

HOUSE BILL No. 6315

November 4, 2004, Introduced by Rep. Howell and referred to the Committee on Judiciary.

A bill to amend 1992 PA 234, entitled
"The judges retirement act of 1992,"
by amending sections 305 and 509 (MCL 38.2305 and 38.2509),
section 305 as amended by 2002 PA 95.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 305. (1) Each member, upon taking office and so long
2 as he or she remains in office, shall make contributions to the
3 retirement system according to the applicable plan member
4 classification as follows:

5 (a) A plan 1 member or a plan 2 member shall contribute 5% of
6 the member's compensation. From this contribution, the
7 retirement system shall deposit an amount equal to 2.0% of the
8 member's compensation into the reserve for health benefits for
9 hospital and medical-surgical and sick care benefits as provided
10 in section 509.

1 (b) A plan 3a member, a plan 3b member, or a plan 5 member
2 shall contribute ~~3.5%~~ 5.5% of the member's compensation.
3 **Beginning January 1, 2005, from this contribution, the retirement**
4 **system shall deposit an amount equal to 2.0% of the member's**
5 **compensation into the reserve for health benefits for hospital**
6 **and medical-surgical and sick care benefits as provided in**
7 **section 509.**

8 (c) A plan 3c member, a plan 4 member, a plan 6 member, or a
9 plan 7 member shall contribute ~~7%~~ 9% of the member's
10 compensation. However, a plan 6 member shall not contribute more
11 than \$980.00 annually. **Beginning January 1, 2005, from this**
12 **contribution, the retirement system shall deposit an amount equal**
13 **to 2.0% of the member's compensation into the reserve for health**
14 **benefits for hospital and medical-surgical and sick care benefits**
15 **as provided in section 509.**

16 (2) The retirement board shall determine the manner in which
17 member contributions are paid. Except as otherwise provided in
18 this section, the retirement system shall credit member
19 contributions when received to the reserve for member
20 contributions.

21 (3) Upon written notice from the executive secretary to the
22 state court administrator, the state treasurer shall withhold
23 payment of the amount due from the salary standardization payment
24 payable to a county or district control unit for member
25 contributions that are not received by the retirement system
26 within 60 days after the due date.

27 Sec. 509. (1) The retirement system shall pay the premium

1 for hospital and medical-surgical and sick care benefits for a
2 retirant who, as a member, served after January 1, 1983 as a
3 justice of the supreme court, judge of the court of appeals, or a
4 state official, or for his or her retirement allowance
5 beneficiary who elects coverage in the state group health
6 insurance plan, to the same extent as is provided for retirants
7 and retirement allowance beneficiaries of the state employees'
8 retirement system created by the state employees' retirement act,
9 ~~Act No. 240 of the Public Acts of 1943, being section 38.1 to~~
10 ~~38.48 of the Michigan Compiled Laws~~ **1943 PA 240, MCL 38.1 to**
11 **38.69.**

12 (2) The retirement system shall pay the premium under
13 subsection (1) only if section 305(1)(a) requires member
14 contributions for hospital and medical-surgical and sick care
15 benefits.

16 (3) Beginning January 1, 2005, a member who is a judge and in
17 active service on that date and who has at least 15 years of
18 continuous service may elect coverage in the state group health
19 insurance plan by filing a written election request with the
20 retirement board no later than February 28, 2005 stating his or
21 her intent to elect coverage in the state group health insurance
22 plan. A member who is a judge or who becomes a judge on or after
23 January 1, 2005 may elect coverage in the state group health
24 insurance plan after the member has performed 15 years of active
25 service. The election shall be made for members who are judges
26 or retirement allowance beneficiaries who are spouses only. If a
27 member qualifies for benefits under this subsection and makes an

1 election, the retirement system shall pay the premium for
2 hospital and medical-surgical and sick care benefits for the
3 member or his or her retirement allowance beneficiary who is a
4 spouse to the same extent as provided for retirants and
5 retirement allowance beneficiaries of the state employees
6 retirement system created by the state employees retirement act,
7 1943 PA 240, MCL 38.1 to 38.69.