

STATE OF MICHIGAN
89TH LEGISLATURE
REGULAR SESSION OF 1997

Introduced by Rep. Anthony

ENROLLED HOUSE BILL No. 4052

AN ACT to amend 1943 PA 240, entitled "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 with the retirement system; to require contributions to the retirement system by and on behalf of members and participants of the retirement system; to create certain accounts and provide for expenditures from those accounts; to prescribe the powers and duties of certain state and local officers and employees and certain state departments and agencies; and to prescribe penalties and provide remedies," by amending section 27 (MCL 38.27), as amended by 1987 PA 241, and by adding sections 48a and 48b.

The People of the State of Michigan enact:

Sec. 27. (1) If a member dies as a result of a personal injury or disease arising out of and in the course of his or her employment with this state, or a disability retiree who retired under section 21 dies before becoming age 60 and within 3 years after the member's disability retirement from the same causes for which he or she was retired, and such death or illness or injuries resulting in death are found by the retirement board to have been the sole and exclusive result of employment with the state, the applicable benefits provided in subsections (2), (3), (4), and (5) shall be paid, subject to subsection (6).

(2) The accumulated contributions standing to the member's account in the employees' savings fund shall be paid to such person or persons as the member has nominated by written designation duly executed and filed with the retirement board, or if there are no such designated person or persons surviving, then to the member's legal representative.

(3) A retirement allowance of 1/3 of the final compensation of the deceased person shall be paid to the surviving spouse to whom the deceased person was married at the time he or she last terminated employment with this state. If a child or children under the age of 18 years also survives the deceased person, each such child shall receive an allowance of an equal share of 1/4 of the deceased person's final compensation. Upon the marriage, death, or attainment of age 18 years of any such child, there shall be a redistribution by the retirement board to the deceased person's remaining children under age 18 years.

(4) If there is no surviving spouse or if the surviving spouse dies before the youngest surviving child of the deceased person reaches the age of 18 years, then each such child under age 18 shall each receive an allowance equal to 1/4 of the deceased person's final compensation, but the total so paid in any year to the children of a deceased person shall not

exceed 1/2 of his or her final compensation. If there are more than 2 such surviving children under age 18 years, each such child shall receive an allowance of an equal share of 1/2 of the deceased person's final compensation. Upon the marriage, death, or attainment of age 18 years of any such child, the child's allowance shall terminate and there shall be a redistribution by the retirement board to any remaining eligible children of the deceased under age 18, but a child shall not receive an allowance more than 1/4 of the deceased person's final compensation.

(5) If there is neither a spouse nor a child under age 18 years surviving the deceased person, then there shall be paid to each parent of the deceased person whom the retirement board after investigation determines to have been actually dependent upon the deceased person through absence of earning power due to disability, an allowance of 1/6 of the deceased person's final compensation.

(6) Except as otherwise provided in this subsection, the total of the retirement allowances payable under subsections (3), (4), and (5) on account of the death of a member or retirant shall not exceed \$2,400.00 per annum, nor an amount which, when added to the statutory worker's compensation benefit to which the dependents of the member or retirant are entitled, exceeds his or her final compensation. If the retirement allowance payable under this section is to survivors of a conservation officer whose death was a result of a personal injury or disease arising out of and in the course of his or her employment as a conservation officer with this state, the total of the retirement allowances payable under subsection (3), (4), or (5) shall not exceed \$5,000.00 per annum, nor an amount which, when added to the statutory worker's compensation benefit to which the dependents of the member or retirant are entitled, exceeds his or her final compensation.

Sec. 48a. (1) Effective October 1, 1997, the monthly retirement allowance payable to a retirant or retirement allowance beneficiary who meets the requirements of subsection (2) is increased as follows:

Effective Date of Retirement	Percent of Increase
October 1, 1987 to March 30, 1991	10
October 1, 1986 to September 30, 1987	12
October 1, 1985 to September 30, 1986	14
October 1, 1984 to September 30, 1985	16
October 1, 1983 to September 30, 1984	18
October 1, 1982 to September 30, 1983	20
October 1, 1981 to September 30, 1982	22
October 1, 1980 to September 30, 1981	24
October 1, 1979 to September 30, 1980	26
October 1, 1978 to September 30, 1979	28
October 1, 1977 to September 30, 1978	30
October 1, 1976 to September 30, 1977	32
October 1, 1975 to September 30, 1976	34
October 1, 1974 to September 30, 1975	36
October 1, 1973 to September 30, 1974	38
Before October 1, 1973	40

(2) This section only applies to a retirant or retirement allowance beneficiary of a deceased retirant who meets all of the following requirements:

(a) The retirant or deceased retirant retired after 25 years or more of service as a conservation officer or because of duty-incurred total disability as a conservation officer under section 21.

(b) The retirant or retirement allowance beneficiary was in payment status on October 1, 1997.

(3) The increased retirement allowance under this section shall be the basis upon which future adjustments to the retirement allowance, including the increase under section 48b, if applicable, are calculated.

(4) The supplement provided by this section shall be calculated pursuant to subsection (1), shall be based on the amount of retirement allowance that would have been paid without application of section 20(2) if the member made the election permitted under section 20(2), and shall be paid by January 1, 1998. The retirement allowance of a retirant who dies before January 1, 1998 and who has not nominated a retirement allowance beneficiary pursuant to section 31 shall not be supplemented pursuant to this section.

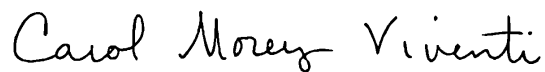
Sec. 48b. (1) Effective October 1, 1997, after the retirant's retirement allowance is increased under section 48a, if applicable, a retirant who meets the requirements of section 48a(2) shall receive a total retirement allowance of not less than \$10,800.00 per annum. Effective October 1, 1997, after the retirement allowance beneficiary's retirement allowance is increased under section 48a, if applicable, a retirement allowance beneficiary of a deceased retirant who meets the requirements of section 48a(2) shall receive a total retirement allowance of not less than \$5,400.00 per annum.

(2) The increased retirement allowance under this section shall be the basis upon which future adjustments to the retirement allowance are calculated.

This act is ordered to take immediate effect.



Clerk of the House of Representatives.



Secretary of the Senate.

Approved -----

Governor.