

**STATE OF MICHIGAN  
102ND LEGISLATURE  
REGULAR SESSION OF 2024**

Introduced by Reps. Wilson, Breen, Edwards, Dievendorf, Hope, Tsernoglou, Andrews,  
Rheingans and Rogers

## ENROLLED HOUSE BILL No. 5328

AN ACT to amend 1992 PA 234, entitled “An act to establish a judges retirement system; to provide for the administration and maintenance of the retirement system; to create a retirement board; to prescribe the powers and duties of the retirement board; to establish certain reserves for the retirement system; to establish certain funds; to prescribe the powers and duties of certain state departments and certain state and local officials and employees; to provide for certain disqualifications; to prescribe penalties and provide remedies; and to repeal acts and parts of acts,” by amending section 714 (MCL 38.2664), as amended by 2002 PA 95.

*The People of the State of Michigan enact:*

Sec. 714. (1) This section is subject to the vesting requirements of section 715.


(2) A qualified participant’s employer shall contribute to the qualified participant’s account in Tier 2 an amount equal to 4% of the qualified participant’s salary.

(3) Except as otherwise provided in this subsection, a qualified participant may periodically elect to contribute up to 3% of his or her salary to his or her Tier 2 account. Beginning April 10, 2025, a qualified participant may periodically elect to contribute up to 5% of his or her salary to his or her Tier 2 account. The qualified participant’s employer shall make an additional contribution to the qualified participant’s Tier 2 account in an amount equal to the contribution made by the qualified participant under this subsection.

(4) A qualified participant may make contributions in addition to contributions made under subsection (3) to the qualified participant’s Tier 2 account as permitted by the state treasurer and the internal revenue code. The qualified participant’s employer shall not match contributions made by the qualified participant under this subsection.

(5) A qualified participant who makes a written election under section 701a may elect to contribute up to 6% of his or her salary to his or her Tier 2 account. In lieu of employer contributions under subsection (3), the qualified participant’s employer shall make an additional contribution to the qualified participant’s Tier 2 account in an amount equal to the contribution made by the qualified participant under this subsection. This subsection applies for a period as determined by the department that equals the time in which a Tier 1 member was not able to make contributions to the Tier 2 plan because of the temporary restraining order issued in the case of *Michigan Judges Assn v Treasurer of Michigan*, opinion of the United States District Court for the Eastern District of Michigan (Case No. 98-DT-72771-CV).

(6) Beginning January 1, 2002, a qualified participant who is a plan 1 member or a plan 2 member, on taking office and while he or she remains in office, shall contribute 2.0% of the qualified participant's compensation to the retirement system. The retirement system shall deposit the contribution under this subsection into the reserve for health benefits for hospital and medical-surgical and sick care benefits as provided in section 719.



Clerk of the House of Representatives



Secretary of the Senate

Approved \_\_\_\_\_

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Governor