



Senate Fiscal Agency  
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BILL ANALYSIS

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Senate Bills 1041 and 1042 (as enacted)  
Sponsor: Senator Douglas C. Wozniak  
Senate Committee: Judiciary and Public Safety  
House Committee: Judiciary

**PUBLIC ACTS 221 & 222 of 2022**

Date Completed: 12-19-22

**CONTENT**

**Senate Bill 1042 amended 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 amended Chapter 1 (General Provisions) of the Administrative Procedures Act to include in the definition of "agency" MERS and the Retirement Board, subject to exceptions.**

The bills took effect on October 14, 2022. 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 amends the Municipal Employees Retirement Act to 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 must 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 is 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" includes 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)  
38.1545b (S.B. 1042)

Legislative Analyst: Stephen P. Jackson

## **FISCAL IMPACT**

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

Fiscal Analyst: Ryan Bergan  
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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.