

# SENATE BILL No. 974

February 12, 2004, Introduced by Senator STAMAS and referred to the Committee on Education.

A bill to amend 1980 PA 300, entitled "The public school employees retirement act," by amending section 6 (MCL 38.1306), as amended by 1995 PA 272.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 6. (1) "Original member" means a member employed in  
2 Michigan public schools before July 1, 1945.

3       (2) "Out of system public education service" means service  
4 performed in public education meeting 1 or more of the following  
5 requirements:

6           (a) Performed in other states in the United States or its  
7 territorial possessions.

8           (b) Performed at the university of Michigan, Michigan state  
9 university, Wayne state university, Grand Valley state  
10 university, Oakland university, or Saginaw Valley university.

11          (c) Service purchased before January 31, 1991 and performed

1 in a juvenile training school operated by a county in this  
2 state.

3 (d) Service purchased before January 31, 1991 and performed  
4 in a community mental health service program operated under  
5 former ~~Act No. 54 of the Public Acts of 1963~~ **1963 PA 54** for the  
6 severely mentally retarded in day care programs, day training  
7 programs, or day care training programs that were transferred to  
8 an intermediate school district by direction of the department of  
9 education.

10 (e) ~~Service~~ **Except as otherwise provided in this**  
11 **subdivision, service** purchased before January 31, 1991 and  
12 performed as an elementary or secondary teacher at a United  
13 States armed forces military base in the United States or a  
14 foreign country. **Beginning October 1, 2003, service performed as**  
15 **an elementary or secondary teacher at a United States armed**  
16 **forces military base in the United States or a foreign country if**  
17 **the service was performed before January 31, 1991.**

18 (f) Service purchased before January 31, 1991 and performed  
19 as a teacher or administrator of American nationals in overseas  
20 public elementary or secondary schools operated by the United  
21 States department of defense.

22 (g) Performed by a person who first becomes employed by an  
23 institution of higher education described in section 4, 5, or 6  
24 of article VIII of the state constitution of 1963 on or after  
25 January 1, 1996.

26 (3) "Prior service" means service performed before July 1,  
27 1945.

1 (4) Except as otherwise provided in this subsection, "public  
2 school academy" means a public school academy established under  
3 part 6a or 6b of the school code of 1976, ~~Act No. 451 of the~~  
4 ~~Public Acts of 1976, being sections 380.501 to 380.507 and~~  
5 ~~380.511 to 380.518 of the Michigan Compiled Laws~~ **1976 PA 451,**  
6 **MCL 380.501 to 380.507 and 380.511 to 380.518.** Public school  
7 academy does not include any of the following:

8 (a) A public school academy operated by a state public  
9 university that is not subject to the optional retirement act of  
10 1967, ~~Act No. 156 of the Public Acts of 1967, being sections~~  
11 ~~38.381 to 38.388 of the Michigan Compiled Laws~~ **1967 PA 156, MCL**  
12 **38.381 to 38.388.**

13 (b) A public school academy corporation formed by a state  
14 public university that is not subject to ~~Act No. 156 of the~~  
15 ~~Public Acts of 1967~~ **the optional retirement act of 1967, 1967 PA**  
16 **156, MCL 38.381 to 38.388.**

17 (5) Except as otherwise provided in this subsection, "public  
18 school employee" means an employee of a public local school  
19 district, intermediate school district, public school academy,  
20 tax supported community or junior college, eastern Michigan  
21 university, central Michigan university, northern Michigan  
22 university, western Michigan university, Ferris state university,  
23 Michigan technological university, Lake Superior state  
24 university, or district library as defined in section 69g if the  
25 conditions in section 69g(1) are met for that employee. Service  
26 at Michigan technological university shall be creditable only if  
27 the amount of the accumulated contributions in the state

1 employees' retirement system created by the state employees'  
2 retirement act, ~~Act No. 240 of the Public Acts of 1943, being~~  
3 ~~sections 38.1 to 38.48 of the Michigan Compiled Laws 1943 PA~~  
4 **240, MCL 38.1 to 38.48**, for service is paid to the retirement  
5 system. Service at Ferris state university shall be creditable  
6 as prior service or membership service only if the employee was  
7 employed at Ferris state university on a full-time basis for 2 or  
8 more years after May 17, 1949. Until January 1, 1988, public  
9 school employee also includes a person holding a Michigan teacher  
10 certificate and serving as an employee of the Michigan high  
11 school athletic association, other than a person whose effective  
12 date of employment with the Michigan high school athletic  
13 association is on or after December 31, 1986. Public school  
14 employee includes a public school employee on an approved leave  
15 of absence. Public school employee does not include a person who  
16 first becomes employed by a university described in this  
17 subsection on or after January 1, 1996.