

# Order

Michigan Supreme Court  
Lansing, Michigan

December 20, 2017

Stephen J. Markman,  
Chief Justice

154117-19

Brian K. Zahra  
Bridget M. McCormack  
David F. Viviano  
Richard H. Bernstein  
Kurtis T. Wilder  
Elizabeth T. Clement,  
Justices

AFT MICHIGAN, HENRY FORD  
COMMUNITY COLLEGE ADJUNCT  
FACULTY ORGANIZATION, AFL CIO, AFT,  
ALPENA MONTMORENCY ALCONA ISD  
PARAPROFESSIONALS, ALPENA  
MONTMORENCY ALCONA ISD TEACHERS,  
ARENAC EASTERN FEDERATION, BAY  
ARENAC SKILLS CENTER FEDERATION,  
BROWN CITY EMPLOYEES ORGANIZATION,  
BROWN CITY FEDERATION OF TEACHERS,  
CHEBOYGAN OTSEGO PRESQUE ISLE  
SUPPORT PERSONNEL, CHEBOYGAN  
OTSEGO PRESQUE ISLE INTERMEDIATE  
PARAPROFESSIONALS, CHESANING UNION  
AUXILIARY SERVICE EMPLOYEES, CLARE  
GLADWIN ISD FEDERATION, CRAWFORD  
AUSABLE BUS DRIVERS FEDERATION,  
CRAWFORD AUSABLE CUSTODIANS  
SECRETARIAL FEDERATION, CRAWFORD  
AUSABLE FEDERATION OF TEACHERS,  
CRAWFORD AUSABLE SUPPORT STAFF  
FEDERATION, CRESTWOOD FEDERATION  
OF TEACHERS, CTR FEDERATION,  
DEARBORN FEDERATION OF SCHOOL  
EMPLOYEES, DEARBORN FEDERATION OF  
TEACHERS, DETROIT ASSOCIATION OF  
EDUCATIONAL OFFICE EMPLOYEES,  
DETROIT FEDERATION OF  
PARAPROFESSIONALS, DETROIT  
FEDERATION OF TEACHERS, EAST  
DETROIT FEDERATION OF TEACHERS,  
ECORSE FEDERATION OF TEACHERS,  
FAIRVIEW FEDERATION OF TEACHERS,  
FEDERATION OF TEACHERS,  
GLEN LAKE FEDERATION OF TEACHERS,  
HALE FEDERATION OF TEACHERS,  
HAMTRAMCK FEDERATION OF TEACHERS,  
HEMLOCK FEDERATION OF TEACHERS,  
HENRY FORD COMMUNITY COLLEGE  
ADJUNCT FACULTY ORGANIZATION,  
HENRY FORD COMMUNITY COLLEGE  
FEDERATION OF TEACHERS, HIGHLAND  
PARK FEDERATION OF  
PARAPROFESSIONALS, HIGHLAND PARK  
FEDERATION OF TEACHERS, HURON  
VALLEY CONTINUING EDUCATION,  
IMLAY CITY FEDERATION OF TEACHERS,  
INKSTER FEDERATION OF TEACHERS,  
IOSCO ISD FEDERATION OF TEACHERS,

IOSCO ISD INTERMEDIATE  
FEDERATION OF AUXILIARY EMPLOYEES,  
KINGSLEY FEDERATION OF TEACHERS,  
KIRTLAND COMMUNITY COLLEGE  
FEDERATION OF TEACHERS, LAMPHERE  
FEDERATION OF PARAPROFESSIONALS,  
LAMPHERE FEDERATION OF TEACHERS,  
LANSING COMMUNITY COLLEGE  
ADMINISTRATIVE ASSOCIATION, LES  
CHENEAUX FEDERATION OF SUPPORT  
STAFF, LES CHENEAUX FEDERATION OF  
TEACHERS, LAKE CITY SUPPORT STAFF  
FEDERATION, LAKE CITY TEACHERS AND  
PARAPROFESSIONALS FEDERATION, LAKE  
SHORE FEDERATION OF EDUCATIONAL  
SECRETARIES, LAKE SHORE FEDERATION  
OF TEACHERS, LAKE SHORE FEDERATION  
SUPPORT STAFF, MACOMB INTERMEDIATE  
FEDERATION OF PARAPROFESSIONALS,  
MACOMB INTERMEDIATE FEDERATION OF  
TEACHERS, MELVINDALE NAP  
FEDERATION OF TEACHERS, MELVINDALE  
NAP PARAPROFESSIONALS, MIDLAND  
FEDERATION OF PARAPROFESSIONALS,  
MIDLAND ISD FEDERATION OF  
PARAPROFESSIONALS, MIDLAND ISD  
FEDERATION OF TEACHERS, NORTHVILLE  
FEDERATION OF PARAPROFESSIONALS,  
ONAWAY FEDERATION OF SCHOOL  
RELATED PERSONNEL, ONAWAY  
FEDERATION OF TEACHERS, PLYMOUTH  
CANTON COMMUNITY SCHOOL  
SECRETARIAL UNIT, PLYMOUTH CANTON  
FEDERATION OF PLANT ENGINEERS,  
ROMULUS FEDERATION OF  
PARAPROFESSIONALS, ROSEVILLE  
FEDERATION OF TEACHERS, RUDYARD  
FEDERATION OF AIDES, RUDYARD  
FEDERATION OF TEACHERS, SAGINAW  
ISD FEDERATION OF TEACHERS, TAWAS  
AREA FEDERATION OF TEACHERS,  
TAYLOR FEDERATION OF TEACHERS,  
UTICA FEDERATION OF TEACHERS, VAN  
DYKE EDUCATIONAL ASSISTANTS  
FEDERATION, VAN DYKE PROFESSIONAL  
PERSONNEL, WARREN WOODS  
FEDERATION OF PARAPROFESSIONALS,  
WASHTENAW INTERMEDIATE SCHOOL  
EMPLOYEES FEDERATION, WATERFORD  
ASSOCIATION OF SUPPORT PERSONNEL,  
WAYNE COUNTY COMMUNITY COLLEGE  
FEDERATION OF TEACHERS, WAYNE  
COUNTY COMMUNITY COLLEGE

