



SENATE BILL No. 1143

September 12, 1996, Introduced by Senators CISKY, NORTH,
MC MANUS and STEIL and referred to the Committee on
Appropriations.

A bill to amend section 4 of Act No. 88 of the Public Acts
of 1961, entitled
"Reciprocal retirement act,"
as amended by Act No. 274 of the Public Acts of 1990, being sec-
tion 38.1104 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 4 of Act No. 88 of the Public Acts of
2 1961, as amended by Act No. 274 of the Public Acts of 1990, being
3 section 38.1104 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 4. A member of a reciprocal retirement system who
6 leaves the employ of a reciprocal unit, designated as the preced-
7 ing reciprocal unit, and enters the employ of another
8 governmental unit, designated as the succeeding governmental
9 unit, shall be entitled to a retirement allowance payable by the

1 preceding reciprocal unit's retirement system subject to the
2 following conditions:

3 (a) The member has 30 months or more of credited service in
4 force acquired in the employ of the preceding reciprocal unit.

5 (b) The member does not withdraw his or her accumulated
6 deposits from the preceding reciprocal unit's retirement system,
7 or if the member has withdrawn the accumulated deposits, the
8 member deposits with the preceding reciprocal unit the amount
9 withdrawn together with interest compounded annually at the rate
10 in effect for the preceding reciprocal unit; the deposit to be
11 made within 5 years after the date the member becomes employed by
12 the succeeding governmental unit.

13 (c) The member enters the employ of each succeeding govern-
14 mental unit within 15 years after the date of leaving the employ
15 of each preceding governmental unit.

16 (d) The member's credited service in force with the preced-
17 ing reciprocal retirement systems plus the member's credited
18 service acquired in the employ of succeeding governmental units
19 equals or exceeds the minimum credited service required for age
20 and service retirement in the applicable preceding reciprocal
21 retirement system.

22 (e) The retirement allowance payable by any preceding recip-
23 rocal retirement system shall be determined at the time the
24 member ceased to be a member of the preceding reciprocal retire-
25 ment system, upon the basis of the retirement allowance formula
26 of the preceding reciprocal retirement system, the member's

1 credited service in force in the preceding reciprocal retirement
2 system, and the member's final average salary at that time.

3 (f) Payment of a retirement allowance by a preceding recip-
4 rocal retirement system shall begin on the first day of the
5 ~~second~~ calendar month immediately following the month in which
6 proper written application is filed with the governing body of
7 the preceding reciprocal retirement system AND on or after
8 attainment of ~~60 years of age. The retirement allowance shall~~
9 ~~not begin before attainment of~~ the minimum age for age and serv-
10 ice retirement required in the preceding reciprocal retirement
11 system.