

# HOUSE BILL No. 4051

February 2, 1989, Introduced by Reps. Jacobetti and Kilpatrick and referred to the Committee on Appropriations.

A bill to make appropriations for the public school employees' retirement system for the fiscal year ending September 30, 1990; to provide for the expenditure of those appropriations; and to provide for the disposition of other income received by the retirement system.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 101. There is appropriated for the public school employees'  
2 retirement system for the fiscal year ending September 30, 1990, the fol-  
3 lowing amounts:

### 4 PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

### 5 APPROPRIATIONS SUMMARY:

6   Michigan public school employees..... \$  
7   GROSS APPROPRIATION..... \$

8       Appropriated from:

9       Federal revenues:

For Fiscal Year Ending  
September 30, 1990

2

1 Retirement contribution pass-through.....

2 Special revenue funds:

3 Excess 1987-88 contributions.....

4 Excess community and college/university credit.....

5 Excess interest earnings on retired life assets

6 credit.....

7 School aid fund.....

8 State general fund/general purpose..... \$

9 CURRENT SERVICE

10 Michigan public school employees..... \$ \_\_\_\_\_

11 GROSS APPROPRIATION..... \$

12 Appropriated from:

13 Federal revenues:

14 Retirement contribution pass-through.....

15 Special revenue funds:

16 Excess 1987-88 contributions.....

17 School aid fund.....

18 State general fund/general purpose..... \$

19 SOCIAL SECURITY

20 Michigan public school employees..... \$ \_\_\_\_\_

21 GROSS APPROPRIATION..... \$

22 Appropriated from:

23 Federal revenues:

24 Retirement contribution pass-through.....

25 Special revenue funds:

26 School aid fund.....

For Fiscal Year Ending  
September 30, 1990

3

1 State general fund/general purpose..... \$

2 UNFUNDED ACCRUED LIABILITIES

3 Michigan public school employees..... \$ \_\_\_\_\_

4 GROSS APPROPRIATION..... \$

5     Appropriated from:

6     Special revenue funds:

7     Excess community and college/university credit.....

8     School aid fund.....

9     State general fund/general purpose..... \$

10 PRIOR POST RETIREMENT ADJUSTMENTS

11 Michigan public school employees..... \$ \_\_\_\_\_

12 GROSS APPROPRIATION..... \$

13     Appropriated from:

14     Special revenue funds:

15     Excess interest earnings on retired life assets

16     credit.....

17     State general fund/general purpose..... \$

18 HEALTH INSURANCE

19 Michigan public school employees..... \$ \_\_\_\_\_

20 GROSS APPROPRIATION..... \$

21     Appropriated from:

22     Special revenue funds:

23     School aid fund.....

24     State general fund/general purpose..... \$

25     Sec. 201. A deduction is made under the current service component

26 to reflect the reconciliation of the estimated and actual 1987-88

27 requirements for the public school employees' retirement system pursuant

1 to section 41 of the public school employees retirement act of 1979, Act  
2 No. 300 of the Public Acts of 1980, being section 38.1341 of the Michigan  
3 Compiled Laws.

4       Sec. 202. The appropriations in this act are made pursuant to Act  
5 No. 300 of the Public Acts of 1980, being sections 38.1301 to 38.1407 of  
6 the Michigan Compiled Laws, and are to be allocated, using the entry age  
7 normal cost actuarial method and risk assumptions adopted by the retire-  
8 ment board and the department of management and budget, from the school  
9 aid fund established by section 11 of article IX of the state constitu-  
10 tion of 1963.

11       Sec. 203. The general fund appropriation in section 101 for prior  
12 post retirement adjustments replaces \$                               funding from  
13 excess interest earnings on retired life assets. The \$  
14 funding from excess interest earnings on retired life assets shall be  
15 credited to the income available for distribution as a supplemental pay-  
16 ment in 1989 pursuant to section 104a of Act No. 300 of the Public Acts  
17 of 1980, being section 38.1404a of the Michigan Compiled Laws.