

MUNICIPAL EMPLOYEES RETIREMENT ACT OF 1984
Act 427 of 1984

AN ACT to provide for a retirement system for municipal and judicial employees; to create a retirement board and to prescribe its powers and duties; to prescribe the powers and duties of certain other state officers and agencies; and to repeal certain acts and parts of acts.

History: 1984, Act 427, Imd. Eff. Jan. 2, 1985;—Am. 1988, Act 500, Imd. Eff. Dec. 29, 1988.

The People of the State of Michigan enact:

38.1501 Short title.

Sec. 1. This act shall be known and may be cited as the "municipal employees retirement act of 1984".

History: 1984, Act 427, Imd. Eff. Jan. 2, 1985.

38.1502 Meanings of words and phrases.

Sec. 2. For the purposes of this act, the words and phrases defined in sections 2a to 2c have the meanings ascribed to them in those sections.

History: 1984, Act 427, Imd. Eff. Jan. 2, 1985.

38.1502a Definitions; C to J.

Sec. 2a. (1) "Certification date" means August 15, 1996.

(2) "Chief judge" means the chief judge of a judicial circuit court, a judicial district court, or a judicial probate court as provided in the revised judicature act of 1961, 1961 PA 236, MCL 600.101 to 600.9948.

(3) "Governing body" means the representative legislative body of a municipality, or the administrative board or commission of a public corporation or instrumentality that does not have a representative legislative body.

(4) "Judicial circuit court" means a judicial circuit of the circuit court as provided in section 11 of article VI of the state constitution of 1963.

(5) "Judicial district court" means a judicial district of the district court as provided in section 8101 of the revised judicature act of 1961, 1961 PA 236, MCL 600.8101.

- (a) A county, county road commission, city, village, or township.
- (b) A public corporation or instrumentality established by 1 or more counties, cities, villages, or townships.
- (c) A public corporation or instrumentality charged by law with the performance of a governmental function and whose jurisdiction is coextensive with 1 or more counties, cities, villages, or townships.
- (d) A political subdivision located in this state or located in this and another adjacent state of the United States, including, but not limited to, the entities named in subdivision (a), (b), or (c), or any combination of those units.
- (e) A political subdivision located in this state and a metropolitan government borough, or other political subdivision of the province of Ontario, an agency of the United States, or a similar entity of adjacent states of the United States and the province of Ontario.
- (f) A state university, community college, or junior college whose employees are not public school employees who are members under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1408.
- (g) Any municipal corporation as defined in section 1(a) of 1951 PA 35, MCL 124.1, or other governmental entity that is eligible to join the retirement system and participate in any program under this act, as determined by the retirement board.

History: 1984, Act 427, Imd. Eff. Jan. 2, 1985;—Am. 1988, Act 500, Imd. Eff. Dec. 29, 1988;—Am. 1989, Act 51, Imd. Eff. June 12, 1989;—Am. 1990, Act 99, Imd. Eff. June 7, 1990;—Am. 1992, Act 63, Imd. Eff. May 22, 1992;—Am. 1996, Act 220, Eff. Aug. 15, 1996;—Am. 2004, Act 490, Imd. Eff. Dec. 28, 2004.

Compiler's note: Section 4 of Act 220 of 1996, which amendatory act amended this section, provides:

"Section 4. (1) This amendatory act shall not take effect unless submitted to a vote of the official delegates who are certified as provided for in section 45 of the municipal employees retirement act of 1984, Act No. 427 of the Public Acts of 1984, being section 38.1545 of the Michigan Compiled Laws, and ratified by a 2/3 majority of the delegates actually voting on the question. The question of adoption of this amendatory act shall be submitted by certified mail to the delegates as certified to the most recent annual meeting of the municipal employees retirement system or, if no such delegates were certified or if previously certified delegates are no longer employed, then those delegates as certified by the participating municipality or participating court within 60 days after the enactment of this amendatory act. To be valid, each delegate's vote shall be received at the place designated by the retirement system no later than 75 days from

amendatory act. To be valid, each delegate's vote shall be received at the place designated by the retirement system no later than 75 days from the date of enactment of this amendatory act. The question shall be submitted in substantially the following form:

"Shall Act No. _____ of the Public Acts of 1996, entitled 'An act to amend the municipal employees retirement act of 1984', providing for the retirement system to become a public corporation be adopted?"

