

HOUSE JOINT RESOLUTION K

February 27, 2001, Introduced by Reps. Cameron Brown, Dennis, Julian, Richardville, Kolb, Lipsey, Vander Roest, Switalski, Mead, Ehardt, Pappageorge and Birkholz and referred to the Committee on Senior Health, Security and Retirement.

A joint resolution proposing an amendment to the state constitution of 1963, by adding section 40 to article IX, to provide for the protection of the funds of the public school employees' retirement system.

Resolved by the Senate and House of Representatives of the state of Michigan, That the following amendment to the state constitution of 1963, to provide for the protection of the funds of the public school employees' retirement system, is proposed, agreed to, and submitted to the people of the state:

ARTICLE IX

SEC. 40. (1) THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM CREATED BY SECTION 21 OF THE PUBLIC SCHOOL EMPLOYEES RETIREMENT ACT OF 1979, 1980 PA 300, MCL 38.1321, IS ESTABLISHED WITHIN THE DEPARTMENT OF MANAGEMENT AND BUDGET. THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM MAY RECEIVE

1 APPROPRIATIONS, MONEY, OR OTHER THINGS OF VALUE. THE STATE
2 TREASURER SHALL DIRECT INVESTMENT OF THE FUNDS OF THE RETIREMENT
3 SYSTEM AND CREDIT INTEREST AND EARNINGS OF THE FUNDS OF THE
4 RETIREMENT SYSTEM TO THE RESPECTIVE RESERVES OF THE RETIREMENT
5 SYSTEM THAT EARNED THE INCOME, AS PROVIDED BY LAW. EXCEPT FOR
6 THE STATE TREASURER'S ACTIONS AUTHORIZED UNDER THIS SECTION, AN
7 EXPENDITURE OR TRANSFER OF AN ASSET, INTEREST, OR EARNINGS OF THE
8 RETIREMENT SYSTEM MAY BE MADE ONLY UPON THE AUTHORIZATION OF A
9 MAJORITY OF THE MEMBERS OF THE MICHIGAN PUBLIC SCHOOL EMPLOYEES'
10 RETIREMENT BOARD CREATED BY SECTION 22 OF THE PUBLIC SCHOOL
11 EMPLOYEES RETIREMENT ACT OF 1979, 1980 PA 300, MCL 38.1322.

12 (2) THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT BOARD
13 SHALL ADMINISTER THE MICHIGAN PUBLIC SCHOOL EMPLOYEES' RETIREMENT
14 SYSTEM AS PROVIDED IN THIS SECTION AND BY LAW. THE BOARD SHALL
15 NOT AUTHORIZE THE EXPENDITURE OR TRANSFER OF AN ASSET, INTEREST,
16 OR EARNINGS OF THE RETIREMENT SYSTEM UNLESS THE BOARD DETERMINES
17 IN ITS DISCRETION AND BY A MAJORITY VOTE THAT THE EXPENDITURE OR
18 TRANSFER IS FOR THE BENEFIT OF MEMBERS AND RETIRANTS OF THE
19 RETIREMENT SYSTEM AND THEIR SPOUSES, DEPENDENTS, AND
20 BENEFICIARIES.

21 Resolved further, That the foregoing amendment shall be sub-
22 mitted to the people of the state at the next general election in
23 the manner provided by law.