

# SENATE BILL No. 298

May 7, 1991, Introduced by Senators CHERRY and CONROY  
and referred to the Committee on Mental Health, Human  
Resources and Senior Citizens.

A bill to amend section 12a of Act No. 156 of the Public  
Acts of 1851, entitled as amended

"An act to define the powers and duties of the county boards of  
commissioners of the several counties, and to confer upon them  
certain local, administrative and legislative powers; and to pre-  
scribe penalties for the violation of the provisions of this  
act,"

as amended by Act No. 178 of the Public Acts of 1990, being sec-  
tion 46.12a of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 12a of Act No. 156 of the Public Acts of  
2 1851, as amended by Act No. 178 of the Public Acts of 1990, being  
3 section 46.12a of the Michigan Compiled Laws, is amended to read  
4 as follows:

5 Sec. 12a. (1) A county board of commissioners at a lawfully  
6 held meeting may DO 1 OR MORE OF THE FOLLOWING:

1 (a) Provide group life, health, accident and  
2 hospitalization, and disability coverage for a county employee,  
3 retired employee, or an employee of an office, board, or depart-  
4 ment of the county, including the board of county road commis-  
5 sioners, and a dependent of an employee, either with or without  
6 cost participation by the employee, and appropriate the necessary  
7 funds for the insurance. For a county with 100 employees or  
8 more, self-insure for health, accident and hospitalization, and  
9 group disability coverage for a county employee, retired employ-  
10 ee, or an employee of an office, board, or department of the  
11 county, including the board of county road commissioners, and a  
12 dependent of an employee, either with or without cost participa-  
13 tion by the employee, and appropriate the necessary funds.

14 (b) Adopt and establish a plan by which the county purchases  
15 or participates in the cost of an endowment policy or retirement  
16 annuity for a county employee or an employee of an office, board,  
17 or department of the county, including the board of county road  
18 commissioners, to provide monthly pension or retirement benefits  
19 for each employee 60 years of age or older in an amount not to  
20 exceed \$150.00 per month or 2% of the average monthly earnings of  
21 the employee for 5 years immediately before retirement times the  
22 years of service of the employee, whichever is the lesser sum.  
23 As an option, a county board of commissioners may adopt and  
24 establish a plan by which the county pays pension or retirement  
25 benefits to a county employee or an employee of an office, board,  
26 or department of the county, including the board of county road  
27 commissioners, who has been employed for not less than 25 years,

1 or who is 60 years of age or older and has been employed for not  
2 less than 5 years, in monthly payments not to exceed 2.5% of the  
3 employee's highest average monthly compensation or earnings  
4 received from the county or county road fund for 5 years of serv-  
5 ice times the total number of years of service of the employee,  
6 including a fraction of a year, not to exceed 3/4 of the average  
7 final compensation of the employee. A plan may also pay early  
8 retirement benefits at 55 years of age or older to the extent of  
9 actuarially equivalent benefits not increasing the costs of the  
10 plan. Except as provided in subsection (28), endowment policies,  
11 retirement benefits, pensions, or annuity retirement benefits in  
12 excess of the amounts stipulated in this subdivision may be pro-  
13 vided for by a plan of employee participation to cover the cost  
14 of the excess. If the employment or the pension or retirement  
15 benefits of an employee who participated in the cost of pension  
16 or retirement benefits are terminated before the employee  
17 receives pension or retirement benefits equal to the total amount  
18 of the employee's participation, the balance of the total partic-  
19 ipation shall be refunded to the employee at the time of termina-  
20 tion, if living, or if deceased, to the employee's heir, legal  
21 representative, or designated beneficiary as provided in the plan  
22 adopted and established by the county board of commissioners. If  
23 a terminated employee is subsequently rehired by the county, the  
24 employee may repay the amount of participation refunded to the  
25 employee upon the employee's termination, together with compound  
26 interest from the date of refund to the dates of repayment at the  
27 rates provided in the plan. As conditions for repayment, the

1 plan may require return to employment for a period not to exceed  
2 3 years and may require that repayment be completed within a  
3 period of not less than 1 year following return to employment. A  
4 plan adopted for the payment of retirement benefits or a pension  
5 shall grant benefits to an employee eligible for pension or  
6 retirement benefits according to a uniform scale for all persons  
7 in the same general class or classification. An employee shall  
8 not be denied benefits by termination of his or her employment  
9 after the employee becomes eligible for benefits under the plan  
10 and this section. An endowment policy or annuity purchased pur-  
11 suant to this section shall be purchased from an insurer autho-  
12 rized to write endowment policies or annuities in this state.