Yes _____

No _____".

(2) The retirement board of the municipal employees retirement system shall certify in writing the results of the voting on the question and file the certification with the secretary of state not later than the fifth business day following the tally of the votes. If a 2/3 majority of the delegates voting on the question approve the adoption of this amendatory act, the provisions of this amendatory act shall become effective on the date that is 10 calendar days after the filing of the certification with the secretary of state, which date shall be set forth in the filing and shall be known as the certification date."

The official tally of the vote on the question having occurred at the Special Meeting of the Board held on August 1, 1996, resulting in a determination that more than a two-thirds majority of the delegates voting on the question approved the adoption of Act 220 of 1996, a certification of the results of the voting was filed with the Secretary of State on August 5, 1996. The certification provided that the effective date of Act 220 of 1996 shall be August 15, 1996, which date shall be officially known as the "certification date."

38.1503-38.1510a Repealed. 1996, Act 220, Eff. Aug. 15, 1996.

Compiler's note: The repealed sections pertained to credited service.

38.1511 Repealed. 1986, Act 291, Imd. Eff. Dec. 22, 1986.

38.1512-38.1535 Repealed. 1996, Act 220, Eff. Aug. 15, 1996.

Compiler's note: The repealed sections pertained to benefit programs.

38.1536 Retirement board

other activities of the retirement system during the fiscal year. The retirement board shall furnish a copy of the annual report to the governor and a copy in print or electronic format to each house of the legislature, each participating municipality, and each participating court. The retirement board shall make the report available to all members on request. The report must also include a review of the actuarial valuation required under subdivision (d), if available.

(g) The retirement board shall appoint an attorney to be the legal advisor of the board and to represent the board in all proceedings.

(h) The retirement board shall appoint or employ custodians of the assets of the retirement system. The custodians shall perform all duties necessary and incidental to the custodial responsibility and make disbursements of authorized retirement system payments from the funds of the retirement system.

(i) The retirement board shall perform other functions that are required for the execution of this act.

(j) The retirement board shall establish the time and location of the meetings of the retirement board and the time and location of the annual meeting of the retirement system, consistent with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(3) Before August 15, 1996, the executive organization act of 1965, 1965 PA 380, MCL 16.101 to 16.608, and the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594, govern the administrative functions of the retirement system. However, any provision of law in actual conflict with 1996 PA 220 does not apply.

(4) After August 14, 1996, the retirement board consists of the following 9 members, each of whom, excepting the retiree member and the retirement board appointees, must be from a different county at the time of appointment:

(a) Two members appointed by the retirement board who have knowledge or experience in retirement systems, administration of retirement systems, or investment management or advisory services.

(b) One member who is a retiree of the system appointed by the board.

(c) Three members of the retirement system who are officers of participating municipalities or courts, who must be designated as officer board members.

(d) Three employee members of the retirement system who are not officers of a participating municipality or court, who must be designated as employee board members.

budget showing the amount required to pay the retirement system's expenses for the following fiscal year.

(d) Perform other duties as the retirement board delegates to the chief executive officer.

History: 1984, Act 427, Imd. Eff. Jan. 2, 1985;—Am. 1988, Act 500, Imd. Eff. Dec. 29, 1988;—Am. 1996, Act 220, Eff. Aug. 15, 1996;—Am. 2004, Act 490, Imd. Eff. Dec. 28, 2004;—Am. 2017, Act 213, Imd. Eff. Dec. 20, 2017.

