

# SENATE BILL No. 179

February 7, 2007, Introduced by Senators GARCIA, KAHN, GILBERT and CROPSEY and referred to the Committee on Education.

A bill to amend 1980 PA 300, entitled  
"The public school employees retirement act of 1979,"  
by amending section 75 (MCL 38.1375), as amended by 2006 PA 617.

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

1           Sec. 75. (1) A member who left or leaves service as a public  
2 school employee; who left or leaves out-of-system public education  
3 service; or a member of the state employees' retirement system  
4 under section 13 of the state employees' retirement act, 1943 PA  
5 240, MCL 38.13, who left or leaves service as a state employee for  
6 purposes of parental leave who subsequently becomes a member of  
7 this retirement system without other intervening employment of more  
8 than 20 hours per week for each week for which service credit was  
9 claimed may purchase service credit for the time period or periods

1 during which the person was separated from service because of  
2 parental leave if the member satisfies the requirements of this  
3 section. The member shall submit an application as described in  
4 subsection (5) and shall pay the actuarial cost to the retirement  
5 system. The total service credited under this section shall not  
6 exceed 5 years. A member requesting purchase of service credit  
7 under this section shall certify to the retirement system the  
8 purpose for which the member took leave or was separated from  
9 service as a public school employee; a person performing out-of-  
10 system public education service; or a member of the state  
11 employees' retirement system under section 13 of the state  
12 employees' retirement act, 1943 PA 240, MCL 38.13.

13 (2) Service credit purchased under this section may not be  
14 used to satisfy the minimum of 10 years of service credit required  
15 to receive a retirement allowance under this act.

16 (3) If a member who made payment under this section dies and a  
17 retirement allowance beneficiary has not been designated, or if the  
18 member leaves reporting unit service before his or her retirement  
19 becomes effective, the payment made by the member shall be refunded  
20 upon request to the member or to the member's refund beneficiary.

21 (4) A member who reduces hours of employment with a reporting  
22 unit for purposes of parental leave or a person who reduces hours  
23 of out of system public education service for purposes of parental  
24 leave and who subsequently becomes a member of this retirement  
25 system may purchase service credit for those hours by which  
26 employment was reduced if all other requirements of this section  
27 are met.

1           (5) A member requesting purchase of service credit under this  
2 section shall submit an application as prescribed by the retirement  
3 system in which the member shall certify the time period claimed  
4 for parental leave and the purpose of the parental leave. If the  
5 request for purchase of service credit under this section is a  
6 result of leave taken to care for the member's child by birth or  
7 adoption, then the member also shall submit a certified copy of a  
8 birth certificate or adoption document from the appropriate court  
9 of jurisdiction.

10           (6) Parental leave is creditable under this act until the  
11 child, by birth or adoption, attains age 18 or is married,  
12 whichever occurs first.

13           **(7) SERVICE PURCHASED UNDER THIS SECTION SHALL NOT BE CREDITED**  
14 **TO A MEMBER WHO BECOMES A MEMBER ON OR AFTER DECEMBER 31, 2007**  
15 **UNLESS THE MEMBER HAS AT LEAST 10 YEARS OF REPORTING UNIT SERVICE**  
16 **CREDIT UNDER THIS ACT.**

17           (8) ~~(7)~~—As used in this section, "parental leave" means either  
18 of the following:

19           (a) The presence of the member in the active participation or  
20 supervision in the day-to-day, ongoing care or maintenance of his  
21 or her child by birth or adoption, for which the member reduced or  
22 eliminated the number of hours worked for the state, in out-of-  
23 system public education service, or for the reporting unit in a  
24 normal work time period.

25           (b) A member's pregnancy that occurred while a member, whether  
26 brought to full term or not, childbirth, and recuperation, for  
27 which the member reduced or eliminated the number of hours worked

1 for the state, in out-of-system public education service, or for  
2 the reporting unit in a normal work time period.

3 Enacting section 1. This amendatory act takes effect January  
4 1, 2009.

5 Enacting section 2. This amendatory act does not take effect  
6 unless Senate Bill No. 180

7 of the 94th Legislature is enacted into law.