13       (2) In a plan adopted under this section, at least 60% of  
14 the total pension or retirement benefit granted to an employee  
15 from county funds shall consist of a percentage not to exceed  
16 2.5% of the employee's average final compensation times the  
17 employee's years of service and shall be granted to each employee  
18 eligible for retirement under the plan uniformly and without  
19 restriction or limitation other than those prescribed in this  
20 section. "Average final compensation" as used in this section  
21 means the annual average of the highest actual compensation  
22 received by a county employee, other than a county employee who  
23 is ~~either~~ a judge of a municipal court of record subject to  
24 subsection (21) or a judge subject to subsection (24), during  
25 either a period of 5 consecutive years of service contained  
26 within the employee's 10 years of service immediately before the  
27 employee's retirement or a period of 5 years of service as

1 specified in the plan. In a county that adopts a plan for  
2 granting longevity pay, the county board of commissioners may  
3 exclude this longevity pay from average final compensation for  
4 the purpose of computing the rate of employee contribution and  
5 the amount of benefits payable to an employee upon retirement.  
6 "Longevity pay" means increments of compensation payable at  
7 annual or semiannual intervals and based upon years of service to  
8 the county, exclusive of compensation provided for a given class  
9 of positions.

10 (3) A circuit court stenographer is eligible for membership  
11 in, and the benefits of, a pension or retirement benefit under a  
12 plan established pursuant to this section, or a social security  
13 plan established by the county or 1 of the counties that pays a  
14 portion of the compensation of a circuit court stenographer.

15 (4) If the employment of a county employee eligible to  
16 receive a pension or retirement benefit under a plan established  
17 pursuant to this section is terminated after the employee has  
18 completed 8 or more years of service in county employment, the  
19 employee shall receive the amount of pension or retirement bene-  
20 fit to which the employee's service would have entitled the  
21 employee under the plan established, if the employee waives the  
22 employee's right to a refund of the employee's total participa-  
23 tion upon the termination of employment. The payment of pension  
24 or retirement benefits shall begin, as provided in the plan,  
25 after the employee would have become eligible for retirement  
26 under the plan had the employee's employment not been terminated,  
27 but not later than 90 days after the employee becomes 65 years of

1 age. The payment of pension or retirement benefits shall not  
2 begin until the employee has applied for pension or retirement  
3 benefits in the manner prescribed in the plan established.

4 (5) A plan established under this section may provide for  
5 pension or retirement benefits for a county employee who becomes  
6 totally disabled for work in the county service from any cause,  
7 after not less than 10 years of county employment, to the extent  
8 of the limitations provided in this section. A plan may also  
9 provide for pension or retirement benefits to the extent of the  
10 limitations provided in this section or \$400.00 per month, which-  
11 ever is the greater sum, for an employee who becomes totally dis-  
12 abled for work in the county service from causes that are the  
13 direct and proximate result of county employment, to continue for  
14 the duration of the disability or until the employee becomes eli-  
15 gible for retirement pursuant to other provisions of the plan  
16 authorized by this section. A plan may also provide for pension  
17 or retirement benefits, to the extent of the limitations provided  
18 in this section, for the actual dependents of a county employee  
19 who dies while still employed by the county after not less than  
20 10 years of county employment, or who dies after leaving county  
21 employment with not less than the number of years of service  
22 required to vest in the plan but before becoming eligible to  
23 receive a pension or retirement benefit. A plan may also provide  
24 for pension or retirement benefits to the extent of the limita-  
25 tions provided in this section or \$400.00 per month, whichever is  
26 greater, for the actual dependents of a deceased county employee  
27 whose death is the direct and proximate result of county

1 employment. The plan may provide that the period from the end of  
2 the deceased or disabled employee's period of service to the date  
3 that employee would have become eligible for retirement be used  
4 as service for the sole purpose of computing the amount of dis-  
5 ability or death pension.

6 (6) "County employee" includes a bailiff of the district  
7 court in the thirty-sixth district who serves pursuant to section  
8 8322 of the revised judicature act of 1961, Act No. 236 of the  
9 Public Acts of 1961, as amended, being section 600.8322 of the  
10 Michigan Compiled Laws, and a person who receives more than 50%  
11 of all compensation for personal services, rendered to governmen-  
12 tal units, from a county fund or county road fund, except a  
13 person, other than a bailiff of the district court in the  
14 thirty-sixth district, engaged for special services on a contract  
15 or fee basis. The plan adopted under this section, until  
16 December 31, 1979, may include as a county employee a person on  
17 leave of absence from county employment who is not a member of  
18 another retirement system except as a retirant and who pays or  
19 arranges payment of contributions equal to the contributions that  
20 would have been required to be paid under the plan by both the  
21 county and the employee, based upon the compensation the employee  
22 would have received from the county, if the employee had not  
23 taken a leave of absence or a person who complies with the  
24 requirements of such a provision approved for inclusion in a plan  
25 by the county board of commissioners before January 1, 1976, who  
26 shall be considered to be a county employee during the period of  
27 compliance. Provision may be made to exclude a person who is

