

# HOUSE BILL No. 5111

October 2, 2001, Introduced by Reps. Howell, Vander Roest, Birkholz, Richardville, Patterson, DeWeese, Caul, Woronchak, Bovin, Stewart, Cameron Brown, Minore, Kolb, Sheltrown, Voorhees, Dennis, Pestka, Jelinek, Jacobs, Switalski, Bernero, Drolet, Kuipers, Gosselin, Neumann, Murphy, Meyer, Rich Brown, Clark, Tabor, Wojno, Bogardus, Ruth Johnson, Shackleton, Allen, Vander Veen, Hansen, Rivet, Pappageorge, Spade, Middaugh, Mead, Whitmer, Phillips, Daniels, George, Schauer and Richner and referred to the Committee on Appropriations.

A bill to amend 1937 PA 345, entitled  
"Fire fighters and police officers retirement act,"  
by amending sections 6 and 9 (MCL 38.556 and 38.559), as amended  
by 1991 PA 54.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 6. (1) Age and service retirement benefits payable  
2 under this act are as follows:  
3       (a) A member who is 55 years of age or older and who has 25  
4 or more years of service as a police officer or fire fighter in  
5 the employ of the municipality affected by this act may retire  
6 from service upon written application to the retirement board  
7 stating a date, not less than 30 days or more than 90 days after  
8 the execution and filing of the application, on which the member  
9 desires to be retired. The retirement board shall grant the  
10 benefits to which the member is entitled under this act, unless

1 the member continues employment. If the member continues  
2 employment, the member's pension shall be deferred with service  
3 years of credit until actual retirement. Upon the approval of  
4 the legislative body or the electors of a municipality under this  
5 act, a member under 50 years of age who has 25 or more years of  
6 service, or without the necessity for approval, a member 50 years  
7 of age or more who has 25 or more years of service, may leave  
8 service and receive the full retirement benefits payable through-  
9 out the member's life as provided in subdivision (e).

10 (b) A member who is 60 years of age or older shall be  
11 retired by the retirement board upon the written application of  
12 the legislative body, or board or official provided in the  
13 charter of the municipality as head of the department in which  
14 the member is employed. Upon retirement, the retirement board  
15 shall grant the benefits to which the member is entitled under  
16 this act, unless the member continues employment. If the member  
17 continues employment, the member's pension shall be deferred with  
18 service years of credit until actual retirement.

19 (c) A member who is 65 years of age shall be retired by the  
20 retirement board on the first day of the month following attain-  
21 ment of 65 years of age.

22 (d) A member who has 10 or more years of service shall have  
23 vested retirement benefits that are not subject to forfeiture on  
24 account of disciplinary action, charges, or complaints. If the  
25 member leaves employment before the date the member would have  
26 first become eligible to retire as provided in subdivision (a)  
27 for any reason except the member's retirement or death, the

1 member is entitled to a pension that shall begin the first day of  
2 the calendar month immediately after the month in which the  
3 member's written application for the pension is filed with the  
4 retirement board that is on or after the date the member would  
5 have been eligible to retire had the member continued in  
6 employment. The retirement board shall grant the member the ben-  
7 efits to which the member is entitled under this act, unless the  
8 member resumes service. If the member resumes service, the  
9 member's pension shall be further deferred with service years of  
10 credit until the member actually retires.

11 (e) Upon retirement from service as provided in this subsec-  
12 tion, a member shall receive a regular retirement pension payable  
13 throughout the member's life of 2% of the member's average final  
14 compensation multiplied by the first 25 years of service credited  
15 to the member, plus 1% of the member's average final compensation  
16 multiplied by the number of years, and fraction of a year, of  
17 service rendered by the member in excess of 25 years. A munici-  
18 pality under this act, upon approval of the legislative body or  
19 the electors of the municipality, may increase the percentage of  
20 the payment from 2% up to a maximum of 2.5%. If an increase is  
21 approved, the increase shall not be reduced for members under the  
22 system at the time of the increase. The legislative body may  
23 also increase the percentage of employee contributions. If a  
24 retired member dies before the total of regular pension payments  
25 received by the member equals the total of the member's contribu-  
26 tions made to the retirement system, the difference between the  
27 member's total contributions and the total of the member's

1 regular retirement pension payments received shall be paid in a  
2 single sum to the person or persons the member nominates by writ-  
3 ten designation duly executed and filed with the retirement  
4 board. If there is not a person or persons surviving the retired  
5 member, the difference, if any, shall be paid to the retired  
6 member's legal representative or estate.

