



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 4766 (as reported without amendