

Act No. 11
Public Acts of 1993
Approved by the Governor
March 30, 1993
Filed with the Secretary of State
March 31, 1993

**STATE OF MICHIGAN
87TH LEGISLATURE
REGULAR SESSION OF 1993**

Introduced by Reps. Rhead, Nye, Hammerstrom, Fitzgerald, Harder, Schroer and Bandstra

ENROLLED HOUSE BILL No. 4317

AN ACT to amend section 16 of Act No. 165 of the Public Acts of 1954, entitled "An act to provide for a retirement system for judges of the probate courts of this state; to provide for the retirement of judges due to age or disability; to provide for annuities; to create a probate judges retirement board and prescribe its powers and duties; to provide for the collection of filing fees in certain cases for the payment of annuities and to establish certain funds in connection therewith; to provide for contributions thereto by probate judges; and to provide penalties for failure to comply with the provisions of this act," as amended by Act No. 286 of the Public Acts of 1992, being section 38.916 of the Michigan Compiled Laws; and to add sections 16a and 16b.

The People of the State of Michigan enact:

Section 1. Section 16 of Act No. 165 of the Public Acts of 1954, as amended by Act No. 286 of the Public Acts of 1992, being section 38.916 of the Michigan Compiled Laws, is amended and sections 16a and 16b are added to read as follows:

Sec. 16. (1) Upon a member's retirement from service as provided in this act, the member shall receive a retirement annuity equal to 3% of the final salary multiplied by the number of years and fraction of a year of service credited to the member's account, except that a member who makes the election described in subdivision (d) shall receive an annuity equal to 3.5% of the final salary multiplied by the number of years and fraction of a year of service credited to the member's account or as otherwise provided in subdivision (d). Except as provided in section 16b, the annuity shall meet all of the following requirements:

- (a) Not be less than \$4,000.00 per annum if the member has 12 years of service credit.
- (b) Not exceed \$15,000.00 per annum or 40% of the final salary of the member, whichever is greater.
- (c) When added to a county pension benefit payable under section 12a of Act No. 156 of the Public Acts of 1951, as amended, being section 46.12a of the Michigan Compiled Laws, not exceed 66-2/3% of final salary.
- (d) Not exceed 66-2/3% of final salary for a member who is not a member of a retirement system established pursuant to section 12a of Act No. 156 of the Public Acts of 1951, being section 46.12a of the Michigan Compiled Laws, and who elected by written notice filed with the board before April 1, 1983 to contribute and contributes 5% of his or her current salary for each year and month of service rendered as a probate judge prior to January 1, 1983 for which he or she elects to make payment, up to a maximum of 20 years. The 5% payment is in addition to previously paid contributions. A member who was prohibited from making an election under this subdivision before April 1, 1983 because the member was a member of a retirement system established pursuant to section 12a of Act No. 156 of the Public Acts of 1951, being section 46.12a of the Michigan Compiled Laws, and whose membership in a retirement system established pursuant to Act No. 156 of the Public Acts of 1951 was terminated after April 1, 1983, may elect to make contributions under this subdivision by filing a written notice of that election with the board before February 1, 1993. A member who makes an election under this subdivision after April 1, 1983 and before February 1, 1993 shall pay into

the annuity savings fund, on or before April 1, 1993, an amount that when added to contributions already paid since January 1, 1983 equals the amount that would have been contributed had the member made the election under this subdivision before April 1, 1983, plus interest at 8% compounded annually. A member who makes an election under this subdivision after April 1, 1983 and before February 1, 1993 may also elect to make contributions for service before 1983 in the manner provided in this subdivision. The annuity shall be computed by multiplying by 3.5% of final salary the sum of the member's post-December 31, 1982 service and years of pre-1983 service for which 5% was contributed and multiplying by 3.0% of final salary his or her remaining pre-1983 service not to exceed 40% of final salary. However, if a member filed a timely written election to make the contributions under this subdivision, but before the member's death or retirement had not made the contribution for pre-January 1, 1983 service, but had contributed the percentage of his or her total salary required by section 21(2), then the annuity shall be computed by adding together the products obtained by multiplying by 3.0% of final salary the member's pre-January 1, 1983 service not to exceed 40% of final salary, and by 3.5% of final salary the member's post-December 31, 1982 service. The annuity shall not exceed 66-2/3% of the final salary.

