

**SUBSTITUTE FOR
SENATE BILL NO. 314**

A bill to amend 1851 PA 156, entitled
"An act to define the powers and duties of the county boards of
commissioners of the several counties, and to confer upon them
certain local, administrative and legislative powers; and to
prescribe penalties for the violation of the provisions of this
act,"
by amending section 12a (MCL 46.12a), as amended by 2017 PA 204.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 12a. (1) Subject to subsection (34), a county board of
2 commissioners at a lawfully held meeting may do 1 or more of the
3 following:

4 (a) Provide group life, health, accident and hospitalization,
5 and disability coverage for a county employee, a retired employee,
6 or an employee of an office, board, or department of the county,



1 including the board of county road commissioners, and a dependent
2 of an employee, either with or without cost participation by the
3 employee, and appropriate the necessary money for the insurance.
4 For a county with 100 employees or more, the county may under this
5 subsection self-insure for health, accident and hospitalization,
6 and group disability coverage for a county employee, a retired
7 employee, or an employee of an office, board, or department of the
8 county, including the board of county road commissioners, and a
9 dependent of an employee, either with or without cost participation
10 by the employee, and appropriate the necessary funds.

11 (b) Adopt and establish a plan by which the county purchases
12 or participates in the cost of an endowment policy or retirement
13 annuity for a county employee or an employee of an office, board,
14 or department of the county, including the board of county road
15 commissioners, to provide monthly pension or retirement benefits
16 for each employee 60 years of age or older in an amount not to
17 exceed \$150.00 per month or 2% of the average monthly earnings of
18 the employee for 5 years immediately before retirement times the
19 years of service of the employee, whichever is the lesser amount.
20 As an option, a county board of commissioners may adopt and
21 establish a plan by which the county pays pension or retirement
22 benefits to a county employee or an employee of an office, board,
23 or department of the county, including the board of county road
24 commissioners, who has been employed for not less than 25 years, or
25 who is 60 years of age or older and has been employed for not less
26 than 5 years, in monthly payments not to exceed 2.5% of the
27 employee's highest average monthly compensation or earnings
28 received from the county or county road fund for 5 years of service
29 times the total number of years of service of the employee,



1 including a fraction of a year, not to exceed 3/4 of the average
2 final compensation of the employee. A plan may also pay early
3 retirement benefits at 55 years of age or older to the extent of
4 actuarially equivalent benefits not increasing the costs of the
5 plan. Except as provided in subsection (27), endowment policies,
6 retirement benefits, pensions, or annuity retirement benefits in
7 excess of the amounts provided in this subdivision may be provided
8 for by a plan of employee participation to cover the cost of the
9 excess. If the employment or the pension or retirement benefits of
10 an employee who participated in the cost of pension or retirement
11 benefits are terminated before the employee receives pension or
12 retirement benefits equal to the total amount of the employee's
13 participation, the balance of the total participation must be
14 refunded to the employee at the time of termination, if living, or
15 if deceased, to the employee's heir, estate, legal representative,
16 or designated beneficiary as provided in the plan adopted and
17 established by the county board of commissioners. If a terminated
18 employee is rehired by the county, the employee may repay the
19 amount of participation refunded to the employee on the employee's
20 termination, plus compound interest from the date of refund to the
21 dates of repayment at the rates provided in the plan. As conditions
22 for repayment, the plan may require return to employment for a
23 period not to exceed 3 years and may require that repayment be
24 completed within a period of not less than 1 year following return
25 to employment. A plan adopted for the payment of retirement
26 benefits or a pension must grant benefits to an employee eligible
27 for pension or retirement benefits according to a uniform scale for
28 all persons in the same general class or classification. An
29 employee must not be denied benefits by termination of his or her



1 employment after the employee becomes eligible for benefits under
2 the plan and this section. An endowment policy or annuity purchased
3 under this section must be purchased from an insurer authorized to
4 write endowment policies or annuities in this state.