1 employed on a temporary basis and a person employed in a position  
2 normally requiring less than 1,000 hours, or some lesser speci-  
3 fied number of hours, work per year. A bailiff serving in the  
4 district court in the thirty-sixth district is eligible to  
5 receive benefits under this section if a plan has been estab-  
6 lished by law by which the cost of benefits is payable from  
7 sources including charges on all legal instruments in which the  
8 service of process by a bailiff is required and earmarked by law  
9 for benefits, and contributions made by the state and each bai-  
10 liff pursuant to section 8322(7) of Act No. 236 of the Public  
11 Acts of 1961, as amended. The plan shall include provisions by  
12 which a bailiff or former bailiff who served as bailiff as of  
13 January 1, 1967, may retire after 25 years of service regardless  
14 of age, with maximum benefits to be computed as follows: start-  
15 ing as of January 1, 1969, the average of any 5 years of earnings  
16 of the previous 10 years served in succession before retirement  
17 multiplied by 1.9% times the years of service; starting as of  
18 June 1, 1975, the average of any 5 years of earnings multiplied  
19 by 2% times the years of service. For purposes of this subsec-  
20 tion, "earnings" means the salary and fees, other than mileage,  
21 received by a bailiff pursuant to section 8322(6) of Act No. 236  
22 of the Public Acts of 1961, as amended. The plan shall include  
23 provisions by which health, accident, and hospitalization insur-  
24 ance premiums may be paid out of the earnings of this fund.  
25 These payments shall be made at the discretion of the pension  
26 board of trustees. ~~The~~ A county that has a retirement fund for  
27 bailiffs under this section shall annually review the retirement



1 fund and shall ensure that the fund is maintained in an  
2 actuarially sound condition. Copies of the actuarial reports  
3 shall be provided to the state judicial council created by chap-  
4 ter 91 of Act No. 236 of the Public Acts of 1961, being sections  
5 600.9101 to 600.9107 of the Michigan Compiled Laws.

6 (7) An employee while receiving a pension or retirement ben-  
7 efit because of disability, pursuant to this section, may be con-  
8 sidered as employed in the county service for the purpose of  
9 retirement under this section.

10 (8) A county employee who is included by law in another pen-  
11 sion or retirement system by reason of the compensation the  
12 employee receives from the county may be excluded from a plan  
13 established under this section or included only to the extent of  
14 the difference between benefits granted under this section and  
15 the other pension or retirement system.

16 (9) The county board of commissioners, upon the request of a  
17 county employee, by not less than a 3/5 vote may credit that  
18 county employee with the amount of government service resulting  
19 from employment with the United States government, except mili-  
20 tary service, EMPLOYMENT WITH a state, or EMPLOYMENT WITH any of  
21 their political subdivisions under the following conditions:

22 (a) Employment by the county occurred within 5 years follow-  
23 ing the county employee's separation from service of the last  
24 unit of government by which the county employee was employed.

25 (b) Service rendered before the last break in service of  
26 more than 5 years shall not be credited.

1 (c) Service that is recognized for the purpose of a deferred  
2 retirement allowance under a retirement system or other  
3 employer-funded retirement benefit plan, except for a retirement  
4 benefit plan under the social security act, chapter 531, 49  
5 Stat. 620, of the United States government, a state, or a politi-  
6 cal subdivision of a state shall not be credited if the county  
7 employee retired under a retirement system of the United States  
8 government, a state, or any of their political subdivisions or  
9 until the county employee irrevocably forfeits the right to the  
10 deferred retirement allowance.

11 (d) The county employee deposits in the plan established  
12 under this section an amount equal to the aggregate amount of  
13 contributions the county employee would have made had the service  
14 been acquired in the employ of the county, plus interest from the  
15 dates the contributions would have been made to the date of  
16 deposit, at rates determined by the board. If records are insuf-  
17 ficient or unavailable to compute the exact amount of required  
18 deposit, the board may estimate the amount.

19 (e) The county employee has 8 or more years of credited  
20 service in county employment, has legal vesting in the county  
21 plan, and deposits in the county employees' retirement system an  
22 amount equal to the aggregate amount of contributions the  
23 employer would have made had the government service being cred-  
24 ited under this section been acquired in the employ of the  
25 county.

