

Act No. 33  
Public Acts of 1996  
Approved by the Governor  
February 25, 1996  
Filed with the Secretary of State  
February 26, 1996

**STATE OF MICHIGAN  
88TH LEGISLATURE  
REGULAR SESSION OF 1996**

Introduced by Rep. Middaugh

# **ENROLLED HOUSE BILL No. 5283**

AN ACT to amend section 1b of Act No. 240 of the Public Acts of 1943, entitled as amended "An act to provide for a state employees' retirement system; to create a state employees' retirement board and prescribe its powers and duties; to establish certain funds in connection therewith and to require contributions thereto by state employees and by the state; to create certain accounts and provide for expenditures from those accounts; to prescribe the powers and duties of certain state officers and agencies; and to provide penalties for the violation of certain provisions of this act," as added by Act No. 176 of the Public Acts of 1995, being section 38.1b of the Michigan Compiled Laws.

*The People of the State of Michigan enact:*

Section 1. Section 1b of Act No. 240 of the Public Acts of 1943, as added by Act No. 176 of the Public Acts of 1995, being section 38.1b of the Michigan Compiled Laws, is amended to read as follows:

Sec. 1b. (1) "Beneficiary" or "disability beneficiary" means a person other than a retirant who receives a retirement allowance, pension, or other benefit provided by this act.

(2) "Compensation" means the remuneration paid a member on account of the member's services rendered to this state to the extent that the remuneration does not exceed the compensation limit established in section 401(a)(17) of the internal revenue code. If a member's remuneration is not paid totally in money, the retirement board shall employ the maintenance-compensation schedules established from time to time by the civil service commission. Compensation does not include any of the following:

(a) Remuneration paid in lieu of accumulated sick leave.

(b) Remuneration for services rendered after October 1, 1981, payable at retirement or termination under voluntary or involuntary pay reduction plan B, in excess of the amount the member would have received had the member been compensated for those services at the rate of pay in effect at the time those services were performed.

(c) Payment for accrued annual leave at separation in excess of 240 hours.

(d) Remuneration received by an employee of the department of mental health resulting from severance pay received because of the deinstitutionalization of the department of mental health resident population.

(e) Remuneration received as a bonus by investment managers of the department of treasury under the treasury incentive bonus plan first approved by the civil service commission on February 11, 1988, pursuant to section 5 of article XI of the state constitution of 1963.

(f) Remuneration received as a bonus or merit payment by assistant attorneys general in the department of attorney general under the merit pay plan approved by the civil service commission on January 19, 1990, pursuant to section 5 of article XI of the state constitution of 1963.

(3) "Conservation officer" means an employee of the department of natural resources, or its predecessor or successor agency, who has sworn to the prescribed oath of office and who is designated as a peace officer under section 1606 of part 16 (enforcement of laws for protection of wild birds, wild animals, and fish) of the natural resources and environmental protection act, Act No. 451 of the Public Acts of 1994, being section 324.1606 and section 1 of Act No. 109 of the Public Acts of 1986, being section 300.21 of the Michigan Compiled Laws.

(4) "Credited service" means the sum of the prior service and membership service credited to a member's service account.

This act is ordered to take immediate effect.

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Clerk of the House of Representatives.

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Secretary of the Senate.

Approved -----

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Governor.