7 (f) As used in this section, "average final compensation"  
8 means the average of the highest annual compensation received by  
9 a member during a period of 5 consecutive years of service con-  
10 tained within the member's 10 years of service immediately pre-  
11 ceding the member's retirement or leaving service. However, if  
12 so provided in a collective bargaining agreement entered into  
13 between a municipality under this act and the appropriate recog-  
14 nized bargaining agent, average final compensation may mean the  
15 average of the 3 years of highest annual compensation received by  
16 a member during the member's 10 years of service immediately pre-  
17 ceding the member's retirement or leaving service. If the member  
18 has less than 5 years of service, average final compensation  
19 means the annual average compensation received by the member  
20 during his or her total years of service.

21 (g) A member shall be given service credit for time spent in  
22 the military, naval, marine, or other armed service of the United  
23 States government during time of war, or other national emergency  
24 recognized by the board, if the member was employed by the munic-  
25 ipality at the time of entry into the armed service, and is or  
26 was reemployed by the municipality as a police officer or fire  
27 fighter within 6 months after the date of termination of his or

1 her required enlistment or assignment in the armed service. A  
2 municipality by a 3/5 vote of its governing body or by a majority  
3 vote of the qualified electors may provide service credit for not  
4 more than 6 years of active military service to the United States  
5 government to a member who is employed subsequent to this mili-  
6 tary service upon payment to the retirement system of 5% of the  
7 member's full-time or equated full-time compensation for the  
8 fiscal year in which payment is made multiplied by the years of  
9 service that the member elects to purchase up to the maximum.  
10 Service is not creditable if it is or would be creditable under  
11 any other federal, state, or local publicly supported retirement  
12 system. However, this restriction does not apply to those per-  
13 sons who have or will have acquired retirement eligibility under  
14 the federal government for service in the reserve. A member  
15 shall be given service credit for the time the member is absent  
16 from active service without full pay on account of sickness or  
17 injury. If the absence from active service is due to nonservice  
18 connected sickness or injury, not more than 60 days of the  
19 absence shall be credited as service in any 1 calendar year, as  
20 determined by the retirement board.

21 (h) Before the effective date of the member's retirement as  
22 provided in this subsection, but not after the effective date of  
23 the member's retirement, a member may elect to receive his or her  
24 benefit in a pension payable throughout the member's life, called  
25 a regular retirement pension, or the member may elect to receive  
26 the actuarial equivalent, computed as of the effective date of  
27 retirement, of the member's regular retirement pension in a

1 reduced retirement pension payable throughout the member's life,  
2 and nominate a survivor beneficiary, ~~pursuant to~~ UNDER an  
3 option provided in this subdivision. Upon the death of a retir-  
4 ant who retires on or after July 1, 1975, and who is receiving a  
5 regular retirement pension, his or her spouse, if living, shall  
6 receive a pension equal to 60% of the regular retirement pension  
7 the deceased retirant was receiving. Benefits shall not be paid  
8 under this subdivision on account of the death of a retirant if  
9 the member elected to receive his or her pension under an option  
10 provided in this subdivision. As used in this subsection,  
11 "spouse" means the person to whom the retirant was legally mar-  
12 ried on both the effective date of retirement and the date of  
13 death. Except as otherwise provided in this act, if a member  
14 fails to elect an option before the effective date of retirement,  
15 then the pension shall be paid as a regular retirement pension.  
16 A member may elect 1 of the following options:

17       (i) Option I. Upon the death of a retired member, his or  
18 her reduced retirement pension shall be continued throughout the  
19 life of and paid to the person, having an insurable interest in  
20 the retired member's life, that the member nominated by written  
21 designation ~~duly~~ executed and filed with the retirement board  
22 before the effective date of the member's retirement.