5 (2) In a plan adopted under this section, at least 60% of the
6 total pension or retirement benefit granted to an employee from
7 county funds must consist of a percentage not to exceed 2.5% of the
8 employee's average final compensation times the employee's years of
9 service and must be granted to each employee eligible for
10 retirement under the plan uniformly and without restriction or
11 limitation other than those prescribed in this section. As used in
12 this section:

13 (a) "Average final compensation" means the annual average of
14 the highest actual compensation received by a county employee,
15 other than a county employee who is a judge of a municipal court of
16 record subject to subsection (20) or a judge subject to subsection
17 (23), during a period of 5 consecutive years of service contained
18 within the employee's 10 years of service immediately before the
19 employee's retirement or a period of 5 years of service as
20 specified in the plan. In a county that adopts a plan for granting
21 longevity pay, the county board of commissioners may exclude this
22 longevity pay from average final compensation for the purpose of
23 computing the rate of employee contribution and the amount of
24 benefits payable to an employee on retirement.

25 (b) "Longevity pay" means increments of compensation payable
26 at annual or semiannual intervals and based on years of service to
27 the county, exclusive of compensation provided for a given class of
28 positions.

29 (3) A circuit court stenographer is eligible for membership



1 in, and the benefits of, a pension or retirement benefit under a
2 plan established under this section, or a social security plan
3 established by the county or 1 of the counties that pays a portion
4 of the compensation of a circuit court stenographer.

5 (4) If the employment of a county employee eligible to receive
6 a pension or retirement benefit under a plan established under this
7 section is terminated after the employee has completed 8 or more
8 years of service in county employment, the employee must receive
9 the amount of pension or retirement benefit to which the employee's
10 service would have entitled the employee under the plan
11 established, if the employee waives the employee's right to a
12 refund of the employee's total participation on the termination of
13 employment. The payment of pension or retirement benefits must
14 begin, as provided in the plan, after the employee would have
15 become eligible for retirement under the plan had the employee's
16 employment not been terminated, but not later than 90 days after
17 the employee becomes 65 years of age. The payment of pension or
18 retirement benefits must not begin until the employee has applied
19 for pension or retirement benefits in the manner prescribed in the
20 plan established.

21 (5) A plan established under this section may provide for
22 pension or retirement benefits for a county employee who becomes
23 totally disabled for work in the county service from any cause,
24 after not less than 10 years of county employment, to the extent of
25 the limitations provided in this section. A plan may also provide
26 for pension or retirement benefits to the extent of the limitations
27 provided in this section or \$400.00 per month, whichever is the
28 greater amount, for an employee who becomes totally disabled for
29 work in the county service from causes that are the direct and



1 proximate result of county employment, to continue for the duration
2 of the disability or until the employee becomes eligible for
3 retirement under other provisions of the plan authorized by this
4 section. A plan may also provide for pension or retirement
5 benefits, to the extent of the limitations provided in this
6 section, for the actual dependents of a county employee who dies
7 while still employed by the county after not less than 10 years of
8 county employment, or who dies after leaving county employment with
9 not less than the number of years of service required to vest in
10 the plan but before becoming eligible to receive a pension or
11 retirement benefit. A plan may also provide for pension or
12 retirement benefits to the extent of the limitations provided in
13 this section or \$400.00 per month, whichever is greater, for the
14 actual dependents of a deceased county employee whose death is the
15 direct and proximate result of county employment. The plan may
16 provide that the period from the end of the deceased or disabled
17 employee's period of service to the date that employee would have
18 become eligible for retirement is used as service for the sole
19 purpose of computing the amount of disability or death pension.

20 (6) As used in this section, "county employee" includes a
21 bailiff of the district court in the thirty-sixth district who
22 serves under section 8322 of the revised judicature act of 1961,
23 1961 PA 236, MCL 600.8322, and a person who receives more than 50%
24 of all compensation for personal services, rendered to governmental
25 units, from a county fund or county road fund, except a person,
26 other than a bailiff of the district court in the thirty-sixth
27 district, engaged for special services on a contract or fee basis.
28 Until December 31, 1979, a plan adopted under this section may
29 include as a county employee a person on leave of absence from



