

HOUSE BILL No. 4502

March 21, 2007, Introduced by Reps. Wojno, Donigan, Young, Polidori, Bieda and Accavitti
and referred to the Committee on Government Operations.

A bill to amend 1943 PA 240, entitled
"State employees' retirement act,"
by amending sections 56 and 58 (MCL 38.56 and 38.58), as added by
1996 PA 487.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 56. (1) The state treasurer shall administer Tier 2 and
2 shall invest the assets of Tier 2. The state treasurer is the
3 fiduciary and trustee of Tier 2. The state treasurer may appoint an
4 advisory board to assist the state treasurer in carrying out his or
5 her duties as fiduciary and trustee.

6 (2) The state treasurer shall determine the provisions and
7 procedures of Tier 2 in conformity with this act and the internal
8 revenue code.

9 (3) The state treasurer has the exclusive authority and

responsibility to employ or contract with personnel and for services that the state treasurer determines necessary for the proper administration of and investment of assets of Tier 2, including but not limited to managerial, professional, legal, clerical, technical, and administrative personnel or services. **THE STATE TREASURER SHALL ENSURE THAT AVAILABLE CATEGORIES OF INVESTMENT OFFERED TO QUALIFIED PARTICIPANTS, FORMER QUALIFIED PARTICIPANTS, AND REFUND BENEFICIARIES INCLUDE A ROTH 401(K) ACCOUNT OPTION.**

Sec. 58. Each qualified participant, former qualified participant, and refund beneficiary shall direct the investment of the individual's accumulated employer and employee contributions and earnings to 1 or more investment choices within available categories of investment provided by the state treasurer. **THE STATE TREASURER SHALL ENSURE THAT THE AVAILABLE CATEGORIES OF INVESTMENT INCLUDE AN OPTION TO INVEST IN A ROTH 401(K) ACCOUNT.** The limitations on the percentage of total assets for investments provided in ~~Act No. 314 of the Public Acts of 1965, being sections 38.1132 to 38.1140i of the Michigan Compiled Laws~~ **THE PUBLIC EMPLOYEE RETIREMENT SYSTEM INVESTMENT ACT, 1965 PA 314, MCL 38.1132 TO 38.1140M,** do not apply to Tier 2.