23       (ii) Option II. Upon the death of a retired member, 1/2 of  
24 his or her reduced retirement pension shall be continued through-  
25 out the life of and paid to the person, having an insurable  
26 interest in the retired member's life, that the member nominated  
27 by written designation ~~duly~~ executed and filed with the

1 retirement board before the effective date of the member's  
2 retirement.

3       (i) If a member continues in service on or after the date of  
4 acquiring 20 years of service credit, does not have an option I  
5 election provided for in subdivision (j) in force, and dies while  
6 in service of the municipality before the effective date of the  
7 member's retirement, leaving a surviving spouse, the spouse shall  
8 receive a pension computed in the same manner as if the member  
9 had retired effective the day preceding the date of the member's  
10 death, elected option I provided for in subdivision (h), and nom-  
11 inated the spouse as survivor beneficiary. Upon the death of the  
12 spouse the pension shall terminate. A pension shall not be paid  
13 under this subdivision on account of the death of a member if  
14 benefits are paid under subsection (2) on account of the member's  
15 death.

16       (j) A member who continues in service on or after the date  
17 of acquiring 25 years of service credit may, at any time before  
18 the effective date of the member's retirement, by written decla-  
19 ration ~~and~~ executed and filed with the board in the manner and  
20 form prescribed by the board, elect option I provided for in sub-  
21 division (h) and nominate a survivor beneficiary whom the board  
22 finds to be dependent upon the member for at least 50% of the  
23 beneficiary's support. If a member who has an option I election  
24 provided for in this subdivision in force dies while in service  
25 before the effective date of the member's retirement, the  
26 member's survivor beneficiary shall immediately receive the same  
27 pension that the survivor beneficiary would have been entitled to

1 receive under ~~the~~ option I if the member had retired pursuant  
2 to this act effective the day preceding the date of the member's  
3 death, notwithstanding that the member may not have attained 55  
4 years of age. If a member who has an option I election provided  
5 for in this subdivision in force subsequently retires pursuant to  
6 this act, the member, within 90 days immediately preceding the  
7 effective date of the member's retirement, but not after the  
8 effective date of the member's retirement, may elect an option  
9 provided for in subdivision (h). The option election is effec-  
10 tive as of the effective date of the member's retirement. A pen-  
11 sion shall not be paid under this subdivision on account of the  
12 death of a member if benefits are paid under subsection (2) on  
13 account of the member's death.

14 (k) If a retirant receiving a reduced retirement pension  
15 under subdivision (h)(i) or (ii) is divorced from the spouse who  
16 had been named the retirant's survivor beneficiary under subdivi-  
17 sion (h)(i) or (ii), the election of a reduced retirement pension  
18 payment option shall be considered void by the retirement system  
19 if the judgment of divorce or award or order of the court, or an  
20 amended judgment of divorce or award or order of the court,  
21 described in section 9 and dated after the effective date of the  
22 amendatory act that added this subdivision provides that the  
23 election of a reduced retirement pension payment option under  
24 subdivision (h)(i) or (ii) is to be considered void by the  
25 retirement system and the retirant provides a certified copy of  
26 the judgment of divorce or award or order of the court, or an  
27 amended judgment of divorce or award or order of the court, to

1 the retirement system. If the election of a reduced retirement  
 2 pension payment option under subdivision (h)(i) or (ii) is con-  
 3 sidered void by the retirement system under this subsection, the  
 4 retirant's retirement pension shall revert to a regular retire-  
 5 ment pension, including postretirement adjustments, if any,  
 6 subject to an award or order of the court as described in

7 ~~section 9~~ THE PUBLIC EMPLOYEE RETIREMENT BENEFIT PROTECTION  
 8 ACT. The retirement pension shall revert to a regular retirement  
 9 pension under this subdivision effective the first DAY of the  
 10 month after the date the retirement system receives a certified  
 11 copy of the judgment of divorce or award or order of the court.  
 12 This subdivision does not supersede a judgment of divorce or  
 13 award or order of the court in effect on the effective date of  
 14 the amendatory act that added this subdivision. This subdivision  
 15 does not require the retirement system to distribute or pay  
 16 retirement assets on behalf of a retirant in an amount that  
 17 exceeds the actuarially determined amount that would otherwise  
 18 become payable if a judgment of divorce had not been rendered.

