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BILL



ANALYSIS

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House Bill 5037 (Substitute H-1 as passed by the House)
Sponsor: Representative Jim Howell
House Committee: Judiciary
Senate Committee: Judiciary

Date Completed: 10-7-03

CONTENT

The bill would amend the Judges Retirement Act to extend the deadline for certain retired judges or deceased judges' beneficiaries to execute and file a waiver agreement in order to elect a supplemental retirement allowance under Public Act 675 of 2002.

Public Act 675 amended the Judges Retirement Act to provide for a one-time supplemental increase in the retirement allowances of retired judges, and the beneficiaries of deceased retirees, who retired between January 1, 1980, and January 1, 1992. In order to receive the supplement, retirees and beneficiaries were required to file a fully executed waiver to any claims in a Federal Court action. (The plaintiffs in *Ernst v Roberts* (Case No. 01-CV-73738-DT, E.D. MI) alleged, among other things, a violation of their equal protection rights because the Judges Retirement Act does not provide for annual percentage increases in the retirement allowance while other State retirement plans do.)

Public Act 675 required the supplement to be paid to an eligible retirant or beneficiary before October 1, 2003, if he or she timely filed a fully executed a waiver agreement with the retirement system on or after January 1, 2003, but not later than April 1, 2003. Under the bill, a person who would be eligible for the supplement, but who did not file a waiver agreement with the retirement system by April 1, 2003, would have until December 30, 2003, to execute and file the waiver agreement. The bill would require the supplement to be paid to such a person before April 1, 2004.

A person who had filed a fully executed waiver agreement by April 1, 2003, would not be eligible to execute and file a waiver agreement under House Bill 5037 (H-1).

MCL 38.2512

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Joe Carrasco

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.