



# SENATE BILL No. 227

February 2, 1995, Introduced by Senator KOIVISTO  
and referred to the Committee on Finance.

A bill to amend Act No. 300 of the Public Acts of 1980,  
entitled  
"The public school employees retirement act of 1979,"  
as amended, being sections 38.1301 to 38.1408 of the Michigan  
Compiled Laws, by adding section 81b.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Act No. 300 of the Public Acts of 1980, as  
2 amended, being sections 38.1301 to 38.1408 of the Michigan  
3 Compiled Laws, is amended by adding section 81b to read as  
4 follows:

5 SEC. 81B. (1) NOTWITHSTANDING SECTION 81, A MEMBER WHO IS  
6 AN EMPLOYEE OF A LOCAL SCHOOL DISTRICT THAT RECEIVES A NOTICE  
7 REQUIRED UNDER SECTION 2833 OF PART C OF TITLE XXVIII OF THE  
8 MILITARY CONSTRUCTION AUTHORIZATION ACT FOR FISCAL YEARS 1990 AND  
9 1991, DIVISION B OF THE NATIONAL DEFENSE AUTHORIZATION ACT FOR

1 FISCAL YEARS 1990 AND 1991, PUBLIC LAW 101-189, 10 U.S.C. 2687  
2 nt, INDICATING THAT THE LOCAL SCHOOL DISTRICT WILL EXPERIENCE AT  
3 LEAST A 10% REDUCTION IN THE NUMBER OF DEPENDENT CHILDREN OF MEM-  
4 BERS OF THE ARMED FORCES AND OF CIVILIAN EMPLOYEES OF THE DEPART-  
5 MENT OF DEFENSE ENROLLED IN SCHOOLS UNDER THE JURISDICTION OF THE  
6 LOCAL SCHOOL DISTRICT DUE TO THE CLOSURE OR REALIGNMENT OF A MIL-  
7 ITARY INSTALLATION AND IN WHICH 1 OR MORE SCHOOL BUILDINGS IN  
8 THAT LOCAL SCHOOL DISTRICT HAVE BEEN DESIGNATED FOR CLOSURE BY  
9 THE SCHOOL BOARD OF THAT LOCAL SCHOOL DISTRICT BECAUSE OF THE  
10 DECLINE IN ENROLLMENT CAUSED BY THE CLOSURE OR REALIGNMENT OF THE  
11 MILITARY INSTALLATION MAY RETIRE AS PROVIDED IN SUBSECTION (2),  
12 UPON SATISFACTION OF ANY 1 OF THE FOLLOWING CONDITIONS:

13 (A) THE MEMBER IS 51 YEARS OF AGE OR OLDER AND HAS 25 OR  
14 MORE YEARS OF CREDITED SERVICE, OF WHICH AT LEAST 15 YEARS OF  
15 CREDITED SERVICE ARE AS A PUBLIC SCHOOL EMPLOYEE AND OF WHICH THE  
16 LAST 5 CONSECUTIVE YEARS OF CREDITED SERVICE IMMEDIATELY PRECED-  
17 ING THE RETIREMENT ALLOWANCE EFFECTIVE DATE ARE AS A PUBLIC  
18 SCHOOL EMPLOYEE.

19 (B) THE MEMBER IS 56 YEARS OF AGE OR OLDER AND HAS 10 OR  
20 MORE YEARS OF CREDITED SERVICE, OF WHICH THE LAST 5 CONSECUTIVE  
21 YEARS OF CREDITED SERVICE IMMEDIATELY PRECEDING THE RETIREMENT  
22 ALLOWANCE EFFECTIVE DATE ARE AS A PUBLIC SCHOOL EMPLOYEE.

23 (C) THE MEMBER HAS 25 OR MORE YEARS OF CREDITED SERVICE AS A  
24 PUBLIC SCHOOL EMPLOYEE.

25 (2) A MEMBER WHO IS ELIGIBLE TO RECEIVE A RETIREMENT ALLOW-  
26 ANCE UNDER SUBSECTION (1) MAY RETIRE EFFECTIVE ON THE FIRST DAY  
27 OF THE MONTH IMMEDIATELY SUCCEEDING THE DATE THAT A SCHOOL

1 BUILDING IN THE LOCAL SCHOOL DISTRICT IS CLOSED, UPON WRITTEN  
2 APPLICATION TO THE RETIREMENT BOARD NOT LESS THAN 30 OR MORE THAN  
3 90 DAYS BEFORE THE DATE OF THE SCHOOL BUILDING CLOSURE.

4 BEGINNING ON THE RETIREMENT ALLOWANCE EFFECTIVE DATE, HE OR SHE  
5 SHALL RECEIVE A RETIREMENT ALLOWANCE COMPUTED ACCORDING TO SEC-  
6 TION 84(1), WITHOUT REGARD TO THE REDUCTION IN SECTION 84(2).

7 HOWEVER, A MEMBER WHO CONTRIBUTED TO THE MEMBER INVESTMENT PLAN  
8 WHO RETIRES PURSUANT TO THIS SECTION IS ENTITLED TO THE ENTITLE-  
9 MENTS OF SECTION 43C.

10 (3) IF A SCHOOL BUILDING IN A LOCAL SCHOOL DISTRICT IS DES-  
11 IGNATED FOR CLOSURE BY THE SCHOOL BOARD OF THE LOCAL SCHOOL DIS-  
12 TRICT BECAUSE OF A DECLINE IN ENROLLMENT CAUSED BY THE CLOSURE OR  
13 REALIGNMENT OF A MILITARY INSTALLATION, THE SECRETARY OF THE  
14 SCHOOL BOARD OF THE LOCAL SCHOOL DISTRICT SHALL CERTIFY IN WRIT-  
15 ING TO THE STATE LEGISLATURE AND THE RETIREMENT BOARD, NOT LESS  
16 THAN 180 DAYS BEFORE THE DESIGNATED OFFICIAL DATE OF CLOSURE,  
17 WHICH SCHOOL BUILDING IS TO BE CLOSED AND THE DESIGNATED OFFICIAL  
18 DATE OF CLOSURE.