19 (2) Disability and service connected death benefits payable  
 20 under this act are as follows:

21 (a) To a surviving spouse, a duty death pension of the same  
 22 amount each week as that which has been paid the surviving spouse  
 23 under the worker's disability compensation act of 1969, ~~Act~~  
 24 ~~No. 317 of the Public Acts of 1969, being sections 418.101 to~~  
 25 ~~418.941 of the Michigan Compiled Laws~~ 1969 PA 317, MCL 418.101  
 26 TO 418.941, to become due and payable on the termination of the  
 27 payments to the surviving spouse by a municipality under ~~Act~~

1 ~~No. 317 of the Public Acts of 1969~~ THE WORKER'S DISABILITY  
2 COMPENSATION ACT OF 1969, 1969 PA 317, MCL 418.101 TO 418.941,  
3 and to continue for the surviving spouse's life or until his or  
4 her remarriage.

5 (b) If death results to a member in the line of duty, and  
6 the member leaves surviving children, the children shall be paid  
7 a pension of the same amount as that which has been paid to them  
8 as a weekly benefit under ~~Act No. 317 of the Public Acts of~~  
9 ~~1969~~ THE WORKER'S DISABILITY COMPENSATION ACT OF 1969, 1969 PA  
10 317, MCL 418.101 TO 418.941, to become due and payable upon ter-  
11 mination of the payments under ~~Act No. 317 of the Public Acts of~~  
12 ~~1969~~ THE WORKER'S DISABILITY COMPENSATION ACT OF 1969, 1969 PA  
13 317, MCL 418.101 TO 418.941, and to continue to each surviving  
14 child until he or she attains 18 years of age, or until his or  
15 her marriage or death before attaining 18 years of age.

16 (c) If death results to a member in the line of duty and the  
17 member leaves other surviving dependents, the dependents shall  
18 receive a pension of the same amount as that which has been paid  
19 to them as a weekly benefit under ~~Act No. 317 of the Public Acts~~  
20 ~~of 1969~~ THE WORKER'S DISABILITY COMPENSATION ACT OF 1969, 1969  
21 PA 317, MCL 418.101 TO 418.941, to become due and payable upon  
22 termination of the payments under ~~Act No. 317 of the Public Acts~~  
23 ~~of 1969~~ THE WORKER'S DISABILITY COMPENSATION ACT OF 1969, 1969  
24 PA 317, MCL 418.101 TO 418.941, and to continue until the time  
25 the retirement board determines that the need for a pension no  
26 longer exists.

1 (d) Upon the application of a member or the member's  
2 department head, a member who becomes totally incapacitated for  
3 duty by reason of a personal injury or disease occurring as the  
4 natural and proximate result of causes arising out of and in the  
5 course of the member's employment by the municipality shall be  
6 retired by the retirement board. The member shall be given a  
7 medical examination by a medical committee consisting of a physi-  
8 cian named by the retirement board, a physician named by the  
9 member claiming benefits, and a third physician designated by the  
10 first 2 physicians named. The medical committee, if determined  
11 by a majority opinion, shall certify in writing that the member  
12 is mentally or physically incapacitated for the further per-  
13 formance of duty as a police officer or fire fighter in the serv-  
14 ice of the municipality; that the incapacity is likely to be per-  
15 manent; and that the member should be retired. Upon retirement  
16 for disability as provided in this subdivision, a member who has  
17 not attained 55 years of age shall receive a disability retire-  
18 ment pension of 50% of the member's average final compensation,  
19 which shall be determined according to subsection (1)(f), and  
20 shall be payable until the member becomes 55 years of age. Upon  
21 becoming 55 years of age, the disabled member shall receive a  
22 disability retirement pension computed according to subsection  
23 (1)(e). In computing the disability retirement pension, the  
24 member shall be given service credit for the period of receipt of  
25 a disability retirement pension before attainment of 55 years of  
26 age. If a member retired after attaining 55 years of age on  
27 account of disability, as provided in this subdivision, the

1 member shall receive a disability retirement pension computed  
2 according to subsection (1)(e), notwithstanding that the member  
3 may not have 25 years of service credit. The disability retire-  
4 ment pension provided for in this subdivision is subject to sub-  
5 divisions (f) and (g).