26 (10) A plan adopted under this section may provide for  
27 annual or less frequent postretirement redetermination of a

1 pension. The redetermined amount of pension shall be not greater  
2 than the amount of pension otherwise payable multiplied by the  
3 following percent: 100%, plus the percentage the county board of  
4 commissioners determines appropriate for each full year, exclud-  
5 ing a fraction of a year, in the period from the effective date  
6 of payments of the pension and the date as of which the redeter-  
7 mination is being made. The redetermined amount shall not be  
8 less than the amount of pension otherwise payable. A provision  
9 of this section that limits the amount of a pension shall not  
10 apply to the operation of this subsection redetermining the  
11 amount of a pension. As used in this subsection, "the amount of  
12 pension otherwise payable" means the amount of pension that would  
13 be payable without regard to this subsection. The application of  
14 a provision redetermining pension amounts may be restricted to  
15 pensions having an effective date of payment either before or  
16 after a specified date.

17 (11) The cost of pension or retirement benefits for a county  
18 employee under this section may be paid from the same fund from  
19 which the employee receives compensation, and the county board of  
20 commissioners may appropriate the necessary funds to carry out  
21 the purposes of this section. If a county establishes a plan by  
22 which the county pays pension or retirement benefits to an  
23 employee pursuant to this section, the county shall, in accord-  
24 ance with provisions for pension or retirement benefits that are  
25 incorporated in the plan, establish and maintain reserves on an  
26 actuarial basis in the manner provided in this subsection  
27 sufficient to finance the pension and retirement and death

1 benefit liabilities under the plan and sufficient to pay the  
2 pension and retirement and death benefits as they become due. A  
3 county that adopts a retirement plan under this section and  
4 establishes reserves on an actuarial basis shall maintain the  
5 reserves as provided in this subsection. The reserves shall be  
6 determined by an actuarial valuation and established and main-  
7 tained by yearly appropriations by the county and contributions  
8 by employees. The reserves shall be established, maintained, and  
9 funded to cover the pension and other benefits provided for in  
10 the plan in the same manner and within the same limits as to time  
11 as is provided for Benefit Program B in the municipal employees  
12 retirement system described in section 14 of the municipal  
13 employees retirement act, Act No. 427 of the Public Acts of 1984,  
14 being section 38.1514 of the Michigan Compiled Laws. These  
15 reserves are trust funds and shall not be used for any other pur-  
16 pose than the payment of pension, retirement, and other benefits  
17 and refunds of employee contributions in accordance with the plan  
18 established in a county. An employee's contributions shall be  
19 kept and accumulated in a separate fund and used only for the  
20 payment of annuities and refunds to employees. This subsection  
21 does not apply to a county that adopted a retirement plan under  
22 this section and did not establish reserves on an actuarial basis  
23 before October 11, 1947.

24 (12) A plan established by a county for the payment of pen-  
25 sion and retirement benefits to an employee under this section  
26 shall be approved as complying with this section by a county  
27 pension plan committee consisting of the attorney general, the

1 state treasurer, and the executive secretary of the state  
2 employees' retirement system created by the state employees'  
3 retirement act, Act No. 240 of the Public Acts of 1943, as  
4 amended, being sections 38.1 to ~~38.47~~ 38.48 of the Michigan  
5 Compiled Laws, before the plan becomes effective or operative in  
6 the county. Each county retirement plan operating under this  
7 section shall be approved by the committee as complying with this  
8 section biennially. A financial statement for each county  
9 retirement plan operating under this section shall be submitted  
10 annually to the county pension plan committee by the county  
11 board, official, or employee designated by the county board of  
12 commissioners. The financial statement shall be in the form,  
13 contain the information, and be submitted as the county pension  
14 plan committee prescribes. The state treasurer shall audit the  
15 funds and accounts of county retirement plans established under  
16 this section in the same manner as the state treasurer audits  
17 other county accounts and may audit and investigate county  
18 retirement plan funds and accounts to the extent necessary to  
19 effectuate the purposes of this section. This subsection does  
20 not apply to a county that adopted a retirement plan under this  
21 section and did not establish reserves on an actuarial basis  
22 before October 11, 1947.

23 (13) If a county establishes a plan for the payment of pen-  
24 sion and retirement benefits to its employees pursuant to this  
25 section, the county board of commissioners may provide for a  
26 board of trustees to administer the plan and for the manner of  
27 election or appointment of the members of the board of trustees.

1 The county board of commissioners may grant authority to the  
2 board of trustees to fully administer and operate the plan and to  
3 deposit, invest, and reinvest the funds and reserves of the plan  
4 within the limitations prescribed by the county board of commis-  
5 sioners in the plan. The county board of commissioners may  
6 authorize the investment of funds of a county retirement plan  
7 established under this section in anything in which the funds of  
8 the state employees' retirement system or the funds of the munic-  
9 ipal employees retirement system may be invested, pursuant to Act  
10 No. 240 of the Public Acts of 1943, as amended, and Act No. 427  
11 of the Public Acts of 1984, being sections 38.1501 to ~~38.1555~~  
12 38.1556 of the Michigan Compiled Laws. A county retirement plan  
13 established under this section may provide for financing, fund-  
14 ing, and the payment of benefits in the same manner and to the  
15 same extent as is provided for in Act No. 240 of the Public Acts  
16 of 1943, as amended, and Act No. 427 of the Public Acts of 1984,  
17 may provide for and require contributions by county employees,  
18 and may permit additional employee contributions on a voluntary  
19 basis.

