

SENATE BILL NO. 418

May 05, 2021, Introduced by Senators HERTEL, BRINKS, CHANG, ANANICH, MCMORROW, BAYER, BULLOCK, MCCANN, GEISS, ALEXANDER, POLEHANKI, MOSS, IRWIN, WOJNO and SANTANA and referred to the Committee on Appropriations.

A bill to amend 1980 PA 300, entitled
"The public school employees retirement act of 1979,"
by amending section 68 (MCL 38.1368), as amended by 2003 PA 175.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 68. (1) ~~The~~ **Subject to subsection (4), the** retirement
2 board shall grant 1 year of service credit to a member who has been
3 employed and remunerated for services performed for not less than
4 1,020 hours in a school fiscal year. In determining whether a
5 member is entitled to service credit under this subsection, the

1 retirement system shall calculate service credit using the payroll
2 cycle reported to the retirement system by the employer of the
3 member. If a biweekly payroll cycle is reported, the member ~~shall~~
4 **must** not accrue more than 60 hours in a payroll cycle. If a
5 semimonthly payroll cycle is reported, the member ~~shall~~**must** not
6 accrue more than 72 hours in a payroll cycle. If a monthly payroll
7 cycle is reported, the member ~~shall~~**must** not accrue more than 138
8 hours in a payroll cycle. If a quarterly payroll cycle is used, the
9 member ~~shall~~**must** not accrue more than 396 hours in a payroll
10 cycle.

11 (2) A part-time member or a member employed for a fraction of
12 the school fiscal year ~~shall~~**must** receive service credit for full-
13 time service on the basis of 60 or more hours per biweekly period
14 and proportionate credit for less than 60 hours on the basis of 60
15 hours for full-time credit in the proportion ~~which~~**that** the hours
16 employed in the school fiscal year bears to 1,020 hours.

17 (3) ~~In~~**Subject to subsection (4), in** computing terms of
18 service, a year ~~shall be~~**is** a legal fiscal year at the time and
19 place where the service was performed. ~~Not~~**Except as otherwise**
20 **provided in subsection (4), not** more than 1 year's service ~~shall~~
21 **may** be counted for retirement purposes in any school fiscal year.

22 (4) **For each school fiscal year during which a qualified order**
23 **is issued, if a member meets the criteria for 1 year of service**
24 **credit under subsection (1), the retirement board shall grant 2**
25 **years of service credit to the member. As used in this subsection,**
26 **"qualified order" means any of the following issued in response to**
27 **the COVID-19 epidemic:**

28 (a) **An emergency order under section 2253 of the public health**
29 **code, 1978 PA 368, MCL 333.2253.**

1 (b) An emergency order under section 2453 of the public health
2 code, 1978 PA 368, MCL 333.2453.

3 (c) A state of disaster or state of emergency under the
4 emergency management act, 1976 PA 390, MCL 30.401 to 30.421.