

# HOUSE BILL NO. 5328

November 09, 2023, Introduced by Reps. Wilson, Breen, Edwards, Dievendorf, Hope, Tsernoglou, Andrews, Rheingans and Rogers and referred to the Committee on Judiciary.

A bill to amend 1992 PA 234, entitled  
"The judges retirement act of 1992,"  
by amending section 714 (MCL 38.2664), as amended by 2002 PA 95.

## **THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 714. (1) This section is subject to the vesting  
2 requirements of section 715.

3           (2) A qualified participant's employer shall contribute to the  
4 qualified participant's account in Tier 2 an amount equal to 4% of  
5 the qualified participant's salary.

6           (3) ~~A~~**Except as otherwise provided in this subsection, a**  
7 qualified participant may periodically elect to contribute up to 3%

1 of his or her salary to his or her Tier 2 account. **Beginning on the**  
2 **effective date of the amendatory act that added this sentence, a**  
3 **qualified participant may periodically elect to contribute up to 5%**  
4 **of his or her salary to his or her Tier 2 account.** The qualified  
5 participant's employer shall make an additional contribution to the  
6 qualified participant's Tier 2 account in an amount equal to the  
7 contribution made by the qualified participant under this  
8 subsection.

9 (4) A qualified participant may make contributions in addition  
10 to contributions made under subsection (3) to ~~his or her the~~  
11 **qualified participant's** Tier 2 account as permitted by the state  
12 treasurer and the internal revenue code. The qualified  
13 participant's employer shall not match contributions made by the  
14 qualified participant under this subsection.

15 (5) A qualified participant who makes a written election under  
16 section 701a may elect to contribute up to 6% of his or her salary  
17 to his or her Tier 2 account. In lieu of employer contributions  
18 under subsection (3), the qualified participant's employer shall  
19 make an additional contribution to the qualified participant's Tier  
20 2 account in an amount equal to the contribution made by the  
21 qualified participant under this subsection. This subsection  
22 applies for a period as determined by the department that equals  
23 the time in which a Tier 1 member was not able to make  
24 contributions to the Tier 2 plan because of the temporary  
25 restraining order issued in the case of ~~Michigan judges assn v~~  
26 ~~Treasurer of the State of Michigan, case no. 98-DT-72771-CV (Ed~~  
27 ~~Mi).~~ **Michigan Judges Assn v Treasurer of Michigan, opinion of the**  
28 **United States District Court for the Eastern District of Michigan**  
29 **(Case No. 98-DT-72771-CV).**

1           (6) Beginning January 1, 2002, ~~each~~**a** qualified participant  
2 who is a plan 1 member or a plan 2 member, ~~upon~~**on** taking office  
3 and ~~so long as~~**while** he or she remains in office, shall contribute  
4 2.0% of the qualified participant's compensation to the retirement  
5 system. The retirement system shall deposit the contribution under  
6 this subsection into the reserve for health benefits for hospital  
7 and medical-surgical and sick care benefits as provided in section  
8 719.