

HOUSE BILL No. 4769

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

A bill to amend sections 23, 24, 55, and 57 of Act No. 261 of the Public Acts of 1957, entitled as amended "Michigan legislative retirement system act," section 23 as amended by Act No. 512 of the Public Acts of 1988, section 24 as amended by Act No. 58 of the Public Acts of 1987, section 55 as amended by Act No. 185 of the Public Acts of 1981, and section 57 as amended by Act No. 39 of the Public Acts of 1985, being sections 38.1023, 38.1024, 38.1055, and 38.1057 of the Michigan Compiled Laws; and to add section 19.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 23, 24, 55, and 57 of Act No. 261 of
2 the Public Acts of 1957, section 23 as amended by Act No. 512 of
3 the Public Acts of 1988, section 24 as amended by Act No. 58 of
4 the Public Acts of 1987, section 55 as amended by Act No. 185 of
5 the Public Acts of 1981, and section 57 as amended by Act No. 39

1 of the Public Acts of 1985, being sections 38.1023, 38.1024,
2 38.1055, and 38.1057 of the Michigan Compiled Laws, are amended
3 and section 19 is added by read as follows:

4 SEC. 19. (1) AS USED IN THIS SECTION:

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

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

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

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

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

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

1 (ii) THE DOMESTIC RELATIONS ORDER STATES THE NAME, LAST
2 KNOWN ADDRESS, AND SOCIAL SECURITY NUMBER OF THE ALTERNATE
3 PAYEE.

4 (iii) THE DOMESTIC RELATIONS ORDER STATES THE AMOUNT OR PER-
5 CENTAGE OF THE BENEFIT TO BE PAID TO AN ALTERNATE PAYEE, OR THE
6 MANNER UNDER WHICH THE RETIREMENT SYSTEM IS TO DETERMINE THE
7 AMOUNT OR PERCENTAGE OF THE BENEFIT TO BE PAID TO AN ALTERNATE
8 PAYEE.

9 (iv) THE DOMESTIC RELATIONS ORDER STATES THAT IT APPLIES TO
10 THE MICHIGAN LEGISLATIVE RETIREMENT SYSTEM AND THAT THE RETIRE-
11 MENT SYSTEM SHALL MAKE PAYMENTS TO THE ALTERNATE PAYEE AS
12 REQUIRED UNDER THE ELIGIBLE DOMESTIC RELATIONS ORDER AND THIS
13 SECTION.

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

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

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

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

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

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

5 (i) A SUPPLEMENTAL PAYMENT MADE PURSUANT TO SECTION 23E.

6 (ii) A PERCENTAGE INCREASE TO A BENEFIT PAYABLE TO A PARTIC-
7 IPANT, INCLUDING THE ANNUAL INCREASE UNDER SECTION 23C.

8 (iii) ANY OTHER PAYMENT TO A PARTICIPANT OR INCREASE TO A
9 BENEFIT PAYABLE TO A PARTICIPANT PURSUANT TO THIS ACT, EXCLUDING
10 HEALTH BENEFITS.

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

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

22 (A) A SINGLE LIFE ANNUITY THAT IS EQUAL TO THE ACTUARIAL
23 EQUIVALENT OF THE ALTERNATE PAYEE'S SHARE OF THE BENEFIT PAYABLE
24 THROUGHOUT THE LIFE OF THE ALTERNATE PAYEE.

25 (B) A SINGLE LIFE ANNUITY THAT IS EQUAL TO THE ALTERNATE
26 PAYEE'S SHARE OF THE BENEFIT PAYABLE THROUGHOUT THE LIFE OF THE
27 PARTICIPANT.