20 (14) Upon the approval of the county board of commissioners,  
21 a member who entered the armed service of the United States  
22 before June 1, 1980 or who entered the armed service of the  
23 United States on or after June 1, 1980 during a time of war or  
24 emergency condition as described in section 1 of Act No. 190 of  
25 the Public Acts of 1965, as amended, being section 35.61 of the  
26 Michigan Compiled Laws, may elect to receive credited service for  
27 not more than 5 years of active military service. Credit for

1 military service shall be given upon request and payment to the  
2 retirement system of an amount equal to 5% of the member's  
3 full-time or equated full-time annual compensation for the year  
4 in which payment is made multiplied by the number of years, and  
5 fraction of a year, of credited service that the member elects to  
6 purchase up to the maximum. Service shall not be credited if the  
7 service is or would be credited under any other federal, state,  
8 or local publicly supported retirement system. Service shall not  
9 be credited under this subsection until the member has the number  
10 of years of credited service needed to vest under the plan. Only  
11 completed years and months of armed service shall be credited  
12 under this subsection.

13       (15) A member who enters or entered any armed service of the  
14 United States may purchase credited service for periods of con-  
15 tinuous active duty lasting 30 days or more, subject to ALL OF  
16 the following conditions:

17       (a) The county board of commissioners authorizes the pur-  
18 chase of credited service under this subsection by an affirmative  
19 vote of a majority of the members of the county board of  
20 commissioners. The county board of commissioners shall establish  
21 a written policy to implement the provisions of this subsection  
22 in order to provide uniform application of this subsection to all  
23 members of the plan.

24       (b) The member has at least the number of years of credited  
25 service needed to vest under the plan, not including any credited  
26 service purchased under this subsection and subsection (14).

1 (c) The member pays the plan 5% of the member's annual  
2 compensation multiplied by the period of credited service being  
3 purchased. As used in this subdivision, "annual compensation"  
4 means the aggregate amount of compensation paid the member during  
5 the 4 most recent calendar quarters for each of which the member  
6 was credited 3/12 of a year of credited service.

7 (d) Fractional months of armed service shall not be recog-  
8 nized for the purposes of this subsection.

9 (e) Armed service credited a member under subsection (14)  
10 shall not be the basis of credited service under this section.

11 (f) Armed service credited a member under this subsection  
12 shall not exceed either 5 years or the difference between 5 years  
13 and the armed service credited the member under subsection (14).

14 (g) Credited service shall not be granted for periods of  
15 armed service that are or could be used for obtaining or increas-  
16 ing a benefit from another retirement system.

17 (16) As used in this subsection, "transitional public  
18 employment program" means a public service employment program in  
19 the area of environmental quality, health care, education, public  
20 safety, crime prevention and control, prison rehabilitation,  
21 transportation, recreation, maintenance of parks, streets, and  
22 other public facilities, solid waste removal, pollution control,  
23 housing and neighborhood improvements, rural development, conser-  
24 vation, beautification, veterans' outreach, or any other area of  
25 human betterment and community improvement as part of a program  
26 of comprehensive manpower services authorized, undertaken, and  
27 financed pursuant to the former comprehensive employment and



1 training act of 1973, Public Law 93-203. A person participating  
2 in a transitional public employment program ~~shall~~ IS not ~~be~~  
3 eligible for membership in a retirement system or pension plan  
4 established under this section. If the person later becomes a  
5 member of a retirement system or pension plan established under  
6 this section within 12 months after the date of termination as a  
7 participant in a transitional public employment program, service  
8 credit shall be given for employment in the transitional public  
9 employment program for purposes of determining a retirement  
10 allowance upon the payment by the person and the person's  
11 employer under the transitional public employment program from  
12 funds provided under the former comprehensive employment and  
13 training act of 1973, Public Law 93-203, as funds permit, to the  
14 retirement system of the contributions, plus regular interest,  
15 the person and the employer would have paid had the employment  
16 been rendered in a position covered by this section. During the  
17 person's employment in the transitional public employment pro-  
18 gram, the person's employer shall provide an opportunity by pay-  
19 roll deduction for the person to make his or her employee contri-  
20 bution to the applicable pension system. To provide for the  
21 eventual payment of the employer's contribution, the person's  
22 employer shall during this same period place in reserve a reason-  
23 able but not necessarily an actuarially determined amount equal  
24 to the contributions that the employer would have paid to the  
25 retirement system for those employees in the transitional public  
26 employment program as if they were members under this section,  
27 but only for that number of employees that the employer

1 determined would transfer from the transitional public employment  
2 program into positions covered by this section. If the funds  
3 provided under the former comprehensive employment and training  
4 act of 1973, Public Law 93-203, are insufficient, the remainder  
5 of the employer contributions shall be paid by the person's cur-  
6 rent employer.

