

SENATE BILL No. 693

November 30, 2017, Introduced by Senators ROBERTSON, STAMAS and MARLEAU and referred to the Committee on Michigan Competitiveness.

A bill to amend 1927 PA 339, entitled

"An act to authorize the establishment of a system of retiring allowances for employes of public libraries now existing or which may hereafter be established in incorporated cities of 250,000 population or more,"

by amending section 2 (MCL 38.702).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. (1) ~~It shall be the duty of said~~ A library board when
2 ~~it~~ DESCRIBED IN SECTION 1 THAT desires to establish a RETIREMENT
3 system ~~of retiring allowances, to~~ SHALL apply to the local
4 legislative body and ~~to submit to said~~ THE local legislative body
5 for its approval and adoption a detailed plan for ~~such~~ THE
6 RETIREMENT system, which ~~shall~~ MUST be based ~~upon~~ ON the following
7 provisions and conditions:

1 (a) It ~~shall~~**MUST** enumerate the classes of ~~employees~~**EMPLOYEES**
2 to be included in ~~said~~**THE RETIREMENT** system. +

3 (b) It ~~shall~~**SUBJECT TO SUBSECTION (2), IT MUST** fix the amount
4 of the annual ~~retiring~~**RETIREMENT** allowance, the number of years of
5 service necessary to entitle an ~~employee~~**EMPLOYEE** to a ~~retiring~~
6 **RETIREMENT** allowance, the age at which an ~~employee~~**EMPLOYEE** may be
7 retired, the nature and extent of the physical or mental disability
8 ~~which shall entitle~~**THAT ENTITLES** an ~~employee~~**EMPLOYEE** to retire
9 before reaching the age of retirement, and the conditions ~~upon~~**ON**
10 which the age of retirement may be anticipated. +

11 (c) It ~~shall~~**MUST** provide for a body to be known as the
12 ~~retiring~~**RETIREMENT** fund trustees, which ~~shall~~**MUST** consist of 5
13 members. Two members ~~shall~~**MUST** be elected by the staff; 2 members
14 ~~shall~~**MUST** be appointed by ~~said~~**THE** local legislative body; and the
15 terms of office of ~~said~~**THE** members ~~shall~~**MUST** be 4 years, except
16 that when the **RETIREMENT** system is first put into effect, the terms
17 of office ~~shall~~**MUST** be ~~so~~ fixed **SO** that ~~but~~ 1 member's term ~~shall~~
18 ~~expire~~**EXPIRES** each year. The fifth member ~~shall~~**MUST** be, ex-
19 officio, the presiding officer of the ~~said~~ library board. ~~Said~~**THE**
20 trustees shall have charge of ~~said~~ ~~retiring~~**THE RETIREMENT**
21 allowance fund and shall invest the ~~same~~**RETIREMENT ALLOWANCE FUND**
22 only in ~~such~~ securities ~~as~~**THAT** are legal for savings banks. ~~Said~~
23 **THE** trustees shall adopt ~~such~~**ANY** rules and ~~by laws as~~**BYLAWS THAT**
24 may be necessary, ~~and~~ not inconsistent with the **STATE** constitution
25 ~~and~~**OF 1963**, laws of this state, and ~~the provisions of this act.~~ +

26 (d) There ~~shall~~**MUST** be attached to ~~such~~**THE RETIREMENT** system
27 as may be recommended, the certificate of a recognized and

1 competent actuary stating that the **RETIREMENT** system is actuarially
2 sound, and the **RETIREMENT** system ~~shall~~ **MUST** provide for annual
3 reports and valuations by ~~such~~ **THE** actuary to determine whether the
4 fund is on a sound financial and actuarial basis.

5 (2) **NOTWITHSTANDING ANYTHING IN THIS ACT TO THE CONTRARY, A**
6 **RETIREMENT SYSTEM ESTABLISHED UNDER THIS ACT IS SUBJECT TO THE**
7 **PROTECTING LOCAL GOVERNMENT RETIREMENT AND BENEFITS ACT.**

8 Enacting section 1. This amendatory act does not take effect
9 unless Senate Bill No._686

10 of the 99th Legislature is enacted into law.