

Sec. 9. Reemployment of Retiree by Participating Municipality or Court.

The following conditions shall apply if a retiree who retired on or after January 1, 2016 becomes employed in any capacity (including being retained as an independent contractor) by a participating municipality or court.

- (1) Retiree employed by the same participating municipality or court from which reduced or unreduced normal age and service retirement occurred. The employer shall include in their monthly wage and service report to the Retirement System the salary and hours of service for all reemployed retirees without regard to the date reemployment commenced.
 - (a) Voter-Elected Official or Appointed Official (defined as a person appointed to an elective office). A retiree who retired as an elected or appointed official (or who had served in such official capacity within one (1) year prior to his or her retirement allowance effective date), or a person who had not retired at the time of his or her election to, or appointment to a vacant position in elective office, who is:
 - (i) Elected, re-elected, appointed, or re-appointed to the same elective or appointed office (whether in a new term of office or not) shall have his or her benefit suspended during service in such office unless at least two years have elapsed since the reemployed retiree terminated employment and retired; or
 - (ii) Employed in any other capacity (elective, appointive, or otherwise) shall have his or her benefit suspended during service in such office or other employment unless at least 60 days have elapsed since the reemployed retiree terminated employment and retired.

The reemployed retiree shall not become an active member of the Retirement System based on reemployment that results in a suspension of benefits as described in this subsection (1)(a). A reemployed retiree shall file a certification form with the Retirement System, in the form and manner provided by the System prior to the date of reemployment, acknowledging that the reemployment followed a bona fide termination of employment and is not the result of any pre-retirement agreement or understanding with the employer from whom he or she retired.

Upon termination of service in such office or other employment, the pension benefit shall cease to be suspended and shall resume the first day of the month following such termination of service or employment without change in amount, and no payment for any amount of the suspended benefit shall accrue or otherwise be made by the Retirement System.

- (b) All reemployed retirees not described in subsection (1)(a), including retirees subsequently reemployed as a result of becoming an elected or appointed official. A reemployed retiree shall have his or her pension suspended during any further period (or periods) of reemployment unless each of the following conditions are met:
- (i) At least 60 calendar days have elapsed since the date the reemployed retiree terminated employment and retired;
 - (ii) The reemployed retiree filed a certification form with the Retirement System, in the form and manner provided by the System prior to the date of his/her reemployment, acknowledging that the reemployment followed a bona fide termination of employment and is not the result of any pre-retirement agreement or understanding with the employer from whom he or she retired; and,
 - (iii) The reemployed retiree works no more than 1,000 hours in a calendar year. This condition shall not apply to a retiree who is elected, re-elected, appointed or re-appointed to an elective office.

This subsection (1) shall not apply to distributions under the MERS Defined Contribution Program, or the Hybrid Program Defined Contribution Component, except that at least 60 calendar days must elapse since the date the reemployed retiree terminated employment and retired prior to a retiree becoming employed by the same participating municipality or court from which reduced or unreduced normal age and service retirement occurred.

- (2) Retirement benefits paid to a retiree who becomes employed by a different participating municipality or court from which he or she retired shall not be affected by such employment. The retiree shall be treated as a new employee member by the succeeding participating municipality or court with no previous record of employment, except as allowed under sections 17, 51 and 67.
- (3) The provisions of this section constitute Board action in its exclusive capacity of fiduciary and trustee for the Retirement System, the participating municipalities and courts, and all MERS trust assets, as provided in MCL 38.1536(2)(a) and 38.1539(1); Plan sections 71(2)(a) and 76(1). In the event of any alteration of this section through collective bargaining, MERS shall not recognize such action, other than in accordance with this section.