



Senate Fiscal Agency
P.O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 314 (as reported without amendment)
Sponsor: Senator Kevin Hertel
Committee: Local Government

CONTENT

The bill would amend Public Act 156 of 1851, which governs county boards of commissioners and allows counties to create retirement plans for their employees, to delete the cap of 1,000 hours per 12-month period that a reemployed county retiree may work with the county and continue to collect retirement benefits. The bill also specifies that employment in the county sheriff's office would be considered work with the county under this provision.

MCL 46.12a

BRIEF RATIONALE

According to testimony, counties across Michigan are experiencing a law enforcement staffing shortage that pressures current personnel to work a lot of overtime. In response, these counties have recruited their retirees to return to the force; however, retirees in some of these counties may not work more than 1,000 hours per year to continue to receive their retirement benefits. The bill would remove the cap of 1,000 hours per year, which would help the 13 counties in Michigan with independent retirement boards maintain an adequate law enforcement workforce during the current staffing shortage.

PREVIOUS LEGISLATION

(This section does not provide a comprehensive account of previous legislative efforts on this subject matter.)

The bill is a reintroduction of House Bill 5203 of the 2023-2024 Legislative Session. House Bill 5203 passed the House and the Senate but received no further action.

Legislative Analyst: Alex Krabill

FISCAL IMPACT

The bill would have a negative fiscal impact on local governmental units and no fiscal impact on the State. The bill would allow certain employees the ability to retire and continue working, thus allowing the employees to gain retirement benefits and still be employed. This type of action would increase the unfunded liabilities for the government. The amount of increased costs is indeterminate as it would depend on how many employees of a county sheriff's office took advantage of this.

Date Completed: 10-22-25

Fiscal Analyst: Bobby Canell