6 (e) Upon the application of a member or the member's depart-  
7 ment head, a member in service who has 5 or more years of service  
8 credit and who becomes totally and permanently incapacitated for  
9 duty by reason of a personal injury or disease occurring as the  
10 result of causes arising outside the course of the member's  
11 employment by the municipality may be retired by the retirement  
12 board. The member shall be given a medical examination by a med-  
13 ical committee consisting of a physician named by the retirement  
14 board, a physician named by the member claiming benefits, and a  
15 third physician designated by the first 2 physicians named. The  
16 medical committee, if determined by a majority opinion, shall  
17 certify in writing that the member is mentally or physically  
18 incapacitated for the further performance of duty as a police  
19 officer or fire fighter in the service of the municipality, that  
20 the incapacity is likely to be permanent, and that the member  
21 should be retired. Upon retirement for disability, as provided  
22 in this subdivision, a member who has not attained 55 years of  
23 age shall receive a disability retirement pension until the  
24 member becomes 55 years of age, recovers, or dies, whichever  
25 occurs first, of 1.5% of the member's average final compensation  
26 multiplied by the number of years of service credited to the  
27 member. Upon becoming 55 years of age, the member's disability

1 retirement pension shall be increased to 2% of the member's  
2 average final compensation multiplied by the number of years of  
3 service credited to the member at the time of his or her  
4 retirement. Upon retirement for disability as provided in this  
5 subdivision, a member who is 55 years of age or older shall  
6 receive a disability retirement pension computed according to  
7 subsection (1)(e). This subdivision is subject to subdivisions  
8 (f) and (g).

9 (f) At least once each year during the first 5 years after  
10 the retirement of a member with a disability retirement pension  
11 and at least once in every 3-year period after disability retire-  
12 ment, the retirement board may, and upon the retired member's  
13 application shall, require a retired member who has not attained  
14 55 years of age to undergo a medical examination. The medical  
15 examination shall be given by or under the direction of a physi-  
16 cian, designated by the retirement board, at the place of resi-  
17 dence of the retired member or other place mutually agreed upon.  
18 If a retired member who has not attained 55 years of age refuses  
19 to submit to the medical examination in the period, the member's  
20 disability retirement pension may be discontinued by the retire-  
21 ment board. If the member's refusal continues for 1 year, all  
22 the member's rights ~~in and~~ to his or her disability retirement  
23 pension may be revoked by the retirement board. If upon a medi-  
24 cal examination of the retired member the physician reports to  
25 the retirement board that the retired member is physically ~~able~~  
26 ~~and~~ capable of resuming employment in the classification held by  
27 the member at the time of retirement, the member shall be

1 restored to active service in the employ of the municipality and  
2 payment of the disability retirement pension shall cease if the  
3 report of the physician is concurred in by the retirement board.  
4 A retired member restored to active service shall again become a  
5 member of the retirement system from the date of return to  
6 service. The member shall contribute to the retirement system  
7 after restoration to active service in the same manner as before  
8 the member's disability retirement. Service credited to the  
9 member at the time of disability retirement shall be restored to  
10 full ~~force and~~ effect. The member shall be given service  
11 credit for the period the member was receiving a duty disability  
12 retirement pension provided for in subdivision (d), but shall not  
13 be given service credit for the period the member was receiving a  
14 nonduty disability retirement pension provided for in subdivision  
15 (e). Amounts paid under ~~Act No. 317 of the Public Acts of 1969~~  
16 THE WORKER'S DISABILITY COMPENSATION ACT OF 1969, 1969 PA 317,  
17 MCL 418.101 TO 418.941, to a retired member shall be offset  
18 against and payable in place of benefits provided under this  
19 act. If the benefits under ~~Act No. 317 of the Public Acts of~~  
20 ~~1969~~ THE WORKER'S DISABILITY COMPENSATION ACT OF 1969, 1969 PA  
21 317, MCL 418.101 TO 418.941, are less than the benefits payable  
22 under this act, the amount to be paid out of the funds of the  
23 retirement system shall be the difference between the benefits  
24 provided under ~~Act No. 317 of the Public Acts of 1969~~ THE  
25 WORKER'S DISABILITY COMPENSATION ACT OF 1969, 1969 PA 317, MCL  
26 418.101 TO 418.941, and the benefits provided in this act. Upon  
27 the termination of benefits under ~~Act No. 317 of the Public Acts~~

