



Senate Fiscal Agency
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BILL ANALYSIS



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Senate Bills 1041 and 1042 (as introduced 5-17-22)
Sponsor: Senator Douglas C. Wozniak
Committee: Judiciary and Public Safety

Date Completed: 6-6-22

CONTENT

Senate Bill 1042 would amend the Municipal Employees Retirement Act to require the Municipal Employees Retirement System (MERS) Retirement Board to provide for a hearing on request of a person, participating court, or participating municipality aggrieved by a decision of the retirement system.

Senate Bill 1041 would amend Chapter 1 (General Provisions) of the Administrative Procedures Act to include in the definition of "agency" MERS and the Retirement Board, subject to exceptions.

Senate Bill 1042 is tie-barred to Senate Bill 1041. Senate Bill 1041 states that it is intended to be retroactive and applies retroactively effective on and after August 15, 1996.

Senate Bill 1042

The bill would require the Retirement Board to provide for a hearing on written request of a person, participating court, or participating municipality aggrieved by a decision of the retirement system. The hearing would have to be conducted as a contested case under Chapter 4 (Procedures in Contested Cases) of the Administrative Procedures Act, and policies or procedures adopted by the Retirement Board, and a final order of a hearing would be subject to Chapter 6 (Judicial Review) of the Administrative Procedures Act.

Senate Bill 1041

The Administrative Procedures Act defines "agency" as a State department, bureau, division, section, board, commission, trustee, authority or officer, created by the Michigan Constitution, statute, or agency action. The term does not include an agency in the Legislative or Judicial branch of State government, the Governor, an agency having direct governing control over an institution of higher education, the State Civil Service Commission, or an association of insurers created under the Insurance Code, or other association or facility formed under the Code as a nonprofit organization of insurer members.

Under the bill, subject to Section 115(5), "agency" would include MERS and the Retirement Board. (Section 155(5) specifies that Chapters 2 (Guidelines), 3 (Procedures for Processing and Publishing Rules), and 5 (Licenses) of the Act do not apply to MERS and the Retirement Board, on and after August 15, 1996.

MCL 24.203 (S.B. 1041)
Proposed MCL 38.1545b (S.B. 1042)

Legislative Analyst: Stephen P. Jackson

FISCAL IMPACT

The bills would have no fiscal impact on State or local government.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.