1 (4) AN EDRO MAY PROVIDE FOR THE PAYMENT OF A BENEFIT TO AN
2 ALTERNATE PAYEE BEGINNING ON OR AFTER THE PARTICIPANT'S EARLIEST
3 RETIREMENT DATE BUT BEFORE THE PARTICIPANT TERMINATES EMPLOYMENT
4 AS PROVIDED IN THIS SUBSECTION. AN ALTERNATE PAYEE SHALL BEGIN
5 TO RECEIVE THE PAYMENT OF A BENEFIT UNDER THIS SUBSECTION EFFEC-
6 TIVE THE FIRST DAY OF THE MONTH IMMEDIATELY FOLLOWING THE MONTH
7 IN WHICH THE ALTERNATE PAYEE NOTIFIES THE RETIREMENT SYSTEM OF
8 HIS OR HER ELECTION TO BEGIN TO RECEIVE PAYMENT OF HIS OR HER
9 INTEREST IN THE BENEFIT OF A PARTICIPANT. IF AN ALTERNATE PAYEE
10 ELECTS TO RECEIVE HIS OR HER INTEREST IN THE BENEFIT OF A PARTIC-
11 IPANT AFTER THE PARTICIPANT'S EARLIEST RETIREMENT DATE BUT BEFORE
12 THE PARTICIPANT'S TERMINATION OF EMPLOYMENT, THE ALTERNATE PAYEE
13 IS ONLY ENTITLED TO THE ACTUARIAL EQUIVALENT OF THE ALTERNATE
14 PAYEE'S SHARE OF THE PARTICIPANT'S BENEFIT THAT WOULD BE PAYABLE
15 WHEN THE PARTICIPANT REACHES AGE 60. IF THE PARTICIPANT RETIRES
16 BEFORE AGE 60, THE RETIREMENT SYSTEM SHALL RECALCULATE THE BENE-
17 FIT PAYABLE TO THE ALTERNATE PAYEE SO THAT THE RECALCULATED BENE-
18 FIT PAYABLE TO THE ALTERNATE PAYEE PLUS THE BENEFIT PREVIOUSLY
19 PAID TO THE ALTERNATE PAYEE ARE THE ACTUARIAL EQUIVALENT OF THE
20 ALTERNATE PAYEE'S SHARE OF THE BENEFIT PAYABLE TO THE
21 PARTICIPANT. IF THE RECALCULATED BENEFIT IS MORE THAN THE BENE-
22 FIT THE ALTERNATE PAYEE IS RECEIVING, THE RETIREMENT SYSTEM SHALL
23 BEGIN PAYING THE RECALCULATED BENEFIT TO THE ALTERNATE PAYEE
24 EFFECTIVE THE FIRST DAY OF THE MONTH IMMEDIATELY FOLLOWING THE
25 MONTH IN WHICH THE PARTICIPANT RETIRES.

26 (5) AN EDRO MAY PROVIDE THAT A SPOUSE UNDER A JUDGMENT OF
27 SEPARATE MAINTENANCE OR A FORMER SPOUSE IS CONSIDERED THE SPOUSE

1 OF A PARTICIPANT FOR THE PURPOSE OF RECEIVING A BENEFIT AS A
2 SURVIVING SPOUSE UNDER SECTION 24. THE BENEFIT PAYABLE TO A
3 SPOUSE UNDER A JUDGMENT OF SEPARATE MAINTENANCE OR A FORMER
4 SPOUSE AS A SURVIVING SPOUSE UNDER THIS SUBSECTION SHALL BE COM-
5 PUTED AS PROVIDED IN THE EDRO AND SECTION 24. IF THE AMOUNT OR
6 PERCENTAGE OF THE BENEFIT TO BE PAID TO A SPOUSE UNDER A JUDGMENT
7 OF SEPARATE MAINTENANCE OR A FORMER SPOUSE AS THE SURVIVING
8 SPOUSE OF THE PARTICIPANT UNDER THIS SUBSECTION IS LESS THAN THE
9 ENTIRE AMOUNT PAYABLE UNDER SECTION 24, THE SURVIVING SPOUSE OR
10 OTHER BENEFICIARY OF THE PARTICIPANT, AS DETERMINED UNDER
11 SECTION 24, IS ENTITLED TO RECEIVE THE PORTION OF THE BENEFIT NOT
12 PAYABLE TO A SPOUSE UNDER A JUDGMENT OF SEPARATE MAINTENANCE OR A
13 FORMER SPOUSE UNDER THIS SUBSECTION.

14 (6) IF AN ALTERNATE PAYEE UNDER THIS SECTION DIES BEFORE
15 RECEIVING ANY PAYMENT OF HIS OR HER INTEREST IN A BENEFIT PURSU-
16 ANT TO THIS SECTION AND AN EDRO, THAT INTEREST REVERTS TO THE
17 PARTICIPANT.

