

Act No. 148
Public Acts of 1997
Approved by the Governor
December 1, 1997
Filed with the Secretary of State
December 2, 1997
EFFECTIVE DATE: December 2, 1997

STATE OF MICHIGAN
89TH LEGISLATURE
REGULAR SESSION OF 1997

Introduced by Senator North

ENROLLED SENATE BILL No. 578

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," (MCL 38.1 to 38.69) by adding section 43; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

Sec. 43. (1) Notwithstanding any other provision of this act to the contrary, the retirement system shall transfer contributions previously made to the retirement system on behalf of certain former employees as provided in this section. This section applies to contributions made to the retirement system by a federal agency on behalf of employees of an authority that was established by law and dissolved by executive order not more than 4 years after the date the authority was established.

(2) On or before December 19, 1997, the successor agency to the dissolved authority shall provide to the retirement system a list of each former employee of the dissolved authority on whose behalf a contribution described in subsection (1) was made and who has notified the successor agency that he or she wishes to have the contribution transferred under this section. The successor agency shall include the dates each employee included on the list was employed by the dissolved authority. The successor agency shall provide to the retirement system the name of the successor agency's retirement plan into which the contributions shall be transferred.

(3) On or before January 16, 1998, the retirement system shall transfer to the retirement plan of the successor agency of the dissolved authority an amount equal to the sum of the following:

- (a) The contributions described in subsection (1) for each former employee on the list described in subsection (2).
- (b) Earnings on the amount described in subdivision (a) while the amounts were held by the retirement system, determined as follows:

(i) For all complete fiscal years that the amounts were held by the retirement system, under section 20g(1).

(ii) For any partial fiscal year that the amounts were held by the retirement system, on the basis of the retirement system's assumed rate of interest of 8% per year, compounded annually.

(4) A former member on whose behalf contributions are transferred under this section forfeits credit for all service rendered by him or her during the period that individual was employed by the dissolved authority. Notwithstanding section 16, if the individual described in this subsection again becomes employed by this state, he or she shall not have the service forfeited under this section restored to his or her credit.

(5) This section is repealed effective January 30, 1998.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate.

Maya Rudolph

Clerk of the House of Representatives.

Approved _____

Governor.