1 ~~of 1969~~ THE WORKER'S DISABILITY COMPENSATION ACT OF 1969, 1969  
2 PA 317, MCL 418.101 TO 418.941, the benefits shall be paid pursu-  
3 ant to this act.

4 (g) Within 60 days before a member becomes 55 years of age,  
5 or before retirement from service if retirement occurs after the  
6 member becomes 55 years of age, a disabled member who is retired  
7 as provided in subdivision (d) or (e) may elect to continue to  
8 receive a disability retirement pension as a benefit terminating  
9 at death, to be known as a regular disability pension, or may  
10 elect to receive the actuarial equivalent, at that time, of a  
11 regular disability pension in a reduced disability pension pay-  
12 able throughout life pursuant to an option provided in subsection  
13 (1)(h). If a disabled member fails to elect an option, as pro-  
14 vided in this subdivision, before becoming 55 years of age or  
15 before retirement, the member's retirement pension shall be paid  
16 to the member as a regular disability pension terminating at  
17 death. If a disabled member who has not elected an option pro-  
18 vided in subsection (1)(h) dies before the total of the member's  
19 regular disability pension payments received equals or exceeds  
20 the total of the member's contributions made to the retirement  
21 system, the remainder, if any, shall be paid in a single sum to  
22 the person or persons nominated by the member by written designa-  
23 tion duly executed and filed with the board. If there is not a  
24 designated person or persons surviving, then the remainder, if  
25 any, shall be paid to the retired member's legal representative  
26 or estate.

1       Sec. 9. (1) The contributions of a member to the retirement  
2 system shall be 5% of the salary paid to the member by the  
3 municipality. The officer responsible for making up the payroll  
4 shall cause the contributions provided for in this subsection to  
5 be deducted from the salary of each member on each payroll for  
6 each payroll period so long as he or she remains an active member  
7 in the employ of the municipality. The amounts deducted shall be  
8 paid into the funds of the retirement system. The members' con-  
9 tributions provided for in this act shall be made notwithstanding  
10 that the minimum salary provided for by law is changed by the  
11 members' contributions. Every member shall be considered to con-  
12 sent and to agree to the deductions made and provided for in this  
13 act and shall receipt for his or her full salary and payment of  
14 his or her salary less the deduction, which is a full and com-  
15 plete discharge and acquittance of all claims and demands for the  
16 services rendered by the member during the period covered by the  
17 payment, except as to benefits provided by this retirement  
18 system.

19       (2) For the purpose of creating and maintaining a fund for  
20 the payment of the pensions and other benefits payable as pro-  
21 vided in this act, the municipality, subject to the provisions of  
22 this act, shall appropriate, at the end of such regular intervals  
23 as may be adopted, quarterly, semiannually, or annually, an  
24 amount sufficient to maintain actuarially determined reserves  
25 covering pensions payable or that might be payable on account of  
26 service performed and to be performed by active members, and  
27 pensions being paid to retired members and beneficiaries. The

1 appropriations to be made by the municipality in any fiscal year  
2 shall be sufficient to pay all pensions due and payable in that  
3 fiscal year to all retired members and beneficiaries. The amount  
4 of the appropriation in a fiscal year shall not be less than 10%  
5 of the aggregate pay received during that fiscal year by members  
6 of the retirement system unless, by actuarial determination, it  
7 is satisfactorily established that a lesser percentage is  
8 needed. All deductions and appropriations shall be payable to  
9 the treasurer of the municipality and he or she shall pay the  
10 deductions and appropriations into the retirement system. Except  
11 in municipalities that are subject to the 15 mill tax limitation  
12 as provided by section 6 of article IX of the state constitution  
13 of 1963, the amount required by taxation to meet the appropria-  
14 tions to be made by municipalities under this act shall be in  
15 addition to any tax limitation imposed upon tax rates in those  
16 municipalities by charter provisions or by state law subject to  
17 section 25 of article IX of the state constitution of 1963.

