

# HOUSE BILL No. 4173

January 30, 1997, Introduced by Reps. Rhead, McNutt, LeTarte and Llewellyn and referred to the Committee on Public Retirement.

A bill to amend 1943 PA 240, entitled "State employees' retirement act," by amending sections 1a, 17j, 19, and 31 (MCL 38.1a, 38.17j, 38.19, and 38.31), section 1a as amended by 1995 PA 176, section 17j as amended by 1989 PA 9, section 19 as amended by 1993 PA 195, and section 31 as amended by 1991 PA 48, and by adding section 17m.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 1a. (1) "Accumulated contributions" means the sum of  
2 all amounts deducted from the compensation of a member and cred-  
3 ited to the member's individual account in the employees' savings  
4 fund, together with regular interest on that account.

5       (2) "Actuarial cost" means ~~a single percentage that, when~~  
6 ~~multiplied by a member's fiscal year compensation, will result in~~  
7 ~~the average actuarial present value of the additional benefits~~

~~1 resulting from the crediting of 1 additional year of service.  
2 This single percentage shall be based on the members who utilize  
3 those sections of this act that permit the purchase of service.  
4 For purchases of service credit made before December 31, 1990,  
5 the single percentage shall be 9%. Beginning December 31, 1990  
6 and every 3 years thereafter, the single percentage shall be com-  
7 puted based upon actual experience. If the computation results  
8 in an increase or decrease in the percentage, not less than 6  
9 months' notice shall be given to the members. AN AMOUNT THAT  
10 SHALL BE PAID, EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED BY THIS  
11 ACT, BY A MEMBER TO PURCHASE ADDITIONAL SERVICE CREDIT AS ALLOWED  
12 UNDER THIS ACT. ACTUARIAL COST SHALL BE COMPUTED AS PROVIDED IN  
13 SECTION 17J.~~

14 (3) "Annuity" means annual payments for life derived from  
15 the accumulated contributions of a member. An annuity shall be  
16 paid in equal monthly installments.

17 (4) "Annuity reserve" means the present value, computed upon  
18 the basis of mortality and other tables adopted by the retirement  
19 board, of all payments to be made on account of an annuity, or  
20 benefits in lieu of an annuity, granted to a member under this  
21 act.

22 (5) "Appointing authority" means the departmental officer  
23 who has the responsibility of making appointments and handling  
24 all other personnel transactions affecting the employees in the  
25 agency that the officer represents.

26 Sec. 17j. (1) On and after June 23, 1987, a member who is  
27 otherwise entitled to purchase service credit under section 17g,

1 17h, 17i, ~~or~~ 17k, 17l, OR 17M shall not purchase a combined  
2 total of more than 10 years of service credit under those  
3 sections.

4 (2) On and after June 23, 1987, a member who under section  
5 17c, 17e, 17f, 17g, 17h, 17i, 17k, 17l, 17M, or 18(2) is other-  
6 wise entitled to purchase service credit may purchase ~~such~~ THE  
7 service credit in separate increments equal to 1 or more full  
8 years, or a remaining fraction of a year, if any, or both.  
9 Partial purchase of service credit under this section ~~shall~~  
10 DOES not bar future purchases otherwise in compliance with this  
11 section and the provisions of this act authorizing the purchase,  
12 but computation of the amount of payment due shall be made sepa-  
13 rately for each purchase.

14 (3) If a member who made payment under this section dies and  
15 a retirement allowance is not payable or if the member leaves  
16 service with ~~the~~ THIS state before his or her retirement allow-  
17 ance becomes effective, the payment made by the member shall be  
18 refunded upon request to the member, to the person designated by  
19 the member in writing to the board, or if a person is not desig-  
20 nated, then to the member's legal representative or estate.

21 (4) ACTUARIAL COST SHALL BE EQUAL TO THE PRODUCT OF SUBDIVI-  
22 SIONS (A), (B), AND (C):

23 (A) A PERCENTAGE, DETERMINED BY THE RETIREMENT BOARD AND THE  
24 DEPARTMENT, THAT WHEN MULTIPLIED BY A MEMBER'S COMPENSATION, AS  
25 DETERMINED UNDER SUBDIVISION (B), RESULTS IN THE AVERAGE ACTUAR-  
26 IAL PRESENT VALUE OF THE ADDITIONAL BENEFITS RESULTING FROM THE  
27 CREDITING OF 1 ADDITIONAL YEAR OF SERVICE. THE PERCENTAGE MAY

1 VARY BECAUSE OF AGE, CREDITED SERVICE, OR BENEFIT COVERAGE. AN  
2 INCREASE OR DECREASE IN THE PERCENTAGE UNDER THIS SUBDIVISION  
3 SHALL NOT BECOME EFFECTIVE BEFORE THE EXPIRATION OF 6 MONTHS OR  
4 MORE AFTER THE RETIREMENT BOARD NOTIFIES THE MEMBERS OF THE  
5 INCREASE OR DECREASE.

