

HOUSE BILL No. 5827

May 11, 1992, Introduced by Reps. Harder, Byrum, DeMars, Baade and Pitoniak and referred to the Committee on Senior Citizens and Retirement.

A bill to amend Act No. 240 of the Public Acts of 1943, entitled as amended

"State employees' retirement act,"

as amended, being sections 38.1 to 38.48 of the Michigan Compiled Laws, by adding section 31a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 240 of the Public Acts of 1943, as
2 amended, being sections 38.1 to 38.48 of the Michigan Compiled
3 Laws, is amended by adding section 31a to read as follows:

4 SEC. 31A. (1) NOTWITHSTANDING SECTION 31(3), IF A RETIRANT
5 WHO SELECTED AN OPTION UNDER SECTION 31(1)(A) OR (B) AT RETIRE-
6 MENT DIES AND THERE IS NOT A SURVIVING SPOUSE TO WHOM A RETIRE-
7 MENT ALLOWANCE IS PAYABLE UNDER THIS ACT, THE RETIREMENT
8 ALLOWANCE THAT WOULD HAVE BEEN PAYABLE TO THE SPOUSE BENEFICIARY
9 UNDER SECTION 31(1)(A) OR (B) UPON THE RETIRANT'S DEATH SHALL BE

1 PAID TO THE CHILDREN OF THE DECEASED RETIRANT WHO ARE UNDER THE
2 AGE OF 18, IF ANY, SHARE AND SHARE ALIKE. THE RETIREMENT ALLOW-
3 ANCE SHALL BE PAYABLE UNDER THIS SUBSECTION BEGINNING THE FIRST
4 DAY OF THE MONTH FOLLOWING THE MONTH THE RETIRANT DIES. WHEN
5 EACH RESPECTIVE CHILD ATTAINS THE AGE OF 18 YEARS, MARRIES, OR
6 DIES, WHICHEVER OCCURS FIRST, PAYMENT TO HIM OR HER UNDER THIS
7 SUBSECTION SHALL CEASE AND HIS OR HER SHARE SHALL BE PRORATED
8 AMONG THE REMAINING CHILDREN UNDER 18 YEARS OF AGE, IF ANY.

9 (2) IF A BENEFICIARY WHO IS A SURVIVING SPOUSE OF A DECEASED
10 RETIRANT AND WHO IS RECEIVING A RETIREMENT ALLOWANCE UNDER SEC-
11 TION 31(1)(A) OR (B) DIES, THE BENEFICIARY'S RETIREMENT ALLOWANCE
12 SHALL BE PAID TO THE CHILDREN OF THE DECEASED BENEFICIARY WHO ARE
13 UNDER THE AGE OF 18, IF ANY, SHARE AND SHARE ALIKE. THE RETIRE-
14 MENT ALLOWANCE SHALL BE PAYABLE UNDER THIS SUBSECTION BEGINNING
15 THE FIRST DAY OF THE MONTH FOLLOWING THE MONTH THE BENEFICIARY
16 DIES. WHEN EACH RESPECTIVE CHILD ATTAINS THE AGE OF 18 YEARS,
17 MARRIES, OR DIES, WHICHEVER OCCURS FIRST, PAYMENT TO HIM OR HER
18 UNDER THIS SUBSECTION SHALL CEASE AND HIS OR HER SHARE SHALL BE
19 PRORATED AMONG THE REMAINING CHILDREN UNDER 18 YEARS OF AGE, IF
20 ANY.