HOUSE BILL No. 5679

March 1, 2018, Introduced by Reps. Miller, Griffin, Pagel and Whiteford and referred to the Committee on Financial Liability Reform.

A bill to amend 1980 PA 300, entitled

"The public school employees retirement act of 1979,"

by amending sections 5 and 124 (MCL 38.1305 and 38.1424), section 5

as amended by 2017 PA 92 and section 124 as amended by 2012 PA 300.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1   Sec. 5. (1) "Member" means a public school employee, except

2 that member does not include any of the following:

3   (a) An individual enrolled in a neighborhood youth corps

4 program operated with funds from the federal office of economic

5 opportunity or an individual enrolled in a comparable youth

6 training program designed to prevent high school dropouts and

7 rehabilitate high school dropouts operated by an intermediate

8 school district.

9   (b) An individual enrolled in a transitional public employment

10 program and employed by a reporting unit.

2

(c) An individual employed by a reporting unit while enrolled as a full-time student in that same reporting unit.

(d) An individual who elects to participate in the optional retirement program under the optional retirement act of 1967, 1967 PA 156, MCL 38.381 to 38.388.

(e) A retirant of this retirement system.

(f) An individual, not regularly employed by a reporting unit, who is employed by a reporting unit through a summer youth employment program established under the Michigan youth corps act, 1983 PA 69, MCL 409.221 to 409.229.

(g) An individual, not regularly employed by a reporting unit, who is employed by a reporting unit to administer a program described in subdivision (f), (h), (i), (j), or (k).

(h) After September 30, 1983, an individual, not regularly employed by a reporting unit, who is employed by a reporting unit through participation in a program established under the former job training partnership act, Public Law 97-300, 96 Stat 1322 or beginning July 1, 2000, the workforce investment act of 1998, Public Law 105-220, 112 Stat 936.

(i) An individual, not regularly employed by a reporting unit, who is employed by a reporting unit through participation in a program established under the PATH program under section 57f of the social welfare act, 1939 PA 280, MCL 400.57f.

(j) An individual, not regularly employed by a reporting unit, who is employed by a reporting unit through participation in a program established under the Michigan community service corps program, first established under sections 25 to 35 of 1983 PA 259.

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1   (k) An individual, not regularly employed by a reporting unit,

2   who is employed by a reporting unit through participation in a

3   program established under the older American community service

4   employment program under the older American community service

5   employment act, title V of the older Americans act of 1965, Public

6   Law 89-73, 42 USC 3056 to 3056p.

7   (*l*) An individual, not regularly employed by a reporting unit,

8   who is employed by a reporting unit in a temporary, intermittent,

9   or irregular seasonal or athletic position and who is under the age

10   of 19 years.

11   (m) An individual, not regularly employed by a reporting unit,

12   who is employed by a reporting unit only in a temporary position to

13   assist in the conduct of a school election.

14   (n) A qualified participant who makes a valid election under

15   section 81d(1) to not become a member of Tier 1.

16   (o) A qualified participant who is not a member of Tier 1

17   under section 81d(4).

18   **(P) BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT**

19   **ADDED THIS SUBDIVISION, AN INDIVIDUAL WHO IS PRIMARILY A STUDENT**

20   **WHILE EMPLOYED BY A TAX SUPPORTED COMMUNITY COLLEGE OR JUNIOR**

21   **COLLEGE. FOR THE PURPOSE OF THIS SUBDIVISION, AN INDIVIDUAL IS**

22   **"PRIMARILY A STUDENT" IF THE INDIVIDUAL IS ENROLLED IN A TAX**

23   **SUPPORTED COMMUNITY COLLEGE OR JUNIOR COLLEGE IN A COURSE OF STUDY**

24   **FOR ACADEMIC CREDIT WHILE NORMALLY WORKING 30 OR LESS HOURS PER**

25   **WEEK FOR THE TAX SUPPORTED COMMUNITY COLLEGE OR JUNIOR COLLEGE.**

26   (2) "Membership service" means service performed after June

27   30, 1945.

1   (3) "Noncontributory plan" means the plan which began between

2 July 1, 1974 and July 1, 1977, in which the reporting unit elected

3 to discontinue withholding contributions from employees'

4 compensation.

5   (4) "Noncontributory service" means credited service rendered

6 under the noncontributory plan.

7   (5) "Nonteacher" means an individual employed by a reporting

8 unit who is not a teacher as defined in section 8.

9   Sec. 124. (1) "Plan document" means the document that contains

10 the provisions and procedures of Tier 2 in conformity with this act

11 and the internal revenue code.

12   (2) "Qualified participant" means an individual who is a

13 participant of Tier 2 and who is first employed and entered ~~upon~~ **ON**

14 the payroll of his or her employer on or after July 1, 2010, and

15 who also was not employed by any employer before July 1, 2010,

16 **EXCEPT THAT BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT**

17 **THAT ADDED SECTION 5(1)(P), QUALIFIED PARTICIPANT DOES NOT INCLUDE**

18 **AN INDIVIDUAL WHO IS PRIMARILY A STUDENT WHILE EMPLOYED BY A TAX**

19 **SUPPORTED COMMUNITY COLLEGE OR JUNIOR COLLEGE. FOR PURPOSES OF THIS**

20 **SUBSECTION, AN INDIVIDUAL IS "PRIMARILY A STUDENT" IF THE**

21 **INDIVIDUAL IS ENROLLED IN A TAX SUPPORTED COMMUNITY COLLEGE OR**

22 **JUNIOR COLLEGE IN A COURSE OF STUDY FOR ACADEMIC CREDIT WHILE**

23 **NORMALLY WORKING 30 OR LESS HOURS PER WEEK FOR THE TAX SUPPORTED**

24 **COMMUNITY COLLEGE OR JUNIOR COLLEGE.**

25   (3) "Refund beneficiary" means an individual nominated by a

26 qualified participant or a former qualified participant under

27 section 134 to receive a distribution of the participant's

1 accumulated balance in the manner prescribed in section 135.

2   (4) "State treasurer" means the treasurer of this state.