

HOUSE BILL NO. 6537

December 17, 2020, Introduced by Reps. Gay-Dagnogo, Jones, Sneller, Cherry, Yancey, Guerra, Hood, Camilleri, Brenda Carter, Garrett, Kuppa, Cynthia Neeley and Stone 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 section 3 (MCL 38.1303), as amended by 1989 PA 194.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 3. (1) "Accumulated contributions" means 1 or more of the
2 following:
3 (a) The amounts credited to a member's individual subaccount
4 in the reserve for employee contributions plus regular interest on
5 those amounts.

1 (b) The amounts credited to a member's individual subaccount
2 in the reserve for member investment plan plus compound interest on
3 those amounts.

4 (2) "Active duty" means full-time duty in the armed forces
5 other than active duty ~~which~~**that** is exclusively for training
6 purposes.

7 (3) "Actuarial cost" means an amount that ~~shall be paid, a~~
8 **member must pay**, except as otherwise specifically provided by this
9 act, ~~by a member~~ to purchase additional service credit as allowed
10 under this act. Actuarial cost ~~shall~~**must** be computed as provided
11 in section 79.

12 (4) "Armed forces" means the United States ~~army, navy, marine~~
13 ~~corps, air force, and coast guard~~, **Army, Navy, Marine Corps, Air**
14 **Force, and Coast Guard**, including the reserve components.

15 (5) "Bona fide termination" means that a member terminated
16 employment in good faith, with honesty, and without any intent to
17 return to a position covered by this act within the same month as
18 the individual's retirement allowance effective date.