7       (17) Subsection (16) does not exclude the participant in a  
8 transitional public employment program from the accident, dis-  
9 ability, or other benefits available to members of the retirement  
10 system covered by this section.

11       (18) If a probate judge who is a member of a plan estab-  
12 lished under this section contributes for not less than 20 years,  
13 the county board of commissioners may allow the probate judge to  
14 cease further contributions.

15       (19) An employee of the circuit court in the third judicial  
16 circuit, the common pleas court of the city of Detroit, or the  
17 recorder's court of the city of Detroit who became an employee of  
18 the state judicial council on September 1, 1981, and who was 44  
19 years of age or older as of that date, and who will have accumu-  
20 lated 25 or more years of service credit by September 1, 1987,  
21 shall continue to be eligible for membership in, and the benefits  
22 of, a pension or retirement benefit plan established pursuant to  
23 this section in the same manner as the employee was eligible  
24 before September 1, 1981. A person who was an employee of the  
25 circuit court in the third judicial circuit, the common pleas  
26 court of the city of Detroit, or the recorder's court of the city  
27 of Detroit on August 31, 1981, who last entered county employment

1 ~~prior to~~ BEFORE November 2, 1956, who became an employee of the  
2 state judicial council on September 1, 1981, and who accumulated  
3 not less than 24 years of service credit by August 31, 1981,  
4 shall continue to be eligible for membership in, and the benefits  
5 of, a pension or retirement benefit plan established pursuant to  
6 this section in the same manner as the employee was eligible  
7 before September 1, 1981. An election to continue to be a member  
8 of a pension or retirement benefit plan established pursuant to  
9 this section as authorized by section 594(2) of the revised judi-  
10 cature act of 1961, Act No. 236 of the Public Acts of 1961, being  
11 section 600.594 of the Michigan Compiled Laws, or section 36(2)  
12 of Act No. 369 of the Public Acts of 1919, being section 725.36  
13 of the Michigan Compiled Laws, is not effective unless the  
14 employee has made the election in the manner prescribed by those  
15 sections and has made the payments required by those sections.

16 (20) A plan adopted under this section may provide that an  
17 employee of the circuit court in the third judicial circuit, the  
18 common pleas court of the city of Detroit, or the recorder's  
19 court of the city of Detroit who is a member of the Wayne county  
20 employees' retirement system on August 31, 1981, who becomes an  
21 employee of the state judicial council and a member of the state  
22 employees' retirement system on September 1, 1981, receive a ben-  
23 efit based on the annual average of the highest actual compensa-  
24 tion received by the employee during a period of 5 years of  
25 county or state service.

26 (21) Beginning September 1, 1981, for determining the  
27 retirement benefit for a county employee who is a judge of a

1 municipal court of record pursuant to subsection (2), "average  
2 final compensation" means the annual average of the highest  
3 actual compensation received by the judge as additional salary  
4 pursuant to section 13(2) of Act No. 369 of the Public Acts of  
5 1919, as amended, being section 725.13 of the Michigan Compiled  
6 Laws, during a period of 5 years of service as specified in the  
7 plan. This subsection shall not be construed to diminish or  
8 impair an accrued financial benefit.

9       (22) Beginning September 1, 1981, for each county employee  
10 who is a judge of a municipal court of record, or of the circuit  
11 or district court, the sum of the average final compensation  
12 determined for that county employee pursuant to this section and  
13 the final salary determined for that county employee as a member  
14 of the state of Michigan judges' retirement system pursuant to  
15 the judges' retirement act, Act No. 198 of the Public Acts of  
16 1951, as amended, being sections 38.801 to 38.831 of the Michigan  
17 Compiled Laws, shall not exceed the employee's total annual judi-  
18 cial salary payable from all sources at the time of his or her  
19 retirement. This subsection shall not be construed to diminish  
20 or impair an accrued financial benefit.

