

SENATE BILL NO. 167

March 09, 2023, Introduced by Senators SHINK, CHERRY, MCDONALD RIVET, WOJNO, MCMORROW, IRWIN and CHANG and referred to the Committee on Labor.

A bill to amend 1986 PA 182, entitled
"State police retirement act of 1986,"
(MCL 38.1601 to 38.1674) by adding sections 24c, 24d, and 24e.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 24c. (1) Subject to subsection (5), the retirement system
2 shall grant service under this act for service rendered under the
3 state employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69, to

1 a member described in section 4(1)(b) if the member pays to the
2 retirement system an amount equal to the actuarial value of the
3 service as determined by the retirement system's actuary.

4 (2) Service under the state employees' retirement act, 1943 PA
5 240, MCL 38.1 to 38.69, is not creditable toward retirement under
6 this act if the member is or will be receiving a retirement
7 allowance for the same service from another retirement system.

8 (3) A member described in subsection (1) is not required to do
9 either of the following:

10 (a) Purchase any service credit under this section for service
11 rendered under the state employees' retirement act, 1943 PA 240,
12 MCL 38.1 to 38.69.

13 (b) If the member does purchase service credit under this
14 section for service rendered under the state employees' retirement
15 act, 1943 PA 240, MCL 38.1 to 38.69, purchase all of the service
16 rendered under the state employees' retirement act, 1943 PA 240,
17 MCL 38.1 to 38.69.

18 (4) After May 31, 2025 at 5 p.m. Eastern Daylight Saving Time,
19 a member is not eligible to initiate service credit purchase under
20 this section. A member has 5 years after the date of initiating
21 service credit purchase under this section to complete payment. If
22 a member does not complete purchasing service credit within 5 years
23 after the date of initiating the purchase, the member will not be
24 granted service credit under this section. A member may purchase
25 service under this section in 1 or more of the following manners:

26 (a) Tax-deferred payments, in a form and manner as determined
27 by the retirement system.

28 (b) Additional payments, in a form and manner as determined by
29 the retirement system.

1 (5) The retirement system shall establish a method to
2 implement the payments under subsection (4).

3 (6) For purposes of vesting under section 42b, a member is
4 granted service under this act for service rendered under the state
5 employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69, even if
6 the member did not purchase service under this section.

7 Sec. 24d. (1) Subject to subsection (5), the retirement system
8 shall grant service under this act for service rendered under the
9 state employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69, to
10 a member described in section 4(1)(d) if the member pays to the
11 retirement system an amount equal to the actuarial value of the
12 service as determined by the retirement system's actuary.

13 (2) Service under the state employees' retirement act, 1943 PA
14 240, MCL 38.1 to 38.69, is not creditable toward retirement under
15 this act if the member is or will be receiving a retirement
16 allowance for the same service from another retirement system.

17 (3) A member described in subsection (1) is not required to do
18 either of the following:

19 (a) Purchase any service credit under this section for service
20 rendered under the state employees' retirement act, 1943 PA 240,
21 MCL 38.1 to 38.69.

22 (b) If the member does purchase service credit under this
23 section for service rendered under the state employees' retirement
24 act, 1943 PA 240, MCL 38.1 to 38.69, purchase all of the service
25 rendered under the state employees' retirement act, 1943 PA 240,
26 MCL 38.1 to 38.69.

27 (4) After May 31, 2025 at 5 p.m. Eastern Daylight Saving Time,
28 a member is not eligible to initiate service credit purchase under
29 this section. A member has 5 years after the date of initiating

1 service credit purchase under this section to complete payment. If
2 a member does not complete purchasing service credit within 5 years
3 after the date of initiating the purchase, the member will not be
4 granted service credit under this section. A member may purchase
5 service under this section in 1 or more of the following manners:

6 (a) Tax-deferred payments, in a form and manner as determined
7 by the retirement system.

8 (b) Additional payments, in a form and manner as determined by
9 the retirement system.

10 (5) The retirement system shall establish a method to
11 implement the payments under subsection (4).

12 (6) For purposes of vesting under section 42b, a member is
13 granted service under this act for service rendered under the state
14 employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69, even if
15 the member did not purchase service under this section.

16 Sec. 24e. (1) Subject to subsection (5), the retirement system
17 shall grant service under this act for service rendered under the
18 state employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69, to
19 a member described in section 4(1)(f) if the member pays to the
20 retirement system an amount equal to the actuarial value of the
21 service as determined by the retirement system's actuary.

22 (2) Service under the state employees' retirement act, 1943 PA
23 240, MCL 38.1 to 38.69, is not creditable toward retirement under
24 this act if the member is or will be receiving a retirement
25 allowance for the same service from another retirement system.

26 (3) A member described in subsection (1) is not required to do
27 either of the following:

28 (a) Purchase any service credit under this section for service
29 rendered under the state employees' retirement act, 1943 PA 240,

1 MCL 38.1 to 38.69.

2 (b) If the member does purchase service credit under this
3 section for service rendered under the state employees' retirement
4 act, 1943 PA 240, MCL 38.1 to 38.69, purchase all of the service
5 rendered under the state employees' retirement act, 1943 PA 240,
6 MCL 38.1 to 38.69.

7 (4) After May 31, 2025 at 5 p.m. Eastern Daylight Saving Time,
8 a member is not eligible to initiate service credit purchase under
9 this section. A member has 5 years after the date of initiating
10 service credit purchase under this section to complete payment. If
11 a member does not complete purchasing service credit within 5 years
12 after the date of initiating the purchase, the member will not be
13 granted service credit under this section. A member may purchase
14 service under this section in 1 or more of the following manners:

15 (a) Tax-deferred payments, in a form and manner as determined
16 by the retirement system.

17 (b) Additional payments, in a form and manner as determined by
18 the retirement system.

19 (5) The retirement system shall establish a method to
20 implement the payments under subsection (4).

21 (6) For purposes of vesting under section 42b, a member is
22 granted service under this act for service rendered under the state
23 employees' retirement act, 1943 PA 240, MCL 38.1 to 38.69, even if
24 the member did not purchase service under this section.

25 Enacting section 1. This amendatory act does not take effect
26 unless all of the following bills of the 102nd Legislature are
27 enacted into law:

28 (a) Senate Bill No. 166.

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1 (b) Senate Bill No. 165.
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