

Reps. Ball, Elsenheimer, Lahti, Amash, Bolger, Gonzales, Haines, Hansen, Horn, Rick Jones, Knollenberg, Lori, Lund, Opsommer, Polidori, Wayne Schmidt, Schuitmaker, Sheltroun and Spade offered the following resolution:

House Resolution No. 42.

A resolution to express the sense of the legislature that the legislative retirement system needs to be changed to reduce health benefits.

Whereas, As Michigan grapples with serious economic challenges, it is imperative that all areas of public spending be examined in a new light. Amidst financial conditions that are being called by most economists the worst this generation has experienced and possibly the worst since the Great Depression, it is increasingly clear that policies and practices that have been used in the past may no longer be appropriate; and

Whereas, One area that seems ripe for reevaluation is the level of health care benefits extended to former legislators in retirement. With each passing year, as retiree health benefits disappear in the private sector and more and more workers try to plan for a future without a traditional "defined benefits" retirement plan, Michigan's legislative retirement system becomes farther removed from the realities most of our citizens face; and

Whereas, In the current discussions about crafting Michigan's budget, it is appropriate to make a commitment to bring substantial changes to the Michigan Legislative Retirement System Act, 1957 PA 261. Specific legislation will be introduced to provide that each year of legislative service earns 5 percent of the health care premium coverage (to a maximum of 70 percent of premium costs for 14 years), with coverage not beginning until the age of 60. When a retiree is eligible for Medicare, the earned health care premium coverage will be applied to the Medicare supplement premium; now, therefore, be it

Resolved by the House of Representatives, That we express the sense of the legislature that the legislative retirement system needs to be changed to reduce health benefits.