

SENATE BILL No. 888

March 6, 2018, Introduced by Senators PROOS, PAVLOV, SCHUITMAKER, HANSEN, ROBERTSON, MACGREGOR, BOOHER, BRANDENBURG, MARLEAU and EMMONS and referred to the Committee on Education.

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.

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

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

6 (e) A retirant of this retirement system.

7 (f) An individual, not regularly employed by a reporting unit,
8 who is employed by a reporting unit through a summer youth
9 employment program established under the Michigan youth corps act,
10 1983 PA 69, MCL 409.221 to 409.229.

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

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

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

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

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.