1 county employment who is not a member of another retirement system
2 except as a retirant and who pays or arranges payment of
3 contributions equal to the contributions that would have been
4 required to be paid under the plan by both the county and the
5 employee, based on the compensation the employee would have
6 received from the county, if the employee had not taken a leave of
7 absence or a person who complies with the requirements of such a
8 provision approved for inclusion in a plan by the county board of
9 commissioners before January 1, 1976, who is considered a county
10 employee during the period of compliance. A plan adopted under this
11 section may exclude a person who is employed on a temporary basis
12 and a person employed in a position normally requiring less than
13 1,000 hours, or some lesser specified number of hours, work per
14 year. A bailiff serving in the district court in the thirty-sixth
15 district is eligible to receive benefits under this section if a
16 plan has been established by law by which the cost of benefits is
17 payable from sources including charges on all legal instruments in
18 which the service of process by a bailiff is required and earmarked
19 by law for benefits, and contributions made by the city of Detroit
20 and each bailiff under section 8322(6) of the revised judicature
21 act of 1961, 1961 PA 236, MCL 600.8322. The plan must provide that
22 a bailiff or former bailiff who served as bailiff as of January 1,
23 1967, may retire after 25 years of service regardless of age, with
24 maximum benefits to be computed as follows: starting as of January
25 1, 1969, the average of any 5 years of earnings of the previous 10
26 years served in succession before retirement multiplied by 1.9%
27 times the years of service; starting as of June 1, 1975, the
28 average of any 5 years of earnings multiplied by 2% times the years
29 of service. As used in this subsection, "earnings" means the salary



1 and fees, other than mileage, received by a bailiff under section
2 8322(5) of the revised judicature act of 1961, 1961 PA 236, MCL
3 600.8322. The plan must provide that health, accident, and
4 hospitalization insurance premiums may be paid out of the earnings
5 of this fund. These payments must be made at the discretion of the
6 pension board of trustees. A county that has a retirement fund for
7 bailiffs under this section shall annually review the retirement
8 fund and shall ensure that the fund is maintained in an actuarially
9 sound condition. Copies of the actuarial reports must be provided
10 to the employer designated under section 8274(2) or (3) of the
11 revised judicature act of 1961, 1961 PA 236, MCL 600.8274, and to
12 the state court administrator.

13 (7) An employee while receiving a pension or retirement
14 benefit because of disability, under this section, may be
15 considered as employed in the county service for the purpose of
16 retirement under this section.

17 (8) A county employee who is included by law in another
18 pension or retirement system by reason of the compensation the
19 employee receives from the county may be excluded from a plan
20 established under this section or included only to the extent of
21 the difference between benefits granted under this section and the
22 other pension or retirement system.

23 (9) The county board of commissioners, on the request of a
24 county employee, by not less than a 3/5 vote may credit the county
25 employee with the amount of government service resulting from
26 employment with the United States government, except military
27 service, employment with a state, or employment with any of their
28 political subdivisions under the following conditions:

29 (a) Employment by the county occurred within 15 years



1 following the county employee's separation from service of the last
2 unit of government by which the county employee was employed.

3 (b) Service rendered before the last break in service of more
4 than 15 years is not credited.

5 (c) Service that is recognized for the purpose of a deferred
6 retirement allowance under a retirement system or other employer-
7 funded retirement benefit plan, except for a retirement benefit
8 plan under the social security act, chapter 531, 49 Stat. 620, of
9 the United States government, a state, or a political subdivision
10 of a state is not credited if the county employee retired under a
11 retirement system of the United States government, a state, or any
12 of their political subdivisions or until the county employee
13 irrevocably forfeits the right to the deferred retirement
14 allowance.

15 (d) The county employee deposits in the plan established under
16 this section an amount equal to the aggregate amount of
17 contributions the county employee would have made had the service
18 been acquired while employed by the county, plus interest from the
19 dates the contributions would have been made to the date of
20 deposit, at rates determined by the county board of commissioners.
21 If records are insufficient or unavailable to compute the exact
22 amount of required deposit, the county board of commissioners may
23 estimate the amount.

24 (e) The county employee has 8 or more years of credited
25 service in county employment, is vested in the county plan, and
26 deposits in the county employees' retirement system an amount equal
27 to the aggregate amount of contributions the employer would have
28 made had the government service being credited under this section
29 been acquired while employed by the county.



1 (10) A plan adopted under this section may provide for annual
2 or less frequent postretirement redetermination of a pension. The
3 redetermined amount of pension must be not greater than the amount
4 of pension otherwise payable multiplied by the sum of 100% and the
5 percentage the county board of commissioners determines appropriate
6 for each full year, excluding a fraction of a year, in the period
7 from the effective date of payments of the pension and the date
8 that the redetermination is being made. The redetermined amount
9 must not be less than the amount of pension otherwise payable. A
10 provision of this section that limits the amount of a pension does
11 not apply to the operation of this subsection redetermining the
12 amount of a pension. As used in this subsection, "the amount of
13 pension otherwise payable" means the amount of pension that would
14 be payable without regard to this subsection. The application of a
15 provision redetermining pension amounts may be restricted to
16 pensions that have an effective date of payment either before or
17 after a specified date.

