



HOUSE BILL No. 4885

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June 24, 1993, Introduced by Reps. Bullard, Dobb and Nye and referred to the Committee on Taxation.

A bill to amend section 57 of Act No. 261 of the Public Acts of 1957, entitled as amended "Michigan legislative retirement system act," as amended by Act No. 39 of the Public Acts of 1985, being section 38.1057 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 57 of Act No. 261 of the Public Acts of
2 1957, as amended by Act No. 39 of the Public Acts of 1985, being
3 section 38.1057 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 57. (1) Except as provided in ~~subsection~~ SUBSECTIONS
6 (2) AND (3), all retirement allowances and other benefits payable
7 under this act and all accumulated credits of members, deferred
8 vested members, and retirants in this retirement system are
9 unassignable and shall not be subject to execution, garnishment,

1 or attachment, or to taxation by the state or any of its
2 political subdivisions.

3 (2) FOR A PERSON WHO BECOMES A MEMBER OF A PUBLIC RETIREMENT
4 SYSTEM ESTABLISHED PURSUANT TO THIS ACT AFTER DECEMBER 31, 1993,
5 ALL RETIREMENT ALLOWANCES AND OTHER BENEFITS PAYABLE UNDER THIS
6 ACT ARE SUBJECT TO TAXATION PURSUANT TO THE INCOME TAX ACT OF
7 1967, ACT NO. 281 OF THE PUBLIC ACTS OF 1967, BEING SECTIONS
8 206.1 TO 206.532 OF THE MICHIGAN COMPILED LAWS.

9 (3) ~~-(2)-~~ All retirement allowances and other benefits pay-
10 able under this act and all accumulated contributions of members,
11 deferred vested members, and retirants in this retirement system
12 shall be subject to award by a court pursuant to section 18 of
13 chapter 84 of the Revised Statutes of 1846, being section 552.18
14 of the Michigan Compiled Laws, and to any other order of a court
15 pertaining to child support.

16 (4) ~~-(3)-~~ If an award or order described in subsection ~~-(2)-~~
17 (3) requires the retirement system to withhold payment of a pen-
18 sion, deferred pension, accumulated contributions, or other bene-
19 fit from the person to whom it is due or requires the retirement
20 system to make payment or requires the person to request that the
21 retirement system make payment of a pension, deferred pension,
22 accumulated contributions, or other benefit, for the purpose of
23 meeting the person's obligations to a spouse, former spouse or
24 child, as provided in subsection ~~-(2)-~~ (3), the withholding or
25 payment provisions of the award or order shall be effective only
26 against such amounts as they become payable to the person
27 receiving a retirement allowance. The limitation contained in

1 this subsection shall not apply to the accumulated contributions
2 of a person who has terminated employment prior to acquiring a
3 vested member status.

4 Section 2. This amendatory act shall not take effect unless
5 all of the following bills of the 87th Legislature are enacted
6 into law:

7 (a) Senate Bill No. _____ or House Bill No. 4886
8 request no. 03716'93).

9 (b) Senate Bill No. _____ or House Bill No. 4887
10 (request no. 03717'93).

11 (c) Senate Bill No. _____ or House Bill No. 4888
12 (request no. 03718'93).

13 (d) Senate Bill No. _____ or House Bill No. 4889
14 (request no. 03719'93).