



SENATE BILL No. 198

February 1, 1995, Introduced by Senators CISKY,
HOFFMAN, GOUGEON, MC MANUS and CHERRY and
referred to the Committee on Appropriations.

A bill to amend sections 40 and 40a of Act No. 182 of the
Public Acts of 1986, entitled
"State police retirement act of 1986,"
section 40a as added by Act No. 139 of the Public Acts of 1992,
being sections 38.1640 and 38.1640a of the Michigan Compiled
Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 40 and 40a of Act No. 182 of the Public
2 Acts of 1986, section 40a as added by Act No. 139 of the Public
3 Acts of 1992, being sections 38.1640 and 38.1640a of the Michigan
4 Compiled Laws, are amended to read as follows:

5 Sec. 40. (1) Effective October 1, ~~1986~~ 1995, ~~after the~~
6 ~~retirant and retirement allowance beneficiary monthly allowance~~
7 ~~recomputation as determined in section 39 has been determined,~~ a

1 retirant or retirement allowance beneficiary of a deceased
2 retirant shall receive a total ~~annual~~ retirement allowance of
3 not less than ~~\$500.00 per month~~ \$10,800.00 PER ANNUM.

4 (2) THE INCREASED RETIREMENT ALLOWANCE UNDER THIS SECTION
5 SHALL BE THE BASIS UPON WHICH FUTURE ADJUSTMENTS TO THE RETIRE-
6 MENT ALLOWANCE, INCLUDING THE INCREASE UNDER SECTION 40A, ARE
7 CALCULATED.

8 Sec. 40a. (1) A member or deferred member who retires after
9 September 30, 1991, or a retirement allowance beneficiary of a
10 member or deferred member who dies or retires after September 30,
11 1991, is entitled to have his or her retirement allowance
12 increased as provided in this section. BEGINNING OCTOBER 1,
13 1995, A RETIRANT OR RETIREMENT ALLOWANCE BENEFICIARY IS ENTITLED
14 TO HAVE HIS OR HER RETIREMENT ALLOWANCE INCREASED AS PROVIDED IN
15 THIS SECTION.

16 (2) ~~The~~ THROUGH OCTOBER 1, 1994, THE retirement allowance
17 of a member, deferred member, or retirement allowance beneficiary
18 described in subsection (1) shall be increased each October 1,
19 beginning with the later of October 1, 1992 or the first October
20 1 that is at least 12 months after the retirement allowance
21 effective date. BEGINNING OCTOBER 1, 1995, THE RETIREMENT ALLOW-
22 ANCE OF A RETIRANT OR A RETIREMENT ALLOWANCE BENEFICIARY SHALL BE
23 INCREASED EACH OCTOBER 1 BEGINNING WITH THE LATER OF OCTOBER 1,
24 1995 OR THE FIRST OCTOBER 1 THAT IS AT LEAST 12 MONTHS AFTER THE
25 RETIREMENT ALLOWANCE EFFECTIVE DATE. The amount of the annual
26 increase shall be 2% of the retirement allowance that would be

1 payable without application of this section. The annual increase
2 shall not exceed \$500.00.