Compiler's note: Section 4 of Act 220 of 1996, which amendatory act amended this section, provides:

"Section 4. (1) This amendatory act shall not take effect unless submitted to a vote of the official delegates who are certified as provided for in section 45 of the municipal employees retirement act of 1984, Act No. 427 of the Public Acts of 1984, being section 38.1545 of the Michigan Compiled Laws, and ratified by a 2/3 majority of the delegates actually voting on the question. The question of adoption of this amendatory act shall be submitted by certified mail to the delegates as certified to the most recent annual meeting of the municipal employees retirement system or, if no such delegates were certified or if previously certified delegates are no longer employed, then those delegates as certified by the participating municipality or participating court within 60 days after the enactment of this amendatory act. To be valid, each delegate's vote shall be received at the place designated by the retirement system no later than 75 days from the date of enactment of this amendatory act. The question shall be submitted in substantially the following form:

"Shall Act No. _____ of the Public Acts of 1996, entitled 'An act to amend the municipal employees retirement act of 1984', providing for the retirement system to become a public corporation be adopted?"

Yes _____
No _____".

(2) The retirement board of the municipal employees retirement system shall certify in writing the results of the voting on the question and file the certification with the secretary of state not later than the fifth business day following the tally of the votes. If a 2/3 majority of the delegates voting on the question approve the adoption of this amendatory act, the provisions of this amendatory act shall become effective on the date that is 10 calendar days after the filing of the certification with the secretary of state, which date shall be set forth in

notice of meeting; certification of delegates; conduct of election; nominating procedures; referendum.

Sec. 45. (1) The retirement board shall call an annual meeting of the retirement system for the purpose of selecting members of the retirement board and the transaction of such other business as the retirement board determines. Notice of the annual meeting shall be sent to each participating municipality and participating court, by registered mail, at least 30 days before the date of the meeting. Notice of the annual meeting shall be sent to each retiree at least 30 days before the date of the meeting.

(2) The governing body of each participating municipality shall certify the names of 2 delegates to the annual meeting. One delegate shall be a member who is an officer of the participating municipality, selected by the governing body of the participating municipality. The other delegate shall be a member who is not an officer of the participating municipality, elected by the member employees of the participating municipality. The election shall be by secret ballot and shall be conducted by an officer of the participating municipality. The election shall be conducted in a manner that affords each member employee an opportunity to vote.

(3) The chief judge of each participating court shall certify the names of 2 delegates to the annual meeting. One delegate shall be a member who is an officer of the participating court, selected by the chief judge of the participating court. The other delegate shall be a member who is not an officer of the participating court, elected by the member employees of the participating court. The election shall be by secret ballot and shall be conducted by an officer of the participating court. The election shall be conducted in a manner that affords each member employee an opportunity to vote.

(4) The nomination of candidates for election to the retirement board shall be made pursuant to procedures established by the retirement board and adopted by the delegates to an annual meeting of the retirement system. A nomination for the position of officer board member shall be made by a member who is an officer of a participating municipality or of a participating court. A nomination for the position of employee board member shall be made by a member who is not an officer of a participating municipality or of a participating court.

(5) The retirement board shall hold a referendum of the assembled delegates to elect members of the retirement board. The referendum shall be conducted pursuant to procedures established by the retirement board and adopted by the delegates to an annual meeting of the retirement system. An individual elected to the retirement board shall become a member of the retirement board on the January 1 immediately following the referendum.

History: 1984, Act 427, Imd. Eff. Jan. 2, 1985;—Am. 1988, Act 500, Imd. Eff. Dec. 29, 1988;—Am. 1996, Act 220, Eff. Aug. 15, 1996.

Compiler's note: Section 4 of Act 220 of 1996, which amendatory act amended this section, provides:

“Section 4. (1) This amendatory act shall not take

38.1556 Repealed. 1996, Act 220, Eff. Aug. 15, 1996.

Compiler's note: The repealed section pertained to retirement system as qualified pension plan and trust as exempt organization.

38.1557 Repealed. 1993, Act 63, Eff. May 23, 1993.

Compiler's note: The repealed section pertained to a municipality participating in the retirement system.

38.1558 Repealed. 1996, Act 220, Eff. Aug. 15, 1996.

Compiler's note: The repealed section pertained to recognition of prior service credit.

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