

# SENATE BILL No. 541

September 25, 2013, Introduced by Senators ROBERTSON and HANSEN and referred to the Committee on Reforms, Restructuring and Reinventing.

A bill to amend 2011 PA 152, entitled  
"Publicly funded health insurance contribution act,"  
by amending section 2 (MCL 15.562).

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 2. As used in this act:

2       (a) "Designated state official" means:

3       (i) For an election affecting employees and officers in the  
4       judicial branch of state government, the state court administrator.

5       (ii) For an election affecting senate employees and officers,  
6       the secretary of the senate.

7       (iii) For an election affecting house of representatives  
8       employees and officers, the clerk of the house.

1 (iv) For an election affecting legislative council employees,  
2 the legislative council.

3 (v) For an election affecting employees in the state  
4 classified service, the civil service commission.

5 (vi) For an election affecting executive branch employees who  
6 are not in the state classified service, the state employer.

7 (b) "Flexible spending account" means a medical expense  
8 flexible spending account in conjunction with a cafeteria plan as  
9 permitted under the federal internal revenue code of 1986.

10 (c) "Health savings account" means an account as permitted  
11 under section 223 of the internal revenue code of 1986, 26 USC 223.

12 (d) "Local unit of government" means a city, village,  
13 township, or county, a municipal electric utility system as defined  
14 in section 4 of the Michigan energy employment act of 1976, 1976 PA  
15 448, MCL 460.804, an authority created under chapter VIA of the  
16 aeronautics code of the state of Michigan, 1945 PA 327, MCL 259.108  
17 to 259.125c, or an authority created under 1939 PA 147, MCL 119.51  
18 to 119.62.

19 (e) "Medical benefit plan" means a plan established and  
20 maintained by a carrier, a voluntary employees' beneficiary  
21 association described in section 501(c)(9) of the internal revenue  
22 code of 1986, 26 USC 501, or by 1 or more public employers, that  
23 provides for the payment of medical benefits, including, but not  
24 limited to, hospital and physician services, prescription drugs,  
25 and related benefits, for public employees or elected public  
26 officials. Medical benefit plan does not include benefits provided  
27 to individuals retired from a public employer **OR A PUBLIC**

1 EMPLOYER'S CONTRIBUTIONS TO A FUND USED FOR THE SOLE PURPOSE OF  
2 FUNDING HEALTH CARE BENEFITS THAT ARE AVAILABLE TO A PUBLIC  
3 EMPLOYEE OR AN ELECTED PUBLIC OFFICIAL ONLY UPON RETIREMENT OR  
4 SEPARATION FROM SERVICE.

5 (f) "Public employer" means this state; a local unit of  
6 government or other political subdivision of this state; any  
7 intergovernmental, metropolitan, or local department, agency, or  
8 authority, or other local political subdivision; a school district,  
9 a public school academy, or an intermediate school district, as  
10 those terms are defined in sections 4 to 6 of the revised school  
11 code, 1976 PA 451, MCL 380.4 to 380.6; a community college or  
12 junior college described in section 7 of article VIII of the state  
13 constitution of 1963; or an institution of higher education  
14 described in section 4 of article VIII of the state constitution of  
15 1963.

16 Enacting section 1. This amendatory act clarifies the original  
17 intent of the legislature that the costs of a public employer's  
18 medical benefit plan do not include the public employer's  
19 contributions to a health care fund for benefits that are available  
20 to an employee or elected official only upon retirement or  
21 separation from service. This amendatory act is curative and  
22 applies retroactively.