

Act No. 502  
Public Acts of 2008  
Approved by the Governor  
January 12, 2009  
Filed with the Secretary of State  
January 13, 2009  
EFFECTIVE DATE: January 13, 2009

**STATE OF MICHIGAN  
94TH LEGISLATURE  
REGULAR SESSION OF 2008**

Introduced by Rep. Walker

# **ENROLLED HOUSE BILL No. 6113**

AN ACT to amend 1961 PA 88, entitled "An act to provide for the preservation and continuity of retirement system service credits for public employees who transfer their employment between units of government," by amending sections 4 and 5 (MCL 38.1104 and 38.1105), as amended by 1990 PA 274.

*The People of the State of Michigan enact:*

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

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

(b) Beginning September 1, 2006, the member does not withdraw his or her accumulated deposits from the preceding reciprocal unit's retirement system, or if the member has withdrawn the accumulated deposits, the member deposits with the preceding reciprocal unit the amount withdrawn together with interest compounded annually at the rate in effect for the preceding reciprocal unit; the deposit to be made within 20 years after the date the member becomes employed by the succeeding governmental unit.

(c) Beginning September 1, 2006, the member enters the employ of each succeeding governmental unit within 20 years after the date of leaving the employ of each preceding governmental unit.

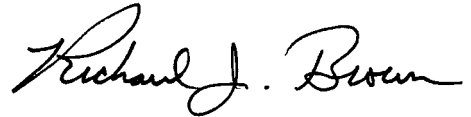
(d) The member's credited service in force with the preceding reciprocal retirement systems plus the member's credited service acquired in the employ of succeeding governmental units equals or exceeds the minimum credited service required for age and service retirement in the applicable preceding reciprocal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

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

(f) Payment of a retirement allowance by a preceding reciprocal retirement system shall begin on the first day of the second calendar month immediately following the month in which proper written application is filed with the governing body of the preceding reciprocal retirement system on or after attainment of 60 years of age. The retirement allowance shall not begin before attainment of the minimum age for age and service retirement required in the preceding reciprocal retirement system.

Sec. 5. A member of a reciprocal retirement system who has 30 months or more of credited service acquired as a member of the system and who has attained the age but has not met the service requirements for age and service retirement shall be entitled to use his or her credited service in force previously acquired as a member of governmental unit retirement systems in meeting the service requirements of the system from which he or she retires. Beginning September 1, 2006, if the member has a break in governmental unit employment for a period longer than 20 years, his or her service rendered in the employ of the governmental units prior to his or her last break in service shall not be used in satisfying the service requirement for age and service retirement in the system from which he or she retires. Except as provided in section 6, credited service acquired in a governmental unit in which the member was previously employed shall not be used in determining the amount of his or her retirement allowance payable by the reciprocal retirement system from which he or she retires unless otherwise provided by the retirement system.

This act is ordered to take immediate effect.



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Clerk of the House of Representatives



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Secretary of the Senate

Approved .....

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Governor