



# HOUSE JOINT RESOLUTION T

June 8, 2000, Introduced by Reps. Hanley, Kilpatrick, Schauer, Woodward, Dennis, Frank, Pestka, Neumann, Brewer, Kelly, LaForge, Quarles, Hale, Schermesser, DeHart, Basham, Price, Rison, Hardman, Sheltroun, Bovin, Garza, Rivet, Gielegem, Minore, Jamnick, Bogardus, Reeves, Clark, Stallworth, Bob Brown, Callahan, Hansen, Lockwood, Cherry, Clarke, O'Neil, Baird, Switalski, Jacobs, Thomas, Mans, Brater, Martinez, Prusi, Daniels, Wojno, Tesanovich, Vaughn, Spade and Lemmons and referred to the Committee on Constitutional Law and Ethics.

A joint resolution proposing an amendment to the state constitution of 1963, by amending section 24 of article IX, to include health benefits as part of a pension plan for state and local units of government.

Resolved by the Senate and House of Representatives of the state of Michigan, That the following amendment to the state constitution of 1963, to include health benefits as part of a pension plan for state and local units of government, is proposed, agreed to, and submitted to the people of the state:

ARTICLE IX

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Sec. 24. The accrued financial benefits of each pension plan and retirement system of the state and its political subdivisions shall be a contractual obligation thereof which shall not be diminished or impaired thereby.

1                   **Financial benefits, annual funding.**

2           Financial benefits arising on account of service rendered in  
3 each fiscal year shall be funded during that year and such fund-  
4 ing shall not be used for financing unfunded accrued  
5 liabilities.

6           THE AMOUNT REQUIRED FOR FUNDING BENEFIT OBLIGATIONS SHALL BE  
7 APPROPRIATED ANNUALLY, AND SHALL BE COMPUTED USING AN INDIVIDUAL  
8 PROJECTED BENEFIT ENTRY AGE NORMAL COST METHOD OF VALUATION OR  
9 OTHER COMPARABLE GENERALLY ACCEPTED ACTUARIAL FUNDING METHOD.

10          AMOUNTS FOR FUNDING BENEFIT OBLIGATIONS COMPUTED AND APPRO-  
11 PRIATED AS REQUIRED IN THIS SECTION SHALL BE PAID NOT LESS THAN  
12 ANNUALLY INTO A RESERVE FUND SET ASIDE FOR THE EXCLUSIVE PURPOSE  
13 OF FUNDING BENEFIT OBLIGATIONS.

14          AS USED IN THIS SECTION, ACCRUED FINANCIAL BENEFITS INCLUDE  
15 RETIREMENT HEALTH CARE BENEFITS, WHETHER PROVIDED UNDER A PENSION  
16 PLAN OR UNDER A SEPARATE PLAN OF HEALTH CARE BENEFITS.

17          Resolved further, That the foregoing amendment shall be sub-  
18 mitted to the people of the state at the next general election in  
19 the manner provided by law.