21       (23) Beginning September 1, 1981, for each county employee  
22 who is a judge of the probate court, the sum of the average final  
23 compensation calculated for that employee pursuant to this sec-  
24 tion and the final salary calculated for that employee as a  
25 member of the state of Michigan probate judges retirement system  
26 pursuant to the probate judges retirement act, Act No. 165 of the  
27 Public Acts of 1954, as amended, being sections 38.901 to 38.933

1 of the Michigan Compiled Laws, shall not exceed the employee's  
2 total annual judicial salary payable from all sources at the time  
3 of his or her retirement. This subsection shall not be construed  
4 to diminish or impair an accrued financial benefit.

5 (24) Beginning September 1, 1981, for determining a retire-  
6 ment benefit pursuant to subsection (2) for a county employee who  
7 is a judge who receives an annuity pursuant to section 14(5) of  
8 Act No. 198 of the Public Acts of 1951, as amended, being section  
9 38.814 of the Michigan Compiled Laws, "average final  
10 compensation" means the difference between the judge's total  
11 annual salary payable from all sources on August 31, 1981, and  
12 the judge's state base salary payable on August 31, 1981. This  
13 subsection shall not be construed to diminish or impair an  
14 accrued financial benefit.

15 (25) Beginning January 1, 1983, the sum of the final salary  
16 determined for each county employee who is a judge of the probate  
17 court used as the basis for determining the judge's retirement  
18 allowance as a member of a retirement system established pursuant  
19 to this section and the salary or compensation figure used as the  
20 basis for determining the ~~state of Michigan~~ judge's retirement  
21 allowance as a member of the STATE OF MICHIGAN judges' retirement  
22 system created by Act No. 198 of the Public Acts of 1951 —  
23 shall not exceed the judge's total annual salary payable from all  
24 sources at the time of his or her retirement. This subsection  
25 shall not be construed to diminish or impair an accrued financial  
26 benefit.

1       (26) The county board of commissioners, upon the request of  
2 a county employee, by not less than a 3/5 vote may credit that  
3 county employee with the amount of membership service that the  
4 county employee was previously credited with by the retirement  
5 system established under this section under the following  
6 conditions:

7       (a) The membership service previously credited to the county  
8 employee was service rendered for the same county.

9       (b) Service that is recognized for the purpose of a deferred  
10 retirement allowance under a retirement system or other  
11 employer-funded retirement benefit plan, except for a retirement  
12 benefit plan under the social security act, chapter 531, 49  
13 Stat. 620, of the United States government, a state, or a politi-  
14 cal subdivision of a state shall not be credited if the county  
15 employee retired under a retirement system of the United States  
16 government, a state, or any of their political subdivisions or  
17 until the county employee irrevocably forfeits the right to the  
18 deferred retirement allowance.

19       (c) The county employee deposits in the plan established  
20 under this section an amount equal to the aggregate amount of  
21 contributions the county employee made at the time of the previ-  
22 ous membership service plus interest from the date of withdrawal  
23 of the accumulated contributions to the date of deposit, at rates  
24 determined by the board. If records are insufficient or unavail-  
25 able to compute the exact amount of required deposit, the board  
26 may estimate the amount.

1 (d) The county employee deposits in the county employees'  
2 retirement system an amount equal to the aggregate amount of  
3 contributions the employer made at the time of the previous mem-  
4 bership service plus interest from the date of separation to the  
5 date of deposit, at rates determined by the board.

6 (27) A person participating in a program described in this  
7 subsection is not eligible for membership in a retirement system  
8 or pension plan established under this section. In addition,  
9 that person shall not receive service credit for the employment  
10 described in this subsection even though the person subsequently  
11 becomes or has been a member of the retirement system. This sub-  
12 section applies to all of the following:

13 (a) A person, not regularly employed by the county, who is  
14 employed by the county through participation in a program estab-  
15 lished pursuant to the job training partnership act, Public Law  
16 97-300, 96 Stat. 1322.

17 (b) A person, not regularly employed by the county, who is  
18 employed by the county through participation in a program estab-  
19 lished pursuant to the Michigan opportunity and skills training  
20 program, first established under sections 12 to 23 of Act No. 259  
21 of the Public Acts of 1983.

22 (c) A person, not regularly employed by the county, who is  
23 employed by the county through participation in a program estab-  
24 lished pursuant to the Michigan community service corps program,  
25 first established under sections 25 to 35 of Act No. 259 of the  
26 Public Acts of 1983 and sections 148 to 160 of Act No. 246 of the  
27 Public Acts of 1984.

1 (d) A person, not regularly employed by the county, who is  
2 hired by the county to administer a program described in subdivi-  
3 sion (a), (b), or (c).

4 (28) If a county enters into a collective bargaining agree-  
5 ment pursuant to Act No. 336 of the Public Acts of 1947, being  
6 sections 423.201 to 423.216 of the Michigan Compiled Laws, which  
7 provides for retirement benefits that are in excess of the  
8 retirement benefits otherwise authorized to be provided under  
9 this section for employees of the county who are covered by a  
10 plan under this section, then the county board of commissioners  
11 may amend or adopt a plan under this section to provide those  
12 benefits to employees who are members of the bargaining unit cov-  
13 ered by the agreement, and may, after December 31, 1987, amend or  
14 adopt a plan under this section to provide those benefits to  
15 other employees of the county.