6 (B) A MEMBER'S COMPENSATION. THE MEMBER'S COMPENSATION  
7 SHALL BE THE MEMBER'S COMPENSATION EARNED IN THE FISCAL YEAR  
8 IMMEDIATELY BEFORE THE FISCAL YEAR IN WHICH THE APPLICATION TO  
9 PURCHASE AND PAYMENT FOR THE SERVICE ARE MADE. THE COMPENSATION  
10 AMOUNT USED SHALL NOT BE LESS THAN THE HIGHEST COMPENSATION PRE-  
11 VIOUSLY EARNED BY THE MEMBER.

12 (C) THE NUMBER OF YEARS, INCLUDING ANY FRACTION OF A YEAR,  
13 OF CREDITED SERVICE A MEMBER ELECTS TO PURCHASE UP TO THE MAXIMUM  
14 ALLOWED.

15 SEC. 17M. (1) A MEMBER MAY ELECT TO PURCHASE NOT MORE THAN  
16 5 YEARS OF SERVICE CREDIT UPON REQUEST AND PAYMENT TO THE RETIRE-  
17 MENT SYSTEM OF THE ACTUARIAL COST.

18 (2) SERVICE CREDIT PURCHASED UNDER THIS SECTION MAY NOT BE  
19 USED TO SATISFY THE MINIMUM NUMBER OF YEARS OF SERVICE CREDIT  
20 REQUIRED TO RECEIVE A RETIREMENT ALLOWANCE UNDER THIS ACT.

21 (3) IF A MEMBER WHO MADE PAYMENT UNDER THIS SECTION DIES AND  
22 A RETIREMENT ALLOWANCE IS NOT PAYABLE, OR IF THE MEMBER LEAVES  
23 SERVICE AND A RETIREMENT ALLOWANCE IS NOT PAYABLE, THE PAYMENT  
24 MADE BY THE MEMBER SHALL BE REFUNDED UPON REQUEST TO THE MEMBER,  
25 THE MEMBER'S REFUND BENEFICIARY, IF ANY, OR TO THE MEMBER'S LEGAL  
26 REPRESENTATIVE OR ESTATE.

1           Sec. 19. (1) A member who is 60 years of age or older and  
2 has 10 or more years of credited service OR A MEMBER WHO IS 60  
3 YEARS OF AGE OR OLDER AND HAS 5 OR MORE YEARS OF CREDITED SERVICE  
4 AS PROVIDED IN SECTION 20(4) OR (5) may retire upon written  
5 application to the retirement board, stating a date, not less  
6 than 30 or more than 90 days after the execution and filing of  
7 the application, on which he or she desires to retire. Beginning  
8 on the retirement allowance effective date, he or she shall  
9 receive a retirement allowance computed according to section  
10 20(1).

11           (2) A member who is 55 years of age or older, but less than  
12 60 years of age, and has 15 or more years of credited service,  
13 may retire upon written application to the retirement board stat-  
14 ing a date, not less than 30 or more than 90 days after the exe-  
15 cution and filing of the application, on which he or she desires  
16 to retire. Upon retirement he or she shall receive a retirement  
17 allowance computed according to section 20(1). ~~The~~ EXCEPT AS  
18 OTHERWISE PROVIDED IN THIS ACT, THE retirement allowance of a  
19 member who has less than 30 ~~years~~ YEARS OF credited service  
20 shall be reduced by an amount ~~which~~ THAT is 0.5% of the retire-  
21 ment allowance multiplied by the number of months the person's  
22 age at retirement is under 60 years. The reduction of 1/2 of 1%  
23 for each month and fraction of a month from the member's retire-  
24 ment allowance effective date to the date of the member's six-  
25 tieth birthday provided for in this subsection ~~shall~~ DOES not  
26 apply to a member who retired before July 1, 1974 and before  
27 attainment of ~~age~~ 60 YEARS OF AGE, with 30 or more years of

