

# HOUSE BILL No. 4159

January 27, 2011, Introduced by Reps. Lund, Stamas, MacMaster, Johnson, Olson, Franz, LaFontaine, Genetski, Scott, Wayne Schmidt, Agema, Somerville, Knollenberg, Ouimet, Lori, Shirkey, Poleski, Forlini, Hughes, McMillin, Haveman, Walsh, Damrow, Bumstead, Gilbert, Potvin, Hooker, Yonker, Farrington, Price, Huuki, Tyler, Crawford, Cotter, Horn, Haines, Lyons and Moss and referred to the Committee on Oversight, Reform, and Ethics.

A bill to amend 1943 PA 240, entitled  
"State employees' retirement act,"  
by amending section 35 (MCL 38.35), as added by 2010 PA 185.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 35. (1) Except as otherwise provided in this section,  
2       beginning with the first pay date after November 1, 2010, ~~and~~  
3       ~~ending September 30, 2013,~~ each member and each qualified  
4       participant shall contribute an amount equal to 3.0% of the  
5       member's or qualified participant's compensation to the appropriate  
6       funding account established under the public employee retirement  
7       health care funding act, 2010 PA 77, MCL 38.2731 to 38.2747. The  
8       member and qualified participant contributions shall be deducted by  
9       the employer and remitted as employer contributions to the funding

1 account in a manner that the state budget office and the retirement  
2 system shall determine. The state budget office and the retirement  
3 system shall determine a method of deducting the contributions  
4 provided for in this section from the compensation of each member  
5 and qualified participant for each payroll and each payroll period.

6 (2) As used in this act, "funding account" means the  
7 appropriate irrevocable trust created in the public employee  
8 retirement health care funding act, 2010 PA 77, MCL 38.2731 to  
9 38.2747, for the deposit of funds and the payment of retirement  
10 health care benefits.

11 (3) The department of technology, management, and budget shall  
12 ensure, to the maximum extent possible, that payments made under  
13 this section shall be applied for any tax credits or tax liability  
14 reduction under the health care and education reconciliation act of  
15 2010, Public Law 111-152.