18 (11) The cost of pension or retirement benefits for a county
19 employee under this section may be paid from the same fund from
20 which the employee receives compensation, and the county board of
21 commissioners may appropriate the necessary funds to carry out the
22 purposes of this section. If a county establishes a plan by which
23 the county pays pension or retirement benefits to an employee under
24 this section, the county, under provisions for pension or
25 retirement benefits that are incorporated in the plan, shall
26 establish and maintain reserves on an actuarial basis in the manner
27 provided in this subsection sufficient to finance the pension and
28 retirement and death benefit liabilities under the plan and
29 sufficient to pay the pension and retirement and death benefits as

1 they become due. A county that adopts a retirement plan under this
2 section and establishes reserves on an actuarial basis shall
3 maintain the reserves as provided in this subsection. The reserves
4 must be determined by an actuarial valuation and established and
5 maintained by yearly appropriations by the county and contributions
6 by employees. The reserves must be established, maintained, and
7 funded to cover the pension and other benefits provided for in the
8 plan in the same manner and within the same limits as to time as is
9 provided for Benefit Program B in the municipal employees
10 retirement system described in former section 14 of the municipal
11 employees retirement act of 1984, 1984 PA 427. These reserves are
12 trust funds and must not be used for any other purpose than the
13 payment of pension, retirement, and other benefits and refunds of
14 employee contributions pursuant to the plan established in a
15 county. An employee's contributions must be kept and accumulated in
16 a separate fund and used only for the payment of annuities and
17 refunds to employees. This subsection does not apply to a county
18 that adopted a retirement plan under this section and did not
19 establish reserves on an actuarial basis before October 11, 1947.

20 (12) If a county establishes a plan for the payment of pension
21 and retirement benefits to its employees under this section, the
22 county board of commissioners may provide for a board of trustees
23 to administer the plan and for the manner of election or
24 appointment of the members of the board of trustees. The county
25 board of commissioners may grant authority to the board of trustees
26 to fully administer and operate the plan and to deposit, invest,
27 and reinvest the funds and reserves of the plan within the
28 limitations prescribed by the county board of commissioners in the
29 plan. The county board of commissioners may authorize the



1 investment of funds of a county retirement plan established under
2 this section in anything in which the funds of the state employees'
3 retirement system or the funds of the municipal employees
4 retirement system may be invested, under the state employees'
5 retirement act, 1943 PA 240, MCL 38.1 to 38.69, and the municipal
6 employees retirement act of 1984, 1984 PA 427, MCL 38.1501 to
7 38.1555. A county retirement plan established under this section
8 may provide for financing, funding, and the payment of benefits in
9 the same manner and to the same extent as is provided for in the
10 state employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69,
11 and the municipal employees retirement act of 1984, 1984 PA 427,
12 MCL 38.1501 to 38.1555, may provide for and require contributions
13 by county employees, and may permit additional employee
14 contributions on a voluntary basis.

15 (13) On the approval of the county board of commissioners, a
16 member who entered the Armed Service of the United States before
17 June 1, 1980 or who entered the Armed Service of the United States
18 after May 31, 1980 during a time of war or emergency condition as
19 described in section 1 of 1965 PA 190, MCL 35.61, as that section
20 read on September 19, 2016, may elect to receive credited service
21 for not more than 5 years of active military service. Credit for
22 military service must be given on request and payment to the
23 retirement system of an amount equal to 5% of the member's full-
24 time or equated full-time annual compensation for the year in which
25 payment is made multiplied by the number of years, and fraction of
26 a year, of credited service that the member elects to purchase up
27 to the maximum. Service must not be credited if the service is or
28 would be credited under any other federal, state, or local publicly
29 supported retirement system, except for service that is or would be



1 credited under the federal government for services in the reserve.
2 Service must not be credited under this subsection until the member
3 has the number of years of credited service needed to vest under
4 the plan. Only completed years and months of armed service may be
5 credited under this subsection.

6 (14) A member who enters or entered any Armed Service of the
7 United States may purchase credited service for periods of
8 continuous active duty lasting 30 days or more, subject to the
9 following conditions:

10 (a) The county board of commissioners authorizes the purchase
11 of credited service under this subsection by an affirmative vote of
12 a majority of the members of the county board of commissioners. The
13 county board of commissioners shall establish a written policy to
14 implement this subsection to provide uniform application of this
15 subsection to all members of the plan.

