

HOUSE BILL No. 5174

September 26, 1991, Introduced by Rep. Porreca and referred to the Committee on Judiciary.

A bill to amend section 13b of Act No. 198 of the Public Acts of 1951, entitled as amended

"Judges' retirement act,"

as amended by Act No. 334 of the Public Acts of 1990, being section 38.813b of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 13b of Act No. 198 of the Public Acts of
2 1951, as amended by Act No. 334 of the Public Acts of 1990, being
3 section 38.813b of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 13b. (1) A member may elect to have credited service
6 include service rendered previously as a municipal judge, as a
7 justice of the peace or coroner in a governmental unit, as a
8 circuit court commissioner, as a judge for the police court of
9 the city of Grand Rapids or recorder's court for the city of

1 Cadillac, as a probate judge, or as a referee of the traffic
2 division of the recorder's court of the city of Detroit, or time
3 served honorably on active duty as a member of the armed services
4 of the United States, as provided in this section. A member
5 shall not include in credited service more than 3 years of serv-
6 ice rendered as a referee of the traffic division of the
7 recorder's court of the city of Detroit, or more than 2 years of
8 time served honorably on active duty as a member of the armed
9 services of the United States.

10 (2) A judge who elects to receive service credit under sub-
11 section (1) may use the service credits earned as a municipal
12 judge, as a justice of the peace, as a judge for the police court
13 of the city of Grand Rapids or recorder's court for the city of
14 Cadillac, as a probate judge, as a referee of the traffic divi-
15 sion of the recorder's court of the city of Detroit, for purposes
16 of determining retirement or death benefits under this retirement
17 system to the same extent that the service would have been cred-
18 ited had it been rendered in a position covered under this act
19 under the following conditions:

20 (a) If before January 1, 1992 the member who is a district
21 or probate judge pays into the annuity savings fund an amount
22 computed by all of the following steps:

23 (i) Multiplying the contribution rate by $2/3$ of the base
24 salary of a circuit judge for each year and month of service
25 credited before 1969.

1 (ii) Multiplying the contribution rate by the base salary of
2 a district judge for each year and month of service credited
3 after December 31, 1968.

4 (iii) Adding the regular interest the member's contributions
5 would have earned had the member's contributions been on deposit
6 during each year and month of service claimed as a credit.

7 (b) If before January 1, 1992 the member who is a supreme
8 court justice, an appeals court judge, a circuit judge, or
9 recorder's court judge pays into the annuity savings fund an
10 amount equal to the amount the contributions would have been had
11 the member been a member serving as a circuit judge and adding
12 the regular interest the contributions would have earned had they
13 been on deposit during each year and month of service claimed.

14 (c) If on or after January 1, 1992, the member pays into the
15 annuity savings fund an amount determined by the board and the
16 department of management and budget to be the actuarial cost of
17 purchasing the service.

18 (d) If the member claiming credit for service performed as a
19 municipal judge, justice of the peace, coroner, circuit court
20 commissioner, judge for the police court of the city of Grand
21 Rapids or recorder's court for the city of Cadillac, or referee
22 of the traffic division of the recorder's court of the city of
23 Detroit relinquishes for the member and his or her beneficiaries
24 all rights in and to a retirement allowance from a pension or
25 annuity payable from funds appropriated in whole or in part by a
26 municipality for the same period of service claimed; or if the
27 member claiming credit for service performed as a probate judge

1 relinquishes for the member and his or her beneficiaries all
2 rights in and to a retirement allowance payable for the same
3 period of service by the State of Michigan probate judges retire-
4 ment system pursuant to the probate judges retirement act, Act
5 No. 165 of the Public Acts of 1954, as amended, being sections
6 38.901 to 38.933 of the Michigan Compiled Laws.

7 (e) The years of prior service performed shall be credited
8 from the latest to the earliest until the necessary credit for
9 service is met.

10 (3) A judge who elects to receive service credit under sub-
11 section (1) may use the service credits earned as a coroner or as
12 a circuit court commissioner for purposes of determining retire-
13 ment or death benefits under this retirement system to the same
14 extent that the service would have been credited had it been
15 rendered in a position covered under this act under the following
16 conditions:

17 (a) If before January 1, 1992 the member pays into the annu-
18 ity savings fund an amount equal to the amount the contributions
19 would have been under this act plus interest equal to the current
20 assumed actuarial rate of return on the retirement fund, com-
21 pounded annually.

22 (b) If on or after January 1, 1992 the member pays into the
23 annuity savings fund an amount determined by the board and the
24 department of management and budget to be the actuarial cost of
25 purchasing the service.

26 (c) If the member claiming credit for service performed as a
27 coroner or as a circuit court commissioner relinquishes for the

1 member and his or her beneficiaries all rights in and to a
2 retirement allowance from a pension or annuity payable from funds
3 appropriated in whole or in part by a municipality for the same
4 period of service claimed.

5 (4) A member claiming service for time served honorably on
6 active duty as a member of the armed services of the United
7 States may use the service credit for purposes of determining
8 retirement or death benefits under this retirement system to the
9 same extent that the service would have been credited had it been
10 rendered in a position covered under this act if the member pays
11 into the annuity savings fund an amount equal to 5% of the
12 member's salary paid by the state for the year in which payment
13 is made multiplied by the years and months of service that the
14 member elects to purchase up to the maximum of 2 years. Armed
15 service shall not be credited until the member MEETS 1 OF THE
16 FOLLOWING REQUIREMENTS:

17 (A) THE MEMBER has accumulated 12 OR MORE years of credited
18 service.

19 (B) THE MEMBER IS 60 YEARS OF AGE OR OLDER AND HAS ACCUMU-
20 LATED 10 OR MORE YEARS OF CREDITED SERVICES.