18 (7) THE CREATION, ASSIGNMENT, OR RECOGNITION OF A RIGHT OF
19 AN ALTERNATE PAYEE TO AN ACTUAL INTEREST IN A SHARE OF A BENEFIT
20 THAT IS OR WILL BECOME PAYABLE TO A PARTICIPANT PURSUANT TO AN
21 EDRO UNDER THIS SECTION IS NOT A PROHIBITED ASSIGNMENT UNDER SEC-
22 TION 57.

23 (8) THE RETIREMENT SYSTEM SHALL ESTABLISH A REASONABLE PRO-
24 CEDURE TO DETERMINE IF A DOMESTIC RELATIONS ORDER IS AN EDRO
25 UNDER THIS SECTION. THE RETIREMENT SYSTEM SHALL PROMPTLY NOTIFY
26 THE PARTICIPANT AND ALTERNATE PAYEE NAMED IN A DOMESTIC RELATIONS
27 ORDER THAT THE RETIREMENT SYSTEM HAS RECEIVED THE DOMESTIC

1 RELATIONS ORDER. THE NOTICE SHALL INCLUDE A DESCRIPTION OF THE
2 PROCEDURE BY WHICH THE RETIREMENT SYSTEM DETERMINES IF THE DOMES-
3 TIC RELATIONS ORDER IS AN EDRO UNDER THIS SECTION.

4 (9) THE RETIREMENT SYSTEM SHALL, WITHIN A REASONABLE PERIOD
5 OF TIME AFTER RECEIVING A DOMESTIC RELATIONS ORDER, DETERMINE IF
6 THE DOMESTIC RELATIONS ORDER IS AN EDRO UNDER THIS SECTION. IF
7 THE RETIREMENT SYSTEM DETERMINES THAT THE DOMESTIC RELATIONS
8 ORDER IS AN EDRO UNDER THIS SECTION, THE RETIREMENT SYSTEM SHALL
9 PROMPTLY NOTIFY THE PARTICIPANT AND ALTERNATE PAYEE NAMED IN THE
10 EDRO THAT THE DOMESTIC RELATIONS ORDER IS AN EDRO. THE RETIRE-
11 MENT SYSTEM SHALL BEGIN THE PAYMENT OF A BENEFIT UNDER THIS SEC-
12 TION PURSUANT TO THE EDRO AND THIS SECTION ON THE FIRST DAY OF
13 THE MONTH FOLLOWING THE MONTH IN WHICH THE DOMESTIC RELATIONS
14 ORDER WAS DETERMINED TO BE AN EDRO OR THE FIRST DAY OF THE MONTH
15 FOLLOWING THE MONTH IN WHICH A BENEFIT IS PAYABLE UNDER THE EDRO
16 AND THIS SECTION, WHICHEVER IS LATER. IF THE RETIREMENT SYSTEM
17 DETERMINES THAT THE DOMESTIC RELATIONS ORDER IS NOT AN EDRO UNDER
18 THIS SECTION, THE RETIREMENT SYSTEM SHALL PROMPTLY NOTIFY THE
19 PARTICIPANT AND ALTERNATE PAYEE NAMED IN THE DOMESTIC RELATIONS
20 ORDER THAT THE DOMESTIC RELATIONS ORDER IS NOT AN EDRO. THE
21 RETIREMENT SYSTEM SHALL SPECIFY IN THE NOTICE WHY THE RETIREMENT
22 SYSTEM DETERMINED THAT THE DOMESTIC RELATIONS ORDER IS NOT AN
23 EDRO UNDER THIS SECTION. A DETERMINATION BY THE RETIREMENT
24 SYSTEM THAT A DOMESTIC RELATIONS ORDER IS NOT AN EDRO UNDER THIS
25 SECTION DOES NOT PROHIBIT A PARTICIPANT, ALTERNATE PAYEE, OR
26 COURT FROM FILING AN AMENDED DOMESTIC RELATIONS ORDER WITH THE
27 RETIREMENT SYSTEM UNDER THIS SECTION.