16 (b) The member has at least the number of years of credited
17 service needed to vest under the plan, not including any credited
18 service purchased under this subsection and subsection (13).

19 (c) The member pays the plan 5% of the member's annual
20 compensation multiplied by the period of credited service being
21 purchased. As used in this subdivision, "annual compensation" means
22 the aggregate amount of compensation paid the member during the 4
23 most recent calendar quarters for each of which the member was
24 credited 3/12 of a year of credited service.

25 (d) Fractional months of armed service is not recognized for
26 the purposes of this subsection.

27 (e) Armed service credited a member under subsection (13) is
28 not the basis of credited service under this section.

29 (f) Armed service credited a member under this subsection does



1 not exceed either 5 years or the difference between 5 years and the
2 armed service credited the member under subsection (13).

3 (g) Credited service is not granted for periods of armed
4 service that are or could be used for obtaining or increasing a
5 benefit from another retirement system, except for service that is
6 or would be credited under the federal government for services in
7 the reserve.

8 (15) As used in this subsection, "transitional public
9 employment program" means a public service employment program in
10 the area of environmental quality, health care, education, public
11 safety, crime prevention and control, prison rehabilitation,
12 transportation, recreation, maintenance of parks, streets, and
13 other public facilities, solid waste removal, pollution control,
14 housing and neighborhood improvements, rural development,
15 conservation, beautification, veterans' outreach, or any other area
16 of human betterment and community improvement as part of a program
17 of comprehensive manpower services authorized, undertaken, and
18 financed under the former comprehensive employment and training act
19 of 1973, Public Law 93-203. A person participating in a
20 transitional public employment program is not eligible for
21 membership in a retirement system or pension plan established under
22 this section. If the person later becomes a member of a retirement
23 system or pension plan established under this section within 12
24 months after the date of termination as a participant in a
25 transitional public employment program, service credit must be
26 given for employment in the transitional public employment program
27 for purposes of determining a retirement allowance on the payment
28 by the person and the person's employer under the transitional
29 public employment program from money provided under the former



1 comprehensive employment and training act of 1973, Public Law 93-
2 203, as money permits, to the retirement system of the
3 contributions, plus regular interest, the person and the employer
4 would have paid had the employment been rendered in a position
5 covered by this section. During the person's employment in the
6 transitional public employment program, the person's employer shall
7 provide an opportunity by payroll deduction for the person to make
8 his or her employee contribution to the applicable pension system.
9 To provide for the eventual payment of the employer's contribution,
10 the person's employer shall during this same period place in
11 reserve a reasonable but not necessarily an actuarially determined
12 amount equal to the contributions that the employer would have paid
13 to the retirement system for those employees in the transitional
14 public employment program as if they were members under this
15 section, but only for the number of employees that the employer
16 determined would transfer from the transitional public employment
17 program into positions covered by this section. If the money
18 provided under the former comprehensive employment and training act
19 of 1973, Public Law 93-203, is insufficient, the person's current
20 employer shall pay the remainder of the employer contributions.

21 (16) Subsection (15) does not exclude the participant in a
22 transitional public employment program from the accident,
23 disability, or other benefits available to members of a retirement
24 system covered by this section.

25 (17) If a probate judge who is a member of a plan established
26 under this section contributes for 20 years or more, the county
27 board of commissioners may allow the probate judge to cease further
28 contributions.

29 (18) An employee of the circuit court in the third judicial



1 circuit, the common pleas court of the city of Detroit, or the
2 recorder's court of the city of Detroit who became an employee of
3 the state judicial council on September 1, 1981, and who was 44
4 years of age or older as of that date, and who will have
5 accumulated 25 or more years of service credit by September 1,
6 1987, continues to be eligible for membership in, and the benefits
7 of, a pension or retirement benefit plan established under this
8 section in the same manner as the employee was eligible before
9 September 1, 1981. A person who was an employee of the circuit
10 court in the third judicial circuit, the common pleas court of the
11 city of Detroit, or the recorder's court of the city of Detroit on
12 August 31, 1981, who last entered county employment before November
13 2, 1956, who became an employee of the state judicial council on
14 September 1, 1981, and who accumulated not less than 24 years of
15 service credit by August 31, 1981, continues to be eligible for
16 membership in, and the benefits of, a pension or retirement benefit
17 plan established under this section in the same manner as the
18 employee was eligible before September 1, 1981. An election to
19 continue to be a member of a pension or retirement benefit plan
20 established under this section as authorized by section 594(2) of
21 the revised judicature act of 1961, 1961 PA 236, MCL 600.594, as
22 that section read on February 8, 1985, or section 36(2) of former
23 1919 PA 369, is not effective unless the employee has made the
24 election in the manner prescribed by those sections and has made
25 the payments required by those sections.