16 (29) Beginning on April 30, 1990, 1 of the following condi-  
17 tions ~~shall apply~~ APPLIES to a retirant who is receiving a pen-  
18 sion or retirement benefit from a plan under this section if the  
19 retirant becomes employed by a county that has established a plan  
20 under this section:

21 (a) Payment of the pension or retirement benefit to the  
22 retirant shall be suspended if the retirant is employed by the  
23 county from which the retirant retired. Suspension of the pay-  
24 ment of the pension or retirement benefit shall become effective  
25 the first day of the calendar month that follows the sixtieth day  
26 after the retirant is employed by the county. Payment of the  
27 pension or retirement benefit shall resume on the first day of



1 the calendar month that follows termination of the employment.  
2 Payment of the pension or retirement benefit shall be resumed  
3 without change in amount or conditions by reason of the  
4 employment. The retirant shall not be a member of the plan  
5 during the period of employment.

6 (b) Payment of the pension or retirement benefit to the  
7 retirant shall continue without change in amount or conditions by  
8 reason of the employment if the retirant becomes employed by a  
9 county other than the county from which the retirant retired.  
10 For the purposes of membership and potential benefit entitlement  
11 under the plan of the other county, the retirant shall be consid-  
12 ered in the same manner as an individual with no previous record  
13 of employment by that county.

14 (30) A county may increase the percentage of the highest  
15 average monthly compensation or earnings that was used to calcu-  
16 late the pension or retirement benefit under subsection (1)(b) of  
17 a person receiving a pension or retirement benefit under this  
18 section on the date the county increases the percentage of com-  
19 pensation or earnings. The county shall recalculate the pension  
20 or retirement benefit using the increased percentage of compensa-  
21 tion or earnings. The person receiving the pension or retirement  
22 benefit is eligible to receive an adjusted pension or retirement  
23 benefit based upon the recalculation effective the first day of  
24 the month following the date the county increases the percentage  
25 of compensation or earnings under this subsection.

26 (31) If a county retirement plan established under this  
27 section provides an optional form of payment of a retirement

1 allowance, a retirement allowance may be made payable under this  
2 subsection, by resolution of the county board of commissioners,  
3 to the surviving spouse of a deceased retirant if all of the  
4 requirements of this subsection are met. If a member of a county  
5 retirement plan established under this section retired after May  
6 1, 1981 but before November 12, 1985 elected to receive his or  
7 her retirement allowance in life payments to the retirant, and  
8 died after November 1, 1989 but before December 31, 1989, the  
9 surviving spouse of that deceased retirant shall receive a  
10 retirement allowance pursuant to this subsection. The county  
11 board of commissioners shall compute the retirement allowance in  
12 the same manner as if, on the day before the retirant's death,  
13 the deceased retirant had elected to receive a reduced retirement  
14 allowance in life payments to the retirant with full continuation  
15 to the retirement allowance beneficiary and had nominated the  
16 surviving spouse as the retirement allowance beneficiary. The  
17 surviving spouse shall begin to receive the retirement allowance  
18 under this subsection effective the first day of the month fol-  
19 lowing the month in which application to the county retirement  
20 plan is made by the surviving spouse. A payment of a retirement  
21 allowance under this subsection shall not be paid for any month  
22 before the first month a retirement allowance is payable under  
23 this subsection. As used in this subsection, "spouse" means the  
24 person, if any, to whom the deceased retirant was married on the  
25 effective date of his or her retirement under the county retire-  
26 ment plan and on the date of his or her death.

1       (32) A COUNTY BOARD OF COMMISSIONERS OF A COUNTY HAVING A  
2 POPULATION OF MORE THAN 400,000 BUT LESS THAN 800,000, WHICH  
3 COUNTY HAS AN EMPLOYEE CREDIT UNION ORGANIZED UNDER ACT NO. 285  
4 OF THE PUBLIC ACTS OF 1925, BEING SECTIONS 490.1 TO 490.31 OF THE  
5 MICHIGAN COMPILED LAWS, MAY INCLUDE AS A MEMBER OF A PLAN UNDER  
6 THIS SECTION A PAST OR PRESENT EMPLOYEE OF THE CREDIT UNION, IF  
7 THAT PAST OR PRESENT EMPLOYEE HAS 5 OR MORE YEARS OF SERVICE  
8 CREDIT WITH THAT CREDIT UNION ON OR BEFORE JUNE 30, 1990.