HOUSE BILL No. 5436

November 30, 1995, Introduced by Reps. DeHart, Kelly, Prusi, Pitoniak, Scott, Profit and Hanley and referred to the Committee on Appropriations.

A bill to amend section 81 of Act No. 300 of the Public Acts

of 1980, entitled

"The public school employees retirement act of 1979,"

as amended by Act No. 194 of the Public Acts of 1989, being sec-

tion 38.1381 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1   Section 1.   Section 81 of Act No. 300 of the Public Acts of

2 1980, as amended by Act No. 194 of the Public Acts of 1989, being

3 section 38.1381 of the Michigan Compiled Laws, is amended to read

4 as follows:

5   Sec. 81.   (1) A member who no longer is working as a public

6 school employee or in any other capacity for which service credit

7 performed in this state is allowed under this act, upon the

8 member's written application to the retirement system, shall be

1 entitled to a retirement allowance provided for in section 84 if

2 1 of the following applies:

3   (a) The member is 55 years of age or older and has 30 or

4 more years of credited service as provided under this act of

5 which at least 15 years were served as a public school employee.

6   (b) The member is 60 years of age or older and has accumu-

7 lated 10 or more years of credited service as a public school

8 employee.

9   (c) The member is 55 years of age or older and has 15 or

10 more years of credited service —— but less than 30 years of

11 credited service of which the last 5 consecutive years are imme-

12 diately preceding the member's retirement allowance effective

13 date.

14   (D) THE MEMBER HAS 25 OR MORE YEARS OF CREDITED SERVICE AS A

15 PUBLIC SCHOOL EMPLOYEE. THE REDUCTION PROVIDED FOR IN SECTION

16 84(2) DOES NOT APPLY TO A MEMBER WHO RETIRES PURSUANT TO THIS

17 SUBDIVISION.

18   (2) For a member who contributes to the member investment

19 plan, the eligibility requirements of subsection (1) shall be

20 modified as provided in section 43b.