

SUBSTITUTE FOR  
HOUSE BILL NO. 4194

A bill to amend 1957 PA 261, entitled  
"Michigan legislative retirement system act,"  
by amending section 75 (MCL 38.1075), as amended by 1998 PA 501.

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

1       Sec. 75. (1) A qualified participant is immediately 100%  
2       vested in his or her contributions made to Tier 2. A qualified  
3       participant shall vest in the employer contributions made on his or  
4       her behalf to Tier 2 according to the following schedule:

5           (a) Upon completion of 2 years of service, 50%.

6           (b) Upon completion of 3 years of service, 75%.

7           (c) Upon completion of 4 years of service, 100%.

8       (2) A qualified participant is vested in the health insurance  
9       coverage provided in section 79 if the qualified participant meets  
10      1 of the following requirements:

11           (a) The qualified participant **WAS ELECTED TO THE LEGISLATURE**

1 **BEFORE NOVEMBER 1, 2010**, has completed 6 years of service as a  
2 qualified participant, and was not a member, deferred vested  
3 member, or former nonvested member of Tier 1.

4 (b) The qualified participant was a member, deferred vested  
5 member, or former nonvested member of Tier 1 who made an election  
6 to participate in Tier 2 pursuant to section 61, and who has met  
7 the service requirements he or she would have been required to meet  
8 in order to vest in health benefits under section 50b.

9 (c) The qualified participant meets all of the following  
10 requirements:

11 (i) Was not a member, deferred vested member, or former  
12 nonvested member of Tier 1.

13 (ii) Was first elected to fill a vacancy in the house of  
14 representatives for a period less than the full term but more than  
15 1/2 of the term of office.

16 (iii) Has completed 5 years of service as a qualified  
17 participant.

18 (iv) **WAS ELECTED TO THE LEGISLATURE BEFORE NOVEMBER 1, 2010.**