

# HOUSE BILL No. 6113

May 13, 2008, Introduced by Rep. Walker and referred to the Committee on Government Operations.

A bill to amend 1961 PA 88, entitled  
"Reciprocal retirement act,"  
by amending section 4 (MCL 38.1104), as amended by 1990 PA 274.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 4. A member of a reciprocal retirement system who leaves  
2 the employ of a reciprocal unit, designated as the preceding  
3 reciprocal unit, and enters the employ of another governmental  
4 unit, designated as the succeeding governmental unit, shall be  
5 entitled to a retirement allowance payable by the preceding  
6 reciprocal unit's retirement system subject to the following  
7 conditions:

8       (a) The member has 30 months or more of credited service in  
9 force acquired in the employ of the preceding reciprocal unit.

1           (b) The member does not withdraw his or her accumulated  
2 deposits from the preceding reciprocal unit's retirement system, or  
3 if the member has withdrawn the accumulated deposits, the member  
4 deposits with the preceding reciprocal unit the amount withdrawn  
5 together with interest compounded annually at the rate in effect  
6 for the preceding reciprocal unit; the deposit to be made within 5  
7 years after the date the member becomes employed by the succeeding  
8 governmental unit.

9           (c) The member enters the employ of each succeeding  
10 governmental unit within ~~15~~20 years after the date of leaving the  
11 employ of each preceding governmental unit.

12           (d) The member's credited service in force with the preceding  
13 reciprocal retirement systems plus the member's credited service  
14 acquired in the employ of succeeding governmental units equals or  
15 exceeds the minimum credited service required for age and service  
16 retirement in the applicable preceding reciprocal retirement  
17 system.

18           (e) The retirement allowance payable by any preceding  
19 reciprocal retirement system shall be determined at the time the  
20 member ceased to be a member of the preceding reciprocal retirement  
21 system, upon the basis of the retirement allowance formula of the  
22 preceding reciprocal retirement system, the member's credited  
23 service in force in the preceding reciprocal retirement system, and  
24 the member's final average salary at that time.

25           (f) Payment of a retirement allowance by a preceding  
26 reciprocal retirement system shall begin on the first day of the  
27 second calendar month immediately following the month in which

1 proper written application is filed with the governing body of the  
2 preceding reciprocal retirement system on or after attainment of 60  
3 years of age. The retirement allowance shall not begin before  
4 attainment of the minimum age for age and service retirement  
5 required in the preceding reciprocal retirement system.