1 (10) A DOMESTIC RELATIONS ORDER FILED WITH THE RETIREMENT
2 SYSTEM BEFORE THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED
3 THIS SECTION SHALL BE CONSIDERED AN EDRO UNDER THIS SECTION IF
4 THE RETIREMENT SYSTEM IS MAKING PAYMENTS UNDER THE DOMESTIC RELA-
5 TIONS ORDER ON THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT
6 ADDED THIS SECTION OR TO THE EXTENT A DOMESTIC RELATIONS ORDER IS
7 CONSISTENT WITH THE PROVISIONS OF THIS SECTION. THIS SUBSECTION
8 DOES NOT PROHIBIT A PARTICIPANT, ALTERNATE PAYEE, OR COURT FROM
9 FILING AN AMENDED DOMESTIC RELATIONS ORDER UNDER THIS SECTION.

10 Sec. 23. (1) A member or deferred vested member who meets
11 the following requirements shall be entitled to a retirement
12 allowance:

13 (a) The member or deferred vested member qualifies under 1
14 of the following:

15 (i) Has not less than 8 years of service.

16 (ii) Has not less than 6 years of service, and has been
17 elected, qualified, and seated not less than 4 times for full or
18 partial terms if a member of the house or not less than 2 times
19 if a member of the senate elected after November 7, 1966, or has
20 not less than 6 years of service and has been elected, qualified,
21 and seated not less than 2 times for full or partial terms as a
22 member of the house and not less than 1 time as a member of the
23 senate elected after November 7, 1966.

24 (iii) Effective January 1, 1987, has not less than 5 years
25 of service and has been elected, qualified, and seated for a full
26 or partial term not less than 3 times if a member of the house or
27 not less than 2 times if a member of the senate, or not less than

1 1 time as a member of the house and not less than 1 time as a
2 member of the senate.

3 (b) The member or deferred vested member has attained 55
4 years of age.

5 (c) The member or deferred vested member has filed with the
6 board a written application for a retirement allowance that
7 states the years of service, the highest salary received during
8 the member's or deferred vested member's service before applica-
9 tion, and the date the member or deferred vested member desires
10 to be retired, which date shall be not more than 90 days after
11 the execution and filing of the application.

12 (2) A member shall not be entitled to receive a retirement
13 allowance provided for in this section or section 23d while serv-
14 ing as a legislator or lieutenant governor. Each person receiv-
15 ing benefits under this act consents and agrees as a condition of
16 receiving the benefits that benefits of any nature shall not be
17 paid while the person is a legislator or lieutenant governor.

18 (3) A deferred vested member who left service after December
19 31, 1974, and before January 1, 1979, and who becomes a retirant
20 shall be entitled to an annual retirement allowance of 30% of the
21 salary stated in the application for the first 8 years of service
22 plus 3.75% for each of the next 8 years of service. A fraction
23 of a year of service in excess of 8 years shall be prorated. If
24 the retirant has less than 8 years of service but qualifies by
25 the election method, the retirement allowance shall be that pro-
26 portion of 30% that his or her years of service and fraction of a
27 year of service bears to 8 years. Years of service listed in the

1 application need not be consecutive but shall have been rendered
2 before payment of the retirement allowance. Except as provided
3 in section 23c, a retirement allowance shall not exceed 60% of
4 the salary stated in the application.

5 (4) A member who retired after December 31, 1978 and before
6 January 1, 1987, or a deferred vested member who left service
7 after December 31, 1978 and before January 1, 1987, and becomes a
8 retirant, shall be entitled to an annual retirement allowance of
9 32% of the salary stated in his or her application for the first
10 8 years of service plus 4% for each of the next 8 years of
11 service. A fraction of a year of service in excess of 8 years
12 shall be prorated. If the member or deferred vested member has
13 less than 8 years of service but qualifies by the election
14 method, the retirement allowance shall be that proportion of 32%
15 that his or her years of service and fraction of a year of serv-
16 ice bears to 8 years. Years of service listed in the application
17 need not be consecutive, but shall have been rendered before pay-
18 ment of the retirement allowance. Except as provided in section
19 23c, a retirement allowance shall not exceed 64% of the salary
20 stated in the application.

