RELATIONS ORDER UNDER SECTION 13. The limitation con-
24 tained in this subsection ~~shall~~ DOES not apply to the accumu-
25 lated contributions of a person who ~~has terminated~~ TERMINATES
26 employment ~~prior to~~ BEFORE acquiring a vested member status.