26 (19) A plan adopted under this section may provide that an
27 employee of the circuit court in the third judicial circuit, the
28 common pleas court of the city of Detroit, or the recorder's court
29 of the city of Detroit who is a member of the Wayne County



1 employees' retirement system on August 31, 1981, who becomes an
2 employee of the state judicial council and a member of the state
3 employees' retirement system on September 1, 1981, receive a
4 benefit based on the annual average of the highest actual
5 compensation received by the employee during a period of 5 years of
6 county or state service.

7 (20) Beginning September 1, 1981, for determining the
8 retirement benefit for a county employee who is a judge of a
9 municipal court of record under subsection (2), "average final
10 compensation" means the annual average of the highest actual
11 compensation received by the judge as additional salary under
12 section 13(2) of former 1919 PA 369, or section 9932(3) of the
13 revised judicature act of 1961, 1961 PA 236, MCL 600.9932, during a
14 period of 5 years of service as specified in the plan. This
15 subsection must not be construed to diminish or impair an accrued
16 financial benefit.

17 (21) Beginning September 1, 1981, for each county employee who
18 is a judge of a municipal court of record, or of the circuit or
19 district court, the sum of the average final compensation
20 determined for that county employee under this section and the
21 final salary determined for that county employee as a member of the
22 state of Michigan judges' retirement system created by former 1951
23 PA 198, or as a member of the Michigan judges retirement system
24 created by the judges retirement act of 1992, 1992 PA 234, MCL
25 38.2101 to 38.2670, must not exceed the employee's total annual
26 judicial salary payable from all sources at the time of his or her
27 retirement. This subsection must not be construed to diminish or
28 impair an accrued financial benefit.

29 (22) Beginning September 1, 1981, for a county employee who is



1 a judge of the probate court, the sum of the average final
2 compensation calculated for the employee under this section and the
3 final salary calculated for the employee as a member of the state
4 of Michigan probate judges retirement system created by former 1954
5 PA 165 or as a member of the Michigan judges retirement system
6 created by the judges retirement act of 1992, 1992 PA 234, MCL
7 38.2101 to 38.2670, must not exceed the employee's total annual
8 judicial salary payable from all sources at the time of his or her
9 retirement. This subsection must not be construed to diminish or
10 impair an accrued financial benefit.

11 (23) Beginning September 1, 1981, for determining a retirement
12 benefit under subsection (2) for a county employee who is a judge
13 who receives an annuity under section 14(5) of former 1951 PA 198
14 or under section 503(2)(c) of the judges retirement act of 1992,
15 1992 PA 234, MCL 38.2503, "average final compensation" means the
16 difference between the judge's total annual salary payable from all
17 sources on August 31, 1981, and the judge's state base salary
18 payable on August 31, 1981. This subsection must not be construed
19 to diminish or impair an accrued financial benefit.

20 (24) Beginning January 1, 1983, the sum of the final salary
21 determined for a county employee who is a judge of the probate
22 court used as the basis for determining the judge's retirement
23 allowance as a member of a retirement system established under this
24 section and the salary or compensation figure used as the basis for
25 determining the judge's retirement allowance as a member of the
26 state of Michigan judges' retirement system created by former 1951
27 PA 198 or as a member of the Michigan judges retirement system
28 created by the judges retirement act of 1992, 1992 PA 234, MCL
29 38.2101 to 38.2670, must not exceed the judge's total annual salary



1 payable from all sources at the time of his or her retirement. This
2 subsection must not be construed to diminish or impair an accrued
3 financial benefit.

4 (25) The county board of commissioners, on the request of a
5 county employee, by not less than a 3/5 vote may credit the county
6 employee with the amount of membership service that the county
7 employee was previously credited with by the retirement system
8 established under this section under the following conditions:

9 (a) The membership service previously credited to the county
10 employee was service rendered for the same county.

