

HOUSE BILL No. 5233

August 11, 2009, Introduced by Rep. Meadows and referred to the Committee on Labor.

A bill to amend 1943 PA 240, entitled
"State employees' retirement act,"
by amending section 68c (MCL 38.68c), as added by 2007 PA 95.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 68c. (1) Except as otherwise provided in this ~~subsection~~
2 **SECTION**, a retirant who is receiving a retirement allowance under
3 this act and is employed by this state beginning on or after ~~the~~
4 ~~effective date of this section~~ **OCTOBER 1, 2007** agrees to forfeit
5 his or her right to receive that retirement allowance during ~~this~~ **A**
6 **SUBSEQUENT** period of state employment. The retirement system shall
7 cease payment of the retirement allowance to a retirant described
8 in this subsection during this period of state employment and shall
9 reinstate payment of the retirement allowance without recalculation
10 when the period of state employment ceases. This subsection does

1 not apply to a retirant who is employed by this state on ~~the day~~
2 ~~before the effective date of this section~~ **SEPTEMBER 30, 2007** so
3 long as he or she remains in the position held by the retirant on
4 ~~the day before the effective date of this section~~ **SEPTEMBER 30,**
5 **2007.** As used in this subsection, "employed by this state" means
6 employed directly by this state as an employee or indirectly by
7 this state through a contractual arrangement with other parties.

8 **(2) SUBSECTION (1) DOES NOT APPLY TO A RETIRANT WHO IS**
9 **EMPLOYED, DIRECTLY OR INDIRECTLY, BY THIS STATE AND WHO SATISFIES**
10 **ALL OF THE FOLLOWING:**

11 **(A) THE RETIRANT HAS NOT BEEN EMPLOYED BY THIS STATE, DIRECTLY**
12 **OR INDIRECTLY, THROUGH A CONTRACTUAL ARRANGEMENT WITH OTHER PARTIES**
13 **FOR AT LEAST 3 YEARS.**

14 **(B) THE SUBSEQUENT EMPLOYMENT BY THIS STATE IS EMPLOYMENT**
15 **OTHER THAN EMPLOYMENT IN THE BRANCH OR DEPARTMENT OF THIS STATE**
16 **FROM WHICH THE RETIRANT RETIRED.**

17 **(C) ANY HOSPITALIZATION AND MEDICAL COVERAGE, DENTAL COVERAGE,**
18 **OR VISION COVERAGE PROVIDED TO THE RETIRANT WHILE EMPLOYED BY THIS**
19 **STATE ARE PROVIDED ONLY UNDER SECTION 20D.**

20 **(3) ~~(2)~~—A hospital, medical-surgical, and sick care benefits**
21 **plan, dental plan, vision plan, and hearing plan that covers**
22 **retirants, retirant allowance beneficiaries, former qualified**
23 **participants, and health benefit dependents under this act shall**
24 **contain a coordination of benefits provision that provides all of**
25 **the following:**

26 **(a) If the person covered under any of the plans is also**
27 **eligible for medicare, then the benefits under medicare shall be**

1 determined before the health insurance benefits under this act.

2 (b) If a person covered under any of the plans provided by
3 this act is also covered under another plan that contains a
4 coordination of benefits provision, the benefits shall be
5 coordinated as provided in the coordination of benefits act, 1984
6 PA 64, MCL 550.251 to 550.255.

7 (c) If the person covered under any of the plans provided by
8 this act is also covered under another plan that does not contain a
9 coordination of benefits provision, the benefits under the other
10 plan shall be determined before the benefits provided pursuant to
11 this act.