21 (5) A member who retires after December 31, 1986, or a
22 deferred vested member who leaves service after December 31,
23 1986, and becomes a retirant, shall be entitled to an annual
24 retirement allowance of 20% of the salary stated in his or her
25 application for the first 5 years of service plus 4% for each of
26 the next 11 years of service. A fraction of a year of service in
27 excess of 5 years shall be prorated. Years of service listed in

1 the application need not be consecutive, but shall have been
2 rendered before payment of the retirement allowance. Except as
3 provided in this subsection and section 23c, a retirement allow-
4 ance shall not exceed 64% of the salary stated in the
5 application. Effective January 1, 1987, however, a member who
6 has 16 or more years of service shall also be entitled to a lon-
7 gevity allowance of 1.0% of the member's salary for each year of
8 service beyond 16 years but, except as otherwise provided in this
9 subsection, not to exceed 20 years. Except as provided in this
10 subsection and section 23c, the retirement allowance of a member
11 entitled to a longevity allowance shall not exceed 68% of the
12 salary stated in the application. Beginning January 1, 1989, a
13 member who has 20 or more years of service and who meets the age
14 and service requirements or service requirements to be eligible
15 to receive a retirement allowance under this act shall be enti-
16 tled to a longevity allowance of 1.0% of the member's salary for
17 each year of service beyond 20 years.

18 (6) A retirant who elects to purchase military service
19 credit pursuant to section 11(2) shall have his or her retirement
20 allowance recalculated to include the military service credit
21 purchased pursuant to that section. The first payment of the
22 recalculated retirement allowance shall be made effective with
23 the first check after the recalculation is made.

24 (7) The retirement allowance of a retirant who, on
25 January 1, 1987, satisfied the conditions required by
26 section 9(3) shall have his or her retirement allowance

1 recalculated to reflect the increase in salary for those years
2 permitted by section 9(3) before the member became a retirant.

3 (8) Within 30 days after becoming 55 years of age, a
4 deferred vested member may elect to defer receipt of the retire-
5 ment allowance to which the member is entitled under this act to
6 a date certain, not to exceed 70-1/2 years of age. At the date
7 the member designates to begin receipt of his or her retirement
8 allowance, the member's retirement allowance shall be actuarially
9 recomputed to reflect the member's age and life expectancy at
10 initial receipt of the deferred retirement allowance.

11 (9) Notwithstanding subsection (1), a member or deferred
12 vested member may retire with a retirement allowance computed
13 according to the applicable provisions of this section if all of
14 the following apply:

15 (a) The member or deferred vested member files a written
16 application with the retirement board stating a date, not less
17 than 30 nor more than 90 days after the execution and filing of
18 the application, on which the member or deferred vested member
19 desires to retire.

20 (b) On the last day of the month immediately preceding the
21 retirement allowance effective date stated in the application,
22 the member's or deferred vested member's combined age and length
23 of credited service is equal to or greater than 70 years and the
24 member or deferred vested member is 50 years of age or older.

25 (10) A member who retires before January 1, 1987 or a
26 deferred vested member who leaves service before January 1, 1987
27 and becomes a retirant shall, in addition to the retirement

1 allowance calculated under subsection (3) or (4), be entitled to
2 a longevity allowance if the retirant or deferred vested member
3 has more than 16 years of service. The longevity allowance is
4 1.0% of the former member's salary stated in the application for
5 each year of service beyond 16 years but, except as otherwise
6 provided in this subsection, not to exceed 20. A member who
7 retires before January 1, 1987 or a deferred vested member who
8 leaves service before January 1, 1987 and becomes a retirant
9 shall, in addition to the retirement allowance calculated under
10 subsection (3) or (4), be entitled to a longevity allowance of
11 1.0% of the former member's salary stated in the application for
12 each year of service beyond 20 years that was served after the
13 member met the age and service requirements or service require-
14 ments to be eligible to receive a retirement allowance under this
15 act. The retirement allowance of a retirant who satisfies the
16 conditions under this subsection shall have his or her retirement
17 allowance recalculated to reflect the longevity allowance for
18 those years permitted by this subsection effective January 1,
19 1987 or the date of retirement, whichever is later. The applica-
20 tion of the longevity allowance to the retirant's retirement
21 allowance under this subsection shall be applied before the pro-
22 visions of section 23c are applied to that retirement allowance.
23 Except as provided in this subsection and section 23c, a retire-
24 ment allowance shall not exceed 68% of the salary stated in the
25 application.

26 (11) A RETIREMENT ALLOWANCE PAYABLE UNDER THIS SECTION IS
27 SUBJECT TO AN ELIGIBLE DOMESTIC RELATIONS ORDER UNDER SECTION 19.

