



**Senate Fiscal Agency**  
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BILL



ANALYSIS

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House Bill 4941 (Substitute H-1 as reported without amendment)

Sponsor: Representative Kim A. Rhead

House Committee: Appropriations

Senate Committee: Appropriations

### **CONTENT**

The bill would amend Section 1 of Public Act 306 of 1976, which authorizes the Department of Civil Service to administer a deferred compensation plan and invest and disburse the funds of the plan. The bill would shift the responsibility from the Department of Civil Service to the State Treasurer effective October 1, 1996.

MCL 38.1151

### **FISCAL IMPACT**

The bill would have an effect on the number of employees in the Department of Civil Service depending on what happened with the plan. If they were moved to the Department of Treasury, most of the employees who currently have a major role in the investment and administration of the plan would continue to be involved. If Treasury opted to use an independent fund manager, however, there could be some layoffs of those employees.

Currently, there are 24 FTE employees who work with the plan; 18.5 are directly involved with the administration and investment of the deferred compensation plan. Salaries and benefits amount to approximately \$665,000. The number of employees who would not be needed if an independent fund manager were used is indeterminate at this point.

Date Completed: 12-12-95

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