

HOUSE BILL No. 5353

December 3, 1991, Introduced by Reps. Barns, Harder, Hunter, DeMars, Dobronski, Kilpatrick, Baade and Olshove and referred to the Committee on Senior Citizens and Retirement.

A bill to amend section 19b of Act No. 240 of the Public Acts of 1943, entitled as amended
"State employees' retirement act,"
as added by Act No. 62 of the Public Acts of 1991, being section 38.19b of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 19b of Act No. 240 of the Public Acts of
2 1943, as added by Act No. 62 of the Public Acts of 1991, being
3 section 38.19b of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 19b. (1) Notwithstanding section 19, a member may
6 retire and receive a retirement allowance computed under section
7 20(1) if the member meets all of the following requirements:

8 (a) On the effective date of his or her retirement, the
9 member has met the service requirements to receive a retirement

1 allowance under this act ~~AND~~ the member's combined age and
2 amount of credited service is equal to or greater than 70 years.
3 ~~and the member is 50 years of age or older.~~

4 (b) The member was employed by this state for the 6-month
5 period ending on the effective date of his or her retirement. A
6 member who was restored to active service during that 6-month
7 period under section 33 or a member who is on layoff status from
8 state employment is considered to have met the employment
9 requirement of this subdivision.

10 (c) The member files a written application with the retire-
11 ment board, on or after September 1, 1991, but not later than
12 March 1, 1992, stating a date, which date shall be 30 to 90 days
13 after the execution and filing of the application but not later
14 than April 1, 1992, on which he or she desires to retire.

15 (2) A MEMBER WHO RETIRES UNDER THIS SECTION SHALL BE CRED-
16 ITED WITH 5 YEARS OF SERVICE CREDIT BEFORE HIS OR HER RETIREMENT
17 ALLOWANCE IS CALCULATED. UPON WRITTEN APPLICATION BY A RETIRANT
18 WHO RETIRED UNDER THIS SECTION, THE RETIREMENT SYSTEM SHALL
19 RECALCULATE THE RETIREMENT ALLOWANCE PAYABLE TO THE RETIRANT TO
20 INCLUDE THE 5 YEARS OF SERVICE CREDIT GRANTED UNDER THIS
21 SECTION. THE RECALCULATED RETIREMENT ALLOWANCE SHALL BE PAYABLE
22 EFFECTIVE ON THE FIRST DAY OF THE MONTH FOLLOWING THE RECALCULA-
23 TION AND SHALL NOT BE PAYABLE FOR ANY MONTH BEFORE THE
24 RECALCULATION.

25 (3) ~~(2)~~ Any amount that a member retiring under this sec-
26 tion would otherwise be entitled to receive in a lump sum at

1 retirement on account of accumulated sick leave shall be paid in
2 60 consecutive equal monthly installments.