

# HOUSE BILL No. 5457

## EXECUTIVE BUDGET BILL

March 8, 1988, 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, 1989; to provide for the expenditure of the 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. 1. There is appropriated for the public school employees' retirement  
2       system for fiscal year ending September 30, 1989, the following amounts:

3       PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

4       APPROPRIATIONS SUMMARY:

5       GROSS APPROPRIATION.....	\$	268,469,800
6       Total interdepartmental grants.....		(7,060,600)
7       ADJUSTED GROSS APPROPRIATION.....	\$	275,530,400
8       Total federal revenues.....		10,243,400

1	Total local revenues.....	\$	0
2	Total private revenues.....		0
3	Total other state restricted revenues.....		265,287,000
4	State general fund/general purpose.....	\$	0
5	RETIREMENT ALLOWANCE		
6	Normal cost.....	\$	103,886,100
7	Unfunded accrued liabilities.....		18,888,400
8	GROSS APPROPRIATION.....	\$	122,774,500
9	Appropriated from:		
10	IDG-deficit community college/university credit.....		(7,060,600)
11	Federal-retirement contribution pass-through.....		10,243,400
12	School aid fund.....		119,591,700
13	State general fund/general purpose.....	\$	0
14	HEALTH INSURANCE		
15	Normal cost.....	\$	80,275,600
16	Unfunded accrued liabilities.....		61,387,200
17	GROSS APPROPRIATION.....	\$	141,662,800
18	Appropriated from:		
19	School aid fund.....		141,662,800
20	State general fund/general purpose.....	\$	0
21	RECONCILIATION		
22	Shortage: 1986-87 contributions.....	\$	4,032,500
23	GROSS APPROPRIATION.....	\$	4,032,500
24	Appropriated from:		
25	School aid fund.....		4,032,500
26	State general fund/general purpose.....	\$	0

1       Sec. 2. In accordance with the provisions of Section 30 of article IX of  
2 the state constitution of 1963, total state spending in this act is  
3 \$265,287,000.00. There are no state appropriations to be paid to local units  
4 of government in section 1.

5       Sec. 3. An adjustment is made under the reconciliation appropriation  
6 unit to reflect the reconciliation of the estimated and actual 1986-87  
7 requirements for the public school employees' retirement system pursuant to  
8 section 41 of the public school employees retirement act of 1979, Act No. 300  
9 of the Public Acts of 1980, as amended, being section 38.1341 of the Michigan  
10 Compiled Laws. This adjustment shall be credited to the retirement allowance  
11 appropriation unit.

12       Sec. 4. The appropriations in this act are made pursuant to Act No. 300  
13 of the Public Acts of 1980, being sections 38.1301 to 38.1407 of the Michigan  
14 Compiled Laws, and are to be allocated, using the entry age normal cost  
15 actuarial method and risk assumptions adopted by the retirement board and the  
16 department of management and budget, from the school aid fund established by  
17 section 11 of article IX of the state constitution of 1963.