

# HOUSE BILL No. 5692

December 10, 2009, Introduced by Rep. Dillon and referred to the Committee on Public Employee Health Care Reform.

A bill to amend 1927 PA 339, entitled

"An act to authorize the establishment of a system of retiring allowances for employees of public libraries now existing or which may hereafter be established in incorporated cities of 250,000 population or more,"

by amending section 2 (MCL 38.702).

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 2. (1) It shall be the duty of ~~said~~**THE** library board  
2 ~~when it~~**THAT** desires to establish a **RETIREMENT** system ~~of retiring~~  
3 ~~allowances,~~ to apply to the local legislative body and to submit to  
4 ~~said~~**THE** local legislative body for its approval and adoption a  
5 detailed plan for ~~such~~**THE RETIREMENT** system, which shall be based  
6 upon the following provisions and conditions:

7       (a) It shall enumerate the classes of ~~employees~~**EMPLOYEES** to be  
8 included in ~~said~~**THE RETIREMENT** system. +

(b) It shall fix the amount of the annual ~~retiring~~ **RETIREMENT** allowance, the number of years of service necessary to entitle an ~~employee~~ **EMPLOYEE** to a ~~retiring~~ **RETIREMENT** allowance, the age at which an ~~employee~~ **EMPLOYEE** may be retired, the nature and extent of the physical or mental disability which shall entitle an ~~employee~~ **EMPLOYEE** to retire before reaching the age of retirement, and the conditions upon which the age of retirement may be anticipated. +

(c) It shall provide for a body to be known as the ~~retiring~~ **RETIREMENT** fund trustees, which shall consist of 5 members. Two members shall be elected by the staff; 2 members shall be appointed by ~~said~~ **THE** local legislative body; and the terms of office of ~~said~~ **THE** members shall be 4 years, except that when the system is first put into effect, the terms of office shall be ~~so~~ fixed **SO** that ~~but~~ 1 member's term shall expire each year. The fifth member shall be, ex-officio, the presiding officer of the said library board. ~~Said~~ **THE** trustees shall have charge of ~~said~~ ~~retiring~~ **THE RETIREMENT** allowance fund and shall invest the ~~same~~ **RETIREMENT ALLOWANCE FUND** only in ~~such~~ securities as ~~that~~ are legal for savings banks. ~~Said~~ **THE** trustees shall adopt ~~such~~ **ANY** rules and ~~by laws as~~ **BYLAWS THAT** may be necessary, —and not inconsistent with the **STATE** constitution ~~and~~ **OF 1963**, laws of this state, and the provisions of this act. +

(d) There shall be attached to ~~such~~ **THE** system as may be recommended, the certificate of a recognized and competent actuary stating that the system is actuarially sound, and the system shall provide for annual reports and valuations by ~~such~~ **THE** actuary to determine whether the fund is on a sound financial and actuarial basis.

1           (2) IF A RECIPIENT OF A RETIREMENT ALLOWANCE UNDER THIS ACT  
2 ALSO RECEIVES RETIREMENT HEALTH BENEFITS, THEN COVERAGE PROVIDED  
3 AND PLANS AUTHORIZED UNDER THIS ACT SHALL BE PROVIDED AND  
4 AUTHORIZED IN ACCORDANCE WITH THE MICHIGAN HEALTH BENEFITS PROGRAM  
5 ACT. COVERAGE PROVIDED AND PLANS AUTHORIZED IN ACCORDANCE WITH THE  
6 MICHIGAN HEALTH BENEFITS PROGRAM ACT SHALL BE SUBJECT TO SECTION 21  
7 OF THE ACT.

8           Enacting section 1. This amendatory act does not take effect  
9 unless Senate Bill No. \_\_\_\_ or House Bill No. 5345(request no.  
10 03986'09) of the 95th Legislature is enacted into law.