18       (3) If, at the beginning or during any fiscal year, it has  
19 been satisfactorily determined by the retirement board that the  
20 accumulated funds of the retirement system plus the  
21 municipality's contribution of 10% of the aggregate pay received  
22 during that fiscal year by members of the retirement system plus  
23 members' contributions of 5% of payroll, are insufficient to pay  
24 all pensions and other benefits due and payable in that year out  
25 of funds of the retirement system, then all pensions and other  
26 benefits payable shall be prorated for the remainder of the  
27 fiscal year by the retirement board.

1       (4) Any clerical, legal, actuarial, or medical expenses  
2 required by the retirement board, or any other necessary expense  
3 for the operation of the retirement system, shall be provided for  
4 by the municipality or shall be paid from the investment income  
5 of the retirement system, as determined by the governing body of  
6 the municipality. The retirement board shall submit expenses  
7 periodically to the governing body of the municipality. If use  
8 of investment income to pay these expenses causes an actuarial  
9 insufficiency in the assets of the retirement system used to pay  
10 pensions, the insufficiency shall be made up by the  
11 municipality.

12       (5) All pensions allowed and payable to retired members and  
13 beneficiaries under this act shall become obligations of and be  
14 payable from the funds of the retirement system.

15       (6) The right of a person to a pension, to the return of  
16 member contributions, to any optional benefits, or any other  
17 right accrued or accruing to a member or beneficiary under this  
18 act and the money belonging to the retirement system is  
19 ~~unassignable and is not subject to execution, garnishment,~~  
20 ~~attachment, the operation of bankruptcy or insolvency law, or any~~  
21 ~~other process of law, except as is specifically provided in this~~  
22 ~~act~~ SUBJECT TO THE PUBLIC EMPLOYEE RETIREMENT BENEFIT PROTECTION  
23 ACT.

24       ~~-(7) The right of a member, deferred vested member who meets~~  
25 ~~the requirements of section 6(1)(d), or retired member to a pen-~~  
26 ~~sion, to the return of member contributions, to any optional~~  
27 ~~benefit, or any other benefit under this act is subject to award~~

~~1 by a court pursuant to section 18 of chapter 84 of the Revised  
2 Statutes of 1846, being section 552.18 of the Michigan Compiled  
3 Laws, and to any other order of a court pertaining to alimony or  
4 child support. The right of a member, deferred vested member  
5 under section 6(1)(d), or retired member to a pension, to the  
6 return of member contributions, to any optional benefits, or to  
7 any other benefit under this act is subject to an eligible domes-  
8 tic relations order under the eligible domestic relations order  
9 act.~~

~~10 (8) If an award or order described in subsection (7)  
11 requires the retirement system to withhold payment of a pension,  
12 deferred pension, accumulated contributions, or other benefit  
13 from the person to whom it is due or requires the retirement  
14 system to make payment or requires the person to request that the  
15 retirement system make payment of a pension, deferred pension,  
16 accumulated contributions, or other benefit, for the purpose of  
17 meeting the person's obligations to a spouse, former spouse, or  
18 child, as provided in subsection (7), the withholding or payment  
19 provisions of the award or order is effective only against such  
20 amounts as they become payable to the person receiving a retire-  
21 ment allowance unless otherwise provided in an eligible domestic  
22 relations order under the eligible domestic relations order act.  
23 The limitation contained in this subsection does not apply to the  
24 accumulated contributions of a person who terminates employment  
25 before acquiring a vested member status.~~

26 Enacting section 1. This amendatory act does not take  
27 effect unless Senate Bill No. \_\_\_\_\_ or House Bill No. 5108

1 (request no. 02139'01 \*\*) of the 91st Legislature is enacted into  
2 law.