



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 6207 (Substitute H-1 as reported without amendment)
Sponsor: Representative Gary Randall
House Committee: Appropriations
Senate Committee: Appropriations

CONTENT

The bill would amend the Administrative Procedures Act (APA) to expand the definition of rule to include an agency's contract with a public or private entity. The bill also would exempt, for the first 12 months after the effective date of this legislation, the Tier 2 (defined contribution) plans in the State Employees Retirement Act, the Public School Employees Retirement Act, and the Michigan Legislative System Retirement Act from Chapters 2, 3, and 5 of the Administrative Procedures Act. Chapters 2, 3, and 5 would not apply to the establishment, implementation, administration, operation, investment, or distribution of a Tier 2 retirement plan established in each of these three retirement systems.

Chapter 2 of the APA deals with the adoption of guidelines. Chapter 3 of the APA contains provisions relating to issuance, suspension, revocation, and annulment of licenses. Chapter 5 provides for processing and publishing rules.

After the expiration of 12 months from the date of the bill's implementation, any rules or guidelines promulgated or processed by the Tier 2 plans in any of the three systems would not be effective and binding unless promulgated and processed in accordance with the Administrative Procedures Act.

MCL 24.207 & 24.315

FISCAL IMPACT

This bill would have no fiscal impact on State or local resources.

Date Completed: 12-10-96

Fiscal Analyst: J. Carrasco

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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.