

# Legislative Analysis

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## **LEGISLATIVE RETIREMENT SYSTEM: MODIFY HEALTH INSURANCE VESTING**

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**House Bill 6311 (Substitute H-2)**  
**Sponsor: Rep. William J. O'Neil**  
**Committee: Government Operations**

**Complete to 11-30-04**

## **A SUMMARY OF HOUSE BILL 6311 AS REPORTED FROM COMMITTEE**

The bill would amend the Michigan Legislative Retirement System Act to add language specifying that a qualified participant would be vested in health insurance coverage if he or she meets the following requirements:

- \* was not a member, deferred vested member, or former nonvested member of Tier 1 (the defined benefit system).
- \* has completed at least 5 years and 10 months of service as a qualified participant.
- \* has resigned from office to immediately assume duties as of an elective public office.

[Note: The term "qualified participant" refers to an individual who is a participant of Tier 2 — the defined contribution system — and who either 1) became a legislator on or after March 31, 1997 and who before that date would have been eligible for Tier 1; or 2) elected to terminate membership in Tier 1 and participate instead in Tier 2.]

MCL 38.1075

## **FISCAL IMPACT:**

The bill would cost \$6,000 to \$15,000 per year, depending on coverage.

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