11 (b) Service that is recognized for the purpose of a deferred
12 retirement allowance under a retirement system or other employer-
13 funded retirement benefit plan, except for a retirement benefit
14 plan under the social security act, chapter 531, 49 Stat. 620, of
15 the United States government, a state, or a political subdivision
16 of a state is not credited if the county employee retired under a
17 retirement system of the United States government, a state, or any
18 of their political subdivisions or until the county employee
19 irrevocably forfeits the right to the deferred retirement
20 allowance.

21 (c) The county employee deposits in the plan established under
22 this section an amount equal to the aggregate amount of
23 contributions the county employee made at the time of the previous
24 membership service plus interest from the date of withdrawal of the
25 accumulated contributions to the date of deposit, at rates
26 determined by the county board of commissioners. If records are
27 insufficient or unavailable to compute the exact amount of required
28 deposit, the county board of commissioners may estimate the amount.

29 (d) The county employee deposits in the county employees'



1 retirement system an amount equal to the aggregate amount of
2 contributions the employer made at the time of the previous
3 membership service plus interest from the date of separation to the
4 date of deposit, at rates determined by the county board of
5 commissioners.

6 (26) A person participating in a program described in this
7 subsection is not eligible for membership in a retirement system or
8 pension plan established under this section. In addition, the
9 person must not receive service credit for the employment described
10 in this subsection even though the person subsequently becomes or
11 has been a member of the retirement system. This subsection applies
12 to all of the following:

13 (a) A person, not regularly employed by the county, who is
14 employed by the county through participation in a program
15 established pursuant to the job training partnership act, Public
16 Law 97-300, 96 Stat. 1322.

17 (b) A person, not regularly employed by the county, who is
18 employed by the county through participation in a program
19 established under the Michigan opportunity and skills training
20 program, first established under sections 12 to 23 of former 1983
21 PA 259.

22 (c) A person, not regularly employed by the county, who is
23 employed by the county through participation in a program
24 established under the Michigan community service corps program,
25 first established under sections 25 to 35 of former 1983 PA 259 and
26 sections 148 to 160 of former 1984 PA 246.

27 (d) A person, not regularly employed by the county, who is
28 hired by the county to administer a program described in
29 subdivision (a), (b), or (c).



1 (27) If a county enters into a collective bargaining agreement
2 under 1947 PA 336, MCL 423.201 to 423.217, that provides for
3 retirement benefits that are in excess of the retirement benefits
4 otherwise authorized under this section for employees of the county
5 who are covered by a plan under this section, the county board of
6 commissioners may amend or adopt a plan under this section to
7 provide those benefits to employees who are members of the
8 bargaining unit covered by the agreement, and may, after December
9 31, 1987, amend or adopt a plan under this section to provide those
10 benefits to other employees of the county.

11 (28) One of the following conditions applies to a retirant who
12 is receiving a pension or retirement benefit from a plan under this
13 section if the retirant becomes employed by a county that has
14 established a plan under this section:

15 (a) Payment of the pension or retirement benefit to the
16 retirant must be suspended if the retirant is employed by the
17 county from which the retirant retired and the retirant does not
18 meet the requirements of subdivision (b) or (d). Suspension of the
19 payment of the pension or retirement benefit is effective the first
20 day of the calendar month that follows the sixtieth day after the
21 retirant is employed by the county. Payment of the pension or
22 retirement benefit must resume on the first day of the calendar
23 month that follows termination of the employment. Payment of the
24 pension or retirement benefit must resume without change in amount
25 or conditions by reason of the employment. The retirant must not be
26 a member of the plan during the period of employment.

27 (b) Payment of the pension or retirement benefit to the
28 retirant continues without change in amount or conditions by reason
29 of employment by the county from which the retirant retired if all



1 of the following requirements are met:

2 (i) The retirant meets 1 of the following requirements:

3 (A) For ~~any a~~ retirant, is employed by the county ~~for not more~~
4 ~~than 1,000 hours in any 12-month period.~~ **sheriff's office.**

5 (B) For a retirant who was not an elected or appointed county
6 official at retirement, is elected or appointed as a county
7 official for a term of office that begins after the retirant's
8 retirement allowance effective date.

9 (C) For a retirant who was an elected or appointed county
10 official at retirement, is elected or appointed as a county
11 official to a different office from which the retirant retired for
12 a term of office that begins after the retirant's retirement
13 allowance effective date.