1 credited service. The retirement allowance of a retirant or  
2 beneficiary of a retirant who retired before that date shall be  
3 recalculated disregarding the reduction and the person receiving  
4 the retirement allowance ~~shall be~~ IS eligible to receive an  
5 adjusted retirement allowance based on the recalculation begin-  
6 ning October 1, 1987, but ~~shall~~ IS not ~~be~~ eligible to receive  
7 the adjusted amount attributable to any month beginning before  
8 October 1, 1987. The recalculated retirement allowance provided  
9 by this subsection shall be paid by January 1, 1988. The retire-  
10 ment allowance of a retirant who dies before January 1, 1988, and  
11 who has not nominated a retirement allowance beneficiary pursuant  
12 to section 31, shall not be recalculated pursuant to this  
13 subsection.

14 (3) Notwithstanding any other provision of this section,  
15 effective April 1, 1988, a member may retire with a retirement  
16 allowance computed according to section 20(1), without regard to  
17 the reduction in subsection (2), if all of the following apply:

18 (a) The member files a written application with the retire-  
19 ment board stating a date, not less than 30 or more than 90 days  
20 after the execution and filing of the application, on which the  
21 member desires to retire, and which is within the early retire-  
22 ment effective period.

23 (b) The member was employed by the state for the 6-month  
24 period immediately preceding the member's retirement allowance  
25 effective date. This subdivision ~~shall~~ DOES not apply to a  
26 member who ~~had been~~ WAS restored to active service during that  
27 6-month period pursuant to section 33.

1 (c) On the last day of the month immediately preceding the  
2 retirement allowance effective date stated in the application the  
3 member's combined age and length of credited service is equal to  
4 or greater than 80 years and the member is 50 years of age or  
5 older.

6 (d) For purposes of this subsection, "early retirement  
7 effective period" means 1 of the following:

8 (i) Except as provided in subparagraph (ii), the period  
9 beginning on April 1, 1988 and ending on April 1, 1989.

10 (ii) For a member employed by a department of mental health  
11 hospital or facility that is in the process of being closed by  
12 the department of mental health, the period beginning on April 1,  
13 1988 and ending on October 1, 1989.

14 (4) As used in subsections (5) to (9):

15 (a) "Agency of the department" means 1 of the following:

16 (i) Southwest Michigan community living services.

17 (ii) Wayne community living services.

18 (b) "Department inpatient facility" means 1 of the  
19 following:

20 (i) A developmental disability center that is directly oper-  
21 ated by the department of mental health for purposes of providing  
22 inpatient care and treatment services to persons with developmen-  
23 tal disabilities.

24 (ii) A psychiatric hospital that is directly operated by the  
25 department of mental health for purposes of providing inpatient  
26 diagnostic and therapeutic services to persons who are mentally  
27 ill.

1 (5) Notwithstanding any other provision of this section, a  
2 member who is an employee of an agency of the department or a  
3 department inpatient facility and is on layoff status because the  
4 agency OF THE DEPARTMENT or DEPARTMENT inpatient facility has  
5 been designated by the director of mental health for closure on  
6 or after October 1, 1989, may retire as provided in subsection  
7 (7) or (8), as applicable, with a retirement allowance computed  
8 according to section 20(1), without regard to the reduction in  
9 subsection (2), upon satisfaction of any 1 of the following  
10 conditions:

11 (a) The member is 51 years of age or older and has 25 or  
12 more years of credited service, the last 5 of which are as an  
13 employee of an agency of the department designated for closure or  
14 a department inpatient facility designated for closure.

15 (b) The member is at least 56 years of age and has 10 or  
16 more years of credited service, the last 5 of which are as an  
17 employee of an agency of the department designated for closure or  
18 a department inpatient facility designated for closure.

19 (c) The member has 25 or more years of credited service,  
20 regardless of age, as an employee of an agency of the department  
21 designated for closure or a department inpatient facility desig-  
22 nated for closure.

23 (6) When a department inpatient facility or agency OF THE  
24 DEPARTMENT is designated for closure on or after October 1, 1989,  
25 the director of mental health shall certify in writing to the  
26 state legislature and the retirement board, not less than 240  
27 days before the designated official date of closure, which

1 facility or agency is to be closed and the designated official  
2 date of closure.