PROFESSIONAL AND ADMIN  
ASSOCIATION, WAYNE COUNTY RESA  
SALARIED STAFF, WEXFORD  
MISSAUKEE ISD FEDERATION OF  
TEACHERS, WHITEFISH TOWNSHIP  
FEDERATION OF TEACHERS, CHEBOYGAN  
OTSEGO PRESQUE ISLE ISD TEACHERS,  
and HEMLOCK AUXILIARY SERVICE  
EMPLOYEES,

Plaintiffs-Appellees,

v

SC: 154117  
COA: 303702  
Ct of Claims: 10-000091-MM

STATE OF MICHIGAN,  
Defendant-Appellant.

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TIMOTHY L. JOHNSON, JANET HESLET,  
RICKY A. MACK, and DENISE ZIEJA,  
Plaintiffs-Appellees,

v

SC: 154118  
COA: 303704  
Ct of Claims: 10-000047-MM

PUBLIC SCHOOL EMPLOYEES RETIREMENT  
SYSTEM, PUBLIC SCHOOL EMPLOYEES  
RETIREMENT SYSTEM BOARD, TRUST FOR  
PUBLIC EMPLOYEE RETIREMENT HEALTH  
CARE, and DEPARTMENT OF TECHNOLOGY,  
MANAGEMENT, AND BUDGET,  
Defendants-Appellants,

and

DIRECTOR OF DEPARTMENT OF  
TECHNOLOGY, MANAGEMENT, AND  
BUDGET, DIRECTOR OF RETIREMENT  
SERVICES OFFICE, and STATE  
TREASURER,  
Defendants.

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DEBORAH McMILLAN, THOMAS BRENNER,  
THERESA DUDLEY, KATHERINE DANIELS,  
and COREY CRAMB,

Plaintiffs-Appellees,

v

SC: 154119  
COA: 303706  
Ct of Claims: 10-000045-MM

PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM, PUBLIC SCHOOL EMPLOYEES RETIREMENT SYSTEM BOARD, TRUST FOR PUBLIC EMPLOYEE RETIREMENT HEALTH CARE, and DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET,

Defendants-Appellants,

and

DIRECTOR OF DEPARTMENT OF TECHNOLOGY, MANAGEMENT, AND BUDGET, DIRECTOR OF RETIREMENT SERVICES OFFICE, and STATE TREASURER,

Defendants.

On order of the Court, leave to appeal having been granted, and the briefs and oral arguments of the parties having been considered by the Court, we AFFIRM the result reached by the June 7, 2016 judgment of the Court of Appeals for the reasons stated in Parts I and II of that opinion. Specifically, we affirm the holding that 2012 Public Act 300 is not retroactive and therefore has no application to funds collected from the plaintiffs before its enactment. Further, we affirm the holding that 2010 Public Act 75 violated the respective Contract Clauses of both the federal and state constitutions, US Const, art 1, § 10; Mich Const 1963, art 1, § 10, because it substantially impaired the plaintiffs' employment contracts by involuntarily reducing the plaintiffs' wages by 3%, and the state failed to demonstrate that this measure was reasonable and necessary to further a legitimate public purpose. See generally *Energy Reserves Group, Inc v Kansas Power & Light Co*, 459 US 400, 411-412; 103 S Ct 697; 74 L Ed 2d 569 (1983). Because these holdings fully resolve this case, it is unnecessary to address the other constitutional issues presented, and we therefore VACATE Parts III and IV of the Court of Appeals opinion. Because 2010 Public Act 75 is unconstitutional, the funds collected pursuant to that act before the effective date of 2012 Public Act 300 must be refunded to the plaintiffs in accordance with the Court of Appeals judgment.

CLEMENT, J., did not participate.



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I, Larry S. Royster, Clerk of the Michigan Supreme Court, certify that the foregoing is a true and complete copy of the order entered at the direction of the Court.

December 20, 2017

Clerk