1 Sec. 24. (1) Unless otherwise provided by the member
2 pursuant to this act, the surviving spouse of a deceased member,
3 deferred vested member, or retirant having the service qualifica-
4 tions required by section 23 shall be entitled to receive a
5 survivor's retirement allowance for life payable from the
6 survivors' retirement fund. The survivor's retirement allowance
7 shall be payable beginning on the day after the date of death of
8 the member or deferred vested member, or beginning in the month
9 after the month of death in the case of a retirant. If an eligi-
10 ble child or children also survive the member, deferred vested
11 member, or retirant, and the child or children are under the care
12 of the eligible surviving spouse, the survivor's retirement
13 allowance shall begin as of the day after the date of death of
14 the member or deferred vested member or the month after the month
15 of death in the case of a retirant, without regard to whether the
16 surviving spouse has attained 55 years of age. The benefits to
17 an eligible child or children shall continue whether or not the
18 surviving spouse remarries. If the eligible child or children,
19 or any of them, are not under the care of the eligible surviving
20 spouse, at the specific designation of the deceased member,
21 deferred vested member, or retirant as provided in this act, a
22 survivor's retirement allowance shall begin for the benefit of
23 the eligible child or children as of the day after the date of
24 death of the member or deferred vested member, or beginning in
25 the month after the month of death in the case of a retirant. A
26 deduction from the monthly survivor's retirement allowance shall

1 not be made for any fraction of a month remaining at the time of
2 a survivor's death or becoming ineligible.

3 (2) The survivor's retirement allowance shall be equal to
4 66-2/3% of the retirement allowance ~~which~~ THAT the deceased
5 member, deferred vested member, or retirant had earned on the
6 date of death, as a member, deferred vested member, or retirant.
7 If an eligible survivor, regardless of age, has in his or her
8 care an eligible child or children of the deceased member,
9 deferred vested member, or retirant, the survivor's retirement
10 allowance shall be 75% of the retirement allowance, but when all
11 the children have become ineligible, the survivor's retirement
12 allowance shall be 66-2/3% of the retirement allowance.

13 (3) An adopted child of a member for the purposes of this
14 act shall have the same status as a natural child of a member.

15 (4) If there is not a surviving spouse but an eligible child
16 exists, or if an eligible child survives a surviving spouse, then
17 the survivor's retirement allowance otherwise payable to the sur-
18 viving spouse shall be paid in equal parts to each eligible child
19 until the child becomes ineligible, and the total of the
20 survivor's retirement allowance paid to any other child shall not
21 be diminished because of the attainment of ineligible age, mar-
22 riage, or death of an eligible child.

23 (5) Marriage or attainment of ineligible age, whichever
24 occurs first, shall render a child of a member, deferred vested
25 member, or retirant ineligible for further consideration in the
26 payment of a survivor's retirement allowance or in the increase

1 in the amount of the survivor's retirement allowance under this
2 act.

3 (6) If the deceased member, deferred vested member, or
4 retirant is survived by an eligible child or children who are not
5 under the care of an eligible surviving spouse and if the
6 deceased member, deferred vested member, or retirant has filed a
7 written designation with the board, the survivor's retirement
8 allowance or a part of it shall be paid to or for the benefit of
9 the eligible child or children in the shares and in the manner as
10 provided in the written designation. The deceased member,
11 deferred vested member, or retirant may provide in the written
12 designation that payment of all or any part of the survivor's
13 retirement allowance to a surviving spouse not having the care of
14 all of the eligible children shall be deferred until the children
15 become ineligible.

16 (7) If there is not a written designation by a member,
17 deferred vested member, or retirant, and if the surviving spouse
18 is not the biological parent of an eligible child or children,
19 the survivor's retirement allowance shall be divided equally
20 among the eligible survivors.

21 (8) Unless designated by a member, deferred vested member,
22 or retirant, when an eligible child or all of the eligible chil-
23 dren become ineligible, the surviving spouse at the time of the
24 member, deferred vested member, or retirant's death shall receive
25 the entire survivor's retirement allowance.

1 (9) A SURVIVOR'S RETIREMENT ALLOWANCE PAYABLE UNDER THIS
2 SECTION IS SUBJECT TO AN ELIGIBLE DOMESTIC RELATIONS ORDER UNDER
3 SECTION 19.

