

SENATE BILL No. 747

January 11, 2018, Introduced by Senators STAMAS, O'BRIEN, MACGREGOR, HILDENBRAND, HORN, JONES, KOWALL, EMMONS, ZORN, HANSEN, BRANDENBURG, KNOLLENBERG and SCHMIDT and referred to the Committee on Appropriations.

A bill to amend 1967 PA 150, entitled
"Michigan military act,"
by amending section 306 (MCL 32.706), as amended by 2013 PA 99.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 306. (1) Beginning January 1, 2011, except as otherwise
2 provided in this section, the adjutant general and the assistant
3 adjutants general who began employment on or after January 1, 2011
4 when relieved under honorable circumstances ~~shall~~**MUST** receive
5 retirement benefits as a qualified participant under the state
6 employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69.
7 Retirement benefits will start on the date of retirement or
8 honorable relief from duty. Retirement under this subsection
9 requires not less than 20 years active service with the ~~national~~

1 ~~guard and/or~~ **NATIONAL GUARD OR** state defense force, **OR BOTH**.

2 (2) Beginning on ~~the effective date of the amendatory act that~~
3 ~~added this subsection~~ **JULY 2, 2013**, and subject to the limitation
4 provided in subsection (5), the adjutant general and the assistant
5 adjutants general when retired or relieved under honorable
6 circumstances ~~shall~~ **MUST** be placed on the retired list of the
7 ~~national guard.~~ **NATIONAL GUARD**. The adjutant general and the
8 assistant adjutants general ~~shall~~ **MUST** receive retirement pay equal
9 to the retirement pay that an officer of like grade and total years
10 of service would receive as indicated in appropriate federal
11 regulations when they are retired or honorably relieved. Subject to
12 subsection (3), retirement benefits will start on the date of
13 retirement or honorable relief from duty.

14 (3) Retirement under subsection (2) requires all of the
15 following:

16 (a) Not less than 20 years active service with the ~~national~~
17 ~~guard~~ **NATIONAL GUARD** or state defense force, or both.

18 (b) Not less than 4 consecutive years of special duty as an
19 adjutant general or assistant adjutant general. However, the
20 requirement for serving 4 consecutive years of service as an
21 adjutant general or assistant adjutant general for retirement pay
22 is waived if the service member is relieved ~~due to~~ **BECAUSE OF** a new
23 governor assuming office.

24 (c) The service member is 55 years of age or older.

25 (4) Any retirement pay received from the federal government
26 for military service ~~shall~~ **MUST** be deducted when computing the
27 amount to be received from this state for an adjutant general or

1 assistant adjutant general who retires under subsection (2). The
2 deduction ~~shall~~ **MUST** start on the first day of the month the
3 officer becomes eligible for federal retirement. Once established,
4 the amount of the deduction ~~shall~~ **MUST** not be changed. The
5 ~~retirement benefit will be paid according to the federal~~
6 ~~regulations commensurate with active duty years and traditional~~
7 ~~national guard service time. The full time adjutant general's and~~
8 ~~assistant adjutants general's service will be credited at the~~
9 ~~equivalent of full time active duty service, and part time~~
10 ~~traditional services will be credited to the federal military~~
11 ~~points system, in a manner as determined by the retirement system.~~

12 (5) Only 1 adjutant general appointed by the governor under
13 section 302 in any 4-year period is eligible for retirement under
14 subsection (2). Only 2 assistant adjutants general in any 4-year
15 period are eligible for retirement under subsection (2). However,
16 if the adjutant general or an assistant adjutant general is
17 mobilized pursuant to a federal mobilization and the governor
18 appoints a replacement adjutant general under section 302 or the
19 adjutant general appoints a replacement assistant adjutant general,
20 the replacement adjutant general or replacement assistant adjutant
21 general is eligible for retirement under subsection (2). If any
22 change or error in the records results in any member, retirant, or
23 beneficiary receiving from the retirement system more or less than
24 he or she would have been entitled to receive if the records had
25 been correct, the retirement system shall correct that error and,
26 as far as practicable, shall adjust the payment in such a manner
27 that the actuarial equivalent of the benefit to which that member,

1 retirant, or beneficiary was correctly entitled ~~shall~~**WILL** be paid.