

HOUSE BILL No. 5549

April 19, 2012, Introduced by Reps. Goike, LaFontaine, Cotter, Hughes, Shaughnessy, Lund, Rogers, Johnson, McMillin, Graves, Somerville, Kowall, Forlini and Jenkins and referred to the Committee on Government Operations.

A bill to amend 1957 PA 261, entitled
"Michigan legislative retirement system act,"
by amending section 22c (MCL 38.1022c), as amended by 2002 PA 97.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 22c. (1) The health insurance fund is created in the
2 retirement system. The retirement system shall deposit into the
3 health insurance fund the member contributions for health benefits
4 required by this section, subscriber co-payments, payments under
5 section 79, regular interest from the income fund, and state
6 appropriations. The retirement system shall disburse from the
7 health insurance fund the premiums or portion of the premiums for
8 dental, hospital, and medical coverage insurance as required by
9 sections 50b and 79.

1 ~~(2) Except as otherwise provided in this subsection, a member~~
2 ~~shall make contributions to the health insurance fund of 1% of each~~
3 ~~payment of salary received that is attributable to service~~
4 ~~performed on and after January 1, 1995. Beginning on the effective~~
5 ~~date of section 36a~~ **JANUARY 5, 1999**, a member who first became a
6 member of Tier 1 on or before January 1, 1995 shall make
7 contributions to the health insurance fund of 9% of each payment of
8 salary received by the member for service as a member. Beginning ~~on~~
9 ~~the effective date of section 36a~~ **JANUARY 5, 1999**, a member who
10 first became a member of Tier 1 after January 1, 1995 shall make
11 contributions to the health insurance fund of 7% of each payment of
12 salary received by the member for service as a member. The
13 increased contributions required under this subsection by ~~the~~
14 ~~amendatory act that added section 36a will~~ **1998 PA 501 SHALL**
15 continue unless suspended by the board under section 36a. The
16 contributions shall be made by payroll deductions and each member
17 is considered to consent to the deductions as a condition of
18 membership in the retirement system.

19 **(3) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, BEGINNING**
20 **WITH THE FIRST PAY DATE AFTER THE EFFECTIVE DATE OF THE AMENDATORY**
21 **ACT THAT ADDED THIS SENTENCE, EACH MEMBER AND EACH QUALIFIED**
22 **PARTICIPANT WHO IS POTENTIALLY ELIGIBLE FOR HEALTH INSURANCE**
23 **BENEFITS UNDER SECTION 50B OR 79 SHALL CONTRIBUTE AN AMOUNT EQUAL**
24 **TO 5% OF THE MEMBER'S OR QUALIFIED PARTICIPANT'S SALARY TO THE**
25 **HEALTH INSURANCE FUND. THIS SUBSECTION DOES NOT APPLY TO A MEMBER**
26 **WHO IS MAKING CONTRIBUTIONS TO THE HEALTH INSURANCE FUND UNDER**
27 **SUBSECTION (2). THE CONTRIBUTIONS SHALL BE MADE BY PAYROLL**

1 DEDUCTIONS, AND EACH MEMBER AND QUALIFIED PARTICIPANT IS CONSIDERED
2 TO CONSENT TO THE DEDUCTIONS AS A CONDITION OF MEMBERSHIP IN THE
3 RETIREMENT SYSTEM OR PARTICIPATION IN TIER 2.

4 (4) ~~(3)~~—Except as otherwise provided by this act, ~~membership~~
5 contributions **BY MEMBERS AND QUALIFIED PARTICIPANTS** to the health
6 insurance fund are not refundable.