4 Sec. 55. (1) A member who does not meet the requirement of
5 section 23(1)(a) upon leaving service, or a deferred vested
6 member who is no longer a member, upon written request, shall
7 receive, with interest at 4% compounded annually, a refund of all
8 of his or her contributions standing to his or her credit in the
9 members' savings fund. By accepting the refund a member who does
10 not meet the requirement of section 23(1)(a) upon leaving service
11 or a deferred vested member forfeits all accrued rights and bene-
12 fits in the retirement system and loses credit for all service
13 rendered to the state for which credit is given under this act.
14 A member who does not meet the requirement of section 23(1)(a)
15 upon leaving service or a deferred vested member who accepts a
16 refund, and again becomes a member, may receive service credit
17 for prior service by paying to the retirement system, within 180
18 days after he or she again becomes a member, the full amount of
19 money he or she has received as a refund together with interest
20 at 6% per annum compounded annually from the time of the refund
21 until the time of repayment.

22 (2) A member, deferred vested member, or retirant who is not
23 married and does not have an eligible child may designate in
24 writing a beneficiary to receive the contributions that the
25 member, deferred vested member, or retirant made to the
26 survivors' retirement fund. Upon the death of a member, deferred
27 vested member, or retirant who designated a beneficiary pursuant

1 to this subsection, the survivors' retirement fund contributions
2 made by the deceased member, deferred vested member, or retirant
3 shall be paid to the named beneficiary. If a beneficiary was not
4 named pursuant to this subsection, then the contributions shall
5 be paid to the estate of the deceased member, deferred vested
6 member, or retirant upon request by the authorized representative
7 of the deceased's estate. Contributions paid pursuant to this
8 subsection shall be paid with interest at 4% compounded annually
9 beginning at the time the member, deferred vested member, or
10 retirant last made a contribution.

11 (3) A REFUND OF CONTRIBUTIONS UNDER THIS SECTION IS SUBJECT
12 TO AN ELIGIBLE DOMESTIC RELATIONS ORDER UNDER SECTION 19.

13 Sec. 57. (1) Except as provided in subsection (2), all
14 retirement allowances and other benefits payable under this act
15 and all accumulated credits of members, deferred vested members,
16 and retirants in this retirement system are unassignable and
17 ~~shall~~ ARE not ~~be~~ subject to execution, garnishment, or
18 attachment, or to taxation by the state or any of its political
19 subdivisions.

20 (2) All retirement allowances and other benefits payable
21 under this act and all accumulated contributions of members,
22 deferred vested members, and retirants in this retirement system
23 ~~shall be~~ ARE subject to award by a court pursuant to section 18
24 of chapter 84 of the Revised Statutes of 1846, being section
25 552.18 of the Michigan Compiled laws, and to any other order of a
26 court pertaining to ALIMONY OR child support. ALL RETIREMENT
27 ALLOWANCES AND OTHER BENEFITS PAYABLE UNDER THIS ACT AND ALL

1 ACCUMULATED CONTRIBUTIONS OF MEMBERS, DEFERRED VESTED MEMBERS,
2 AND RETIRANTS IN THIS RETIREMENT SYSTEM ARE SUBJECT TO ELIGIBLE
3 DOMESTIC RELATIONS ORDERS UNDER SECTION 19.

4 (3) If an award or order described in subsection (2)
5 requires the retirement system to withhold payment of a pension,
6 deferred pension, accumulated contributions, or other benefit
7 from the person to whom it is due or requires the retirement
8 system to make payment or requires the person to request that the
9 retirement system make payment of a pension, deferred pension,
10 accumulated contributions, or other benefit, for the purpose of
11 meeting the person's obligations to a spouse, former spouse or
12 child, as provided in subsection (2), the withholding or payment
13 provisions of the award or order shall be effective only against
14 ~~such~~ THOSE amounts as they become payable to the person receiv-
15 ing a retirement allowance UNLESS OTHERWISE PROVIDED IN AN ELIGI-
16 BLE DOMESTIC RELATIONS ORDER UNDER SECTION 19. The limitation
17 contained in this subsection ~~shall~~ DOES not apply to the accu-
18 mulated contributions of a person who has terminated employment
19 ~~prior to~~ BEFORE acquiring a vested member status.