14 (D) For a retirant who was an elected or appointed county
15 official at retirement, is elected or appointed as a county
16 official to the same office from which the retirant retired for a
17 term of office that begins 2 years or more after the retirant's
18 retirement allowance effective date.

19 (ii) The retirant is not eligible for any benefits from the
20 county other than those required by law or otherwise provided to
21 the retirant because of his or her being a retirant.

22 (iii) The retirant is not a member of the plan during the period
23 of reemployment, does not receive additional retirement credits
24 during the period of reemployment, and does not receive an increase
25 in pension or retirement benefits because of the employment under
26 this subdivision.

27 (c) Payment of the pension or retirement benefit to the
28 retirant continues without change in amount or conditions by reason
29 of the employment if the retirant becomes employed by a county



1 other than the county from which the retirant retired. For the
2 purposes of membership and potential benefit entitlement under the
3 plan of the other county, the retirant is considered in the same
4 manner as an individual with no previous record of employment by
5 that county.

6 (d) Payment of the pension or retirement benefit to the
7 retirant continues without change in amount or conditions by reason
8 of employment by the county from which the retirant retired if the
9 retirant was an employee of the state judicial council on September
10 30, 1996, and becomes a county-paid employee of the recorder's
11 court of the city of Detroit or the third judicial circuit of the
12 circuit court on October 1, 1996.

13 (29) A county may increase the percentage of the highest
14 average monthly compensation or earnings that was used to calculate
15 the pension or retirement benefit under subsection (1)(b) of an
16 individual receiving a pension or retirement benefit under this
17 section on the date the county increases the percentage of
18 compensation or earnings. The county shall recalculate the pension
19 or retirement benefit using the increased percentage of
20 compensation or earnings. The person receiving the pension or
21 retirement benefit is eligible to receive an adjusted pension or
22 retirement benefit based on the recalculation effective the first
23 day of the month following the date the county increases the
24 percentage of compensation or earnings under this subsection.

25 (30) The payment of pension or retirement benefits under a
26 plan established under this section is subject to an eligible
27 domestic relations order under the eligible domestic relations
28 order act, 1991 PA 46, MCL 38.1701 to 38.1711.

29 (31) If a county retirement plan established under this



1 section provides an optional form of payment of a retirement
2 allowance and if a retirant receiving a reduced retirement
3 allowance under that plan is divorced from the spouse who had been
4 named the retirant's survivor beneficiary, the election of a
5 reduced retirement allowance form of payment must be considered
6 void by the retirement system if the judgment of divorce or award
7 or order of the court, or an amended judgment of divorce or award
8 or order of the court dated after July 18, 1991 provides that the
9 election of a reduced retirement allowance form of payment is to be
10 considered void by the retirement system and the retirant provides
11 a certified copy of the judgment of divorce or award or order of
12 the court, or an amended judgment of divorce or award or order of
13 the court, to the retirement system. If the election of a reduced
14 retirement allowance form of payment is considered void by the
15 retirement system under this subsection, the retirant's retirement
16 allowance must revert to a straight life retirement allowance,
17 including postretirement adjustments, if any, subject to an award
18 or order of the court. The retirement allowance must revert to a
19 straight life retirement allowance under this subsection effective
20 the first of the month after the date the retirement system
21 receives a certified copy of the judgment of divorce or award or
22 order of the court. This subsection does not supersede a judgment
23 of divorce or award or order of the court in effect on July 18,
24 1991. This subsection does not require the retirement system to
25 distribute or pay retirement assets on behalf of a retirant in an
26 amount that exceeds the actuarially determined amount that would
27 otherwise become payable if a judgment of divorce had not been
28 rendered.

29 (32) If a county board of commissioners of a county that has a



1 population of more than 400,000 but less than 800,000 has an
2 employee credit union organized under the credit union act, 2003 PA
3 215, MCL 490.101 to 490.601, or former 1925 PA 285, the county
4 board of commissioners may include as a member of a plan under this
5 section a past or present employee of the credit union, if that
6 past or present employee has 5 or more years of service credit with
7 that credit union on or before June 30, 1990.

8 (33) The county board of commissioners shall establish a
9 written policy to implement ~~the provisions of~~ this section to
10 provide uniform application of this section to all members of the
11 plan.

12 (34) Notwithstanding anything in this act to the contrary, a
13 pension or retirement benefit under this section is subject to the
14 protecting local government retirement and benefits act, **2017 PA**
15 **202, MCL 38.2801 to 38.2812.**