3 (7) Except as provided in subsection (8), a member who is  
4 eligible to receive a retirement allowance under subsection (5)  
5 may retire effective on the date that an agency of the department  
6 or a department inpatient facility designated for closure as pro-  
7 vided in subsection (5) actually closes, upon written application  
8 to the retirement board not less than 30 or more than 180 days  
9 before the designated official date of closure. Beginning on the  
10 retirement allowance effective date, he or she shall receive a  
11 retirement allowance computed according to section 20(1).

12 (8) A member who is on layoff status, is not working for the  
13 state, and becomes eligible to receive a retirement allowance  
14 under subsection (5) and who was an employee of an agency of the  
15 department or a department inpatient facility that has been des-  
16 ignated for closure as provided in subsection (5) and that actu-  
17 ally closes on or after October 1, 1989, may retire upon written  
18 application to the retirement board, stating a date, not less  
19 than 30 or more than 180 days after the facility actually closes,  
20 upon which he or she wishes to retire. Beginning on the retire-  
21 ment allowance effective date, he or she shall receive a retire-  
22 ment allowance computed according to section 20(1).

23 (9) Any additional accrued actuarial cost and costs for  
24 health insurance resulting from the implementation of subsection  
25 (5) shall be funded from appropriations to the department of  
26 mental health for this purpose.

1 (10) A member who is an employee of the state accident fund  
2 on the date of transfer to a permitted transferee as that term is  
3 defined by section 701a of the worker's disability compensation  
4 act of 1969, ~~Act No. 317 of the Public Acts of 1969, being sec-~~  
5 ~~tion 418.701a of the Michigan Compiled Laws~~ 1969 PA 317,  
6 MCL 418.701A, may retire if the member's age and his or her  
7 length of service is equal to or greater than 70 years on the  
8 date of transfer. The member may retire upon written application  
9 to the retirement board, stating a date, not less than 30 or more  
10 than 90 days after the execution and filing of the application,  
11 on which he or she desires to retire. Beginning on the retire-  
12 ment allowance effective date, he or she shall receive a retire-  
13 ment allowance computed according to section 20(1), without  
14 regard to the reduction required by subsection (2).

15 Sec. 31. (1) Except as provided in subsection (6), before  
16 the effective date of retirement, but not after the effective  
17 date of retirement, a member or deferred member who is eligible  
18 for retirement, as provided in ~~section 19, 19a, 21, 24, 46, or~~  
19 ~~48~~ THIS ACT, shall elect to receive his or her benefit in a  
20 retirement allowance payable throughout life, which shall be  
21 called a regular retirement allowance, or to receive the actuar-  
22 ial equivalent at that time of his or her regular retirement  
23 allowance in a reduced retirement allowance payable throughout  
24 the lives of the retirant and a retirement allowance beneficiary,  
25 pursuant to 1 of the following PAYMENT options:

26 (a) Option A. Upon the retirant's death his or her reduced  
27 retirement allowance shall be continued throughout the life of

1 and paid to the retirement allowance beneficiary whom the member  
2 nominated by written designation duly executed and filed with the  
3 retirement board before the effective date of his or her  
4 retirement.

5 (b) Option B. Upon the retirant's death, 1/2 of his or her  
6 reduced retirement allowance shall be continued throughout the  
7 life of and paid to the retirement allowance beneficiary whom the  
8 member nominated by written designation duly executed and filed  
9 with the retirement board before the effective date of his or her  
10 retirement.

11 (C) OPTION C. UPON THE RETIRANT'S DEATH, 3/4 OF HIS OR HER  
12 REDUCED RETIREMENT ALLOWANCE SHALL BE CONTINUED THROUGHOUT THE  
13 LIFE OF AND PAID TO THE RETIREMENT ALLOWANCE BENEFICIARY WHOM THE  
14 MEMBER NOMINATED BY WRITTEN DESIGNATION DULY EXECUTED AND FILED  
15 WITH THE RETIREMENT BOARD BEFORE THE EFFECTIVE DATE OF HIS OR HER  
16 RETIREMENT.