(2) A retirant who retired before December 21, 1974, and who is receiving an annuity on October 1, 1978, shall receive an annuity of not less than \$4,000.00 for 12 years of service and a supplemental annuity of an amount equal to \$160.00 for each year of service that exceeds 12 years of service. A beneficiary of a deceased member or deceased retirant who died or retired before December 21, 1974, who is receiving an annuity on October 1, 1978, shall receive an annuity of not less than \$4,000.00 for 12 years of the deceased member or deceased retirant's service and a supplemental annuity of \$80.00 for each year of the deceased member or deceased retirant's service that exceeds 12 years of service.

Sec. 16a. (1) Effective March 1, 1993, the annuity payable to a retirant or beneficiary of a deceased retirant whose effective date of retirement was before January 1, 1980, is supplemented as follows:

Effective date of retirement	Percent of increase
January 1, 1979 to December 31, 1979	11%
January 1, 1978 to December 31, 1978	12%
January 1, 1977 to December 31, 1977	13%
January 1, 1976 to December 31, 1976	14%
January 1, 1975 to December 31, 1975	15%
January 1, 1974 to December 31, 1974	16%
January 1, 1973 to December 31, 1973	17%
January 1, 1972 to December 31, 1972	18%
January 1, 1971 to December 31, 1971	19%
January 1, 1970 to December 31, 1970	20%
January 1, 1969 to December 31, 1969	21%
January 1, 1968 to December 31, 1968	22%
January 1, 1967 to December 31, 1967	23%
Before January 1, 1967	24%

(2) The recalculated annuity shall be the basis on which future adjustments to the annuity are calculated.

(3) The supplement provided by this section shall be calculated pursuant to subsection (1) and shall be paid before October 1, 1993. If a retirant dies before October 1, 1993 and no benefits become payable under section 17 or 20(3), the retirant's annuity shall not be supplemented under this section.

Sec. 16b. (1) Notwithstanding section 16(1) and except as provided in subsection (2), the annuity payable to a retirant whose effective date of retirement was before January 1, 1980 or to an option A beneficiary of a deceased retirant whose effective date of retirement was before January 1, 1980, as supplemented by section 16a if applicable, shall not be less than \$10,000.00 per annum if the retirant had at least 8 years of service credited under this act. Notwithstanding section 16(1) and except as provided in subsection (2), the annuity payable to a beneficiary, other than an option A beneficiary, of a deceased retirant whose effective date of retirement was before January 1, 1980, as supplemented by section 16a if applicable, shall not be less than \$8,500.00 per annum if the retirant had at least 8 years of service credited under this act. The payment of an increased annuity under this section is effective on March 1, 1993 and is not payable for any month beginning before March 1, 1993.

(2) For a retirant or beneficiary of a deceased retirant who is eligible to receive an increased annuity under subsection (1) and who is receiving an annuity or retirement allowance from another publicly supported retirement system attributable to the same years of service, other than federal social security benefits, the annuity payable to that retirant or beneficiary shall be the amount specified in subsection (1) minus the amount of the annuity or retirement allowance payable from the other publicly supported retirement system, but not less than the annuity as supplemented by section 16a, if applicable, or not less than the annuity payable under this act on February 28, 1993.

(3) As used in this section, "option A beneficiary" means a person who is receiving 100% of the deceased retirant's reduced retirement annuity under option A as described in section 17.

This act is ordered to take immediate effect.

Co-Clerk of the House of Representatives.

Secretary of the Senate.

Approved -----

Governor.