

Legislative Analysis



SCHOOL EMPLOYEES: MAXIMUM SCHOOL EMPLOYMENT AFTER RETIREMENT

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House Bill 4593

Sponsor: Rep. Tim Melton

Committee: Education

Complete to 4-16-07

A SUMMARY OF HOUSE BILL 4593 AS INTRODUCED 4-5-07

House Bill 4593 would amend the Public School Employees Retirement Act to extend from six years to 10 years, the maximum time a public school retiree could work in a school following retirement.

Currently under the law, until July 1, 2011, a retiree can be employed by a school district that has an emergency situation depriving students of an education, without a reduction in pension. An 'emergency situation' is determined by the state superintendent of public instruction. (Since July 1999, the state superintendent has been required to issue an annual list of critical shortage disciplines.) Under authorized emergency conditions, a retirant who has been retired for at least 12 months can be hired as a teacher, principal, stationary engineer, administrator or other approved category. The emergency employment cannot be used to recompute a retirement allowance. Within 30 days after receiving such notification and the required documentation, the Michigan Department of Education must notify the school district and the retirement system of its approval (or disapproval) of the emergency situation.

Currently under the law, a retirant employed under an emergency situation can be employed for a period not to exceed six years. House Bill 4593 would retain all of the provisions noted above, but extend the period of possible employment from six to 10 years.

MCL 38.1361

FISCAL IMPACT:

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

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