17 (2) Except as provided in subsections (3) and (8), the elec-  
18 tion of ~~an~~ A PAYMENT option UNDER SUBSECTION (1) shall not be  
19 changed on or after the effective date of the retirement  
20 allowance. A retirement allowance beneficiary designated under  
21 this section shall not be changed on or after the effective date  
22 of the retirement allowance, and shall be either a spouse, broth-  
23 er, sister, parent, child, including an adopted child, or grand-  
24 child of the person making the designation. Payment to a retire-  
25 ment allowance beneficiary shall begin on the first day of the  
26 month following the death of the retirant or member.

1           (3) If the retirement allowance beneficiary named under A  
2 PAYMENT option ~~A or B~~ under subsection (1) predeceases the  
3 retirant, the retirant's benefit shall revert to the regular  
4 retirement allowance, effective with the first day of the month  
5 following the retirement allowance beneficiary's death. For a  
6 retirant whose effective date of retirement was on or before  
7 June 28, 1976, this subsection shall apply, but the regular  
8 retirement allowance is not payable for any month beginning  
9 before the later of the retirement allowance beneficiary's death  
10 or January 1, 1986. A retirant who on January 1, 1986 is receiv-  
11 ing a reduced retirement allowance because the retirant desig-  
12 nated a retirement allowance beneficiary and the retirement  
13 allowance beneficiary predeceased the retirant is eligible to  
14 receive the regular retirement allowance beginning January 1,  
15 1986, but the regular retirement allowance is not payable for any  
16 month beginning before January 1, 1986.

17           (4) A member who continues in the employ of this state on  
18 and after the date he or she acquires 10 years of service credit  
19 or becomes eligible for deferred retirement as provided by sec-  
20 tion 20(4) or (5), whichever occurs first, may by written decla-  
21 ration duly executed and filed with the retirement board elect  
22 option A, provided for in subsection (1)(a), and nominate a  
23 retirement allowance beneficiary in the same manner as if the  
24 member were then retiring from service, notwithstanding that the  
25 member may not have attained 60 years of age. ~~In the case of~~  
26 IF the beneficiary's death or divorce from the member OCCURS  
27 before the effective date of the member's retirement, the

1 member's election of option A and nomination of retirement  
2 allowance beneficiary shall be automatically revoked and the  
3 member may again elect option A and nominate a retirement allow-  
4 ance beneficiary at any time before the effective date of  
5 retirement. If a member who has made an election and nominated a  
6 retirement allowance beneficiary as provided in this subsection  
7 dies before the effective date of his or her retirement, then the  
8 retirement allowance beneficiary shall immediately receive the  
9 retirement allowance that he or she would have been entitled to  
10 receive under option A if the member had been regularly retired  
11 on the date of the member's death. Except as otherwise provided  
12 by subsection (5), if a member who has made an election under  
13 this subsection subsequently retires under this act, his or her  
14 election of option A shall take effect at the time of  
15 retirement. Subject to the requirements of subsection (5), the  
16 member, ~~may,~~ before the effective date of retirement, but not  
17 after the effective date of retirement, MAY revoke his or her  
18 previous election of option A and elect to receive his or her  
19 retirement allowance as a regular retirement allowance or under  
20 option B OR C as provided for in subsection ~~(1)(b)~~ (1). A  
21 retirement allowance shall not be paid under this subsection on  
22 account of the death of a member if any benefits are paid under  
23 section 27 on account of his or her death. If a deferred member  
24 who has an option A election in effect dies before the effective  
25 date of his or her retirement, the retirement allowance payable  
26 under option A shall be paid to the retirement allowance

1 beneficiary at the time the deceased deferred member otherwise  
2 would have been eligible to begin receiving benefits.

3       (5) If a member, deferred member, retiring member, or retir-  
4 ing deferred member is married at the effective date of the  
5 retirement allowance, an election under this section, other than  
6 an election of ~~an~~ A PAYMENT option under subsection (1) naming  
7 the spouse as retirement allowance beneficiary, shall not be  
8 effective unless the election is signed by the spouse. However,  
9 this requirement may be waived by the retirement board if the  
10 signature of a spouse cannot be obtained because of extenuating  
11 circumstances. As used in this subsection, "spouse" means the  
12 person to whom the member, deferred member, retiring member, or  
13 retiring deferred member is married at the effective date of the  
14 retirement allowance.

15       (6) Until July 1, 1991, upon request in a form as determined  
16 by the retirement board, a nonduty disability retirant who  
17 retired under section 24 may change his or her election to  
18 receive a disability retirement allowance computed as a regular  
19 retirement allowance and elect to receive the actuarial equiva-  
20 lent at the time of the election pursuant to this subsection of  
21 his or her disability retirement allowance in a reduced retire-  
22 ment allowance payable to the retirant and the retirant's spouse  
23 pursuant to the provisions of A PAYMENT option ~~A or B~~ as pro-  
24 vided in subsection (1), if the disability retirement allowance  
25 effective date was before November 12, 1985 and the retirant had  
26 25 or more years of credited service on the disability retirement  
27 allowance effective date. The nonduty disability retirant shall

1 begin to receive the reduced retirement allowance under this  
2 subsection effective the first day of the month following the  
3 month in which the retirant makes the election pursuant to this  
4 subsection. As used in this subsection, "spouse" means the  
5 person to whom the nonduty disability retirant was married on the  
6 effective date of his or her disability retirement allowance and  
7 on the date the retirant makes the election pursuant to this  
8 subsection.

9 (7) If a member who continues in the employ of ~~the~~ THIS  
10 state on and after the date he or she acquires 10 years of serv-  
11 ice credit, or on and after the date he or she becomes eligible  
12 for deferred retirement as provided by section 20(4) or (5),  
13 whichever occurs first, and who does not have an election of  
14 option A in force as provided in subsection (4), dies before the  
15 effective date of retirement and leaves a surviving spouse, the  
16 spouse shall receive a retirement allowance computed in the same  
17 manner as if the member had retired effective the day before the  
18 date of his or her death, elected option A, and nominated the  
19 spouse as retirement allowance beneficiary. When the retirement  
20 allowance beneficiary dies, his or her retirement allowance shall  
21 terminate. If the aggregate amount of retirement allowance pay-  
22 ments received by the beneficiary is less than the accumulated  
23 contributions credited to the member's account in the employees'  
24 savings fund at the time of the member's death, the difference  
25 between the accumulated contributions and the aggregate amount of  
26 retirement allowance payments received by the beneficiary shall  
27 be transferred from the employer's accumulation fund or pension

1 reserve fund to the employees' savings fund and paid pursuant to  
2 section 29. A retirement allowance shall not be paid under this  
3 subsection on account of the death of a member if benefits are  
4 paid under section 27 on account of his or her death.

5 (8) If a retirant receiving a reduced retirement allowance  
6 under A PAYMENT option ~~A or B~~ under subsection (1) is divorced  
7 from the spouse who had been designated as the retirant's retire-  
8 ment allowance beneficiary under THE option, ~~A or B,~~ the elec-  
9 tion of THE PAYMENT option ~~A or B~~ shall be considered void by  
10 the retirement system if the judgment of divorce or award or  
11 order of the court, or an amended judgment of divorce or award or  
12 order of the court, described in section 40 and dated after ~~the~~  
13 ~~effective date of the amendatory act that added this subsection~~  
14 JUNE 27, 1991 provides that the election of THE PAYMENT option ~~A~~  
15 ~~or B~~ under subsection (1) is to be considered void by the  
16 retirement system and the retirant provides a certified copy of  
17 the judgment of divorce or award or order of the court, or an  
18 amended judgment of divorce or award or order of the court, to  
19 the retirement system. If the election of A PAYMENT option ~~A or~~  
20 ~~B~~ under subsection (1) is considered void by the retirement  
21 system under this subsection, the retirant's retirement allowance  
22 shall revert to a regular retirement allowance, including postre-  
23 tirement adjustments, if any, subject to an award or order of the  
24 court as described in section 40. The retirement allowance shall  
25 revert to a regular retirement allowance under this subsection  
26 effective the first of the month after the date the retirement  
27 system receives a certified copy of the judgment of divorce or

1 award or order of the court. This subsection does not supersede  
2 a judgment of divorce or award or order of the court in effect on  
3 ~~the effective date of the amendatory act that added this~~  
4 ~~subsection~~ JUNE 27, 1991. This subsection does not require the  
5 retirement system to distribute or pay retirement assets on  
6 behalf of a retirant in an amount that exceeds the actuarially  
7 determined amount that would otherwise become payable if a judg-  
8 ment of divorce had not been rendered.

9 (9) A retirement allowance payable under a payment option  
10 provided in this section is subject to an eligible domestic rela-  
11 tions order under the eligible domestic relations order act, 1991  
12 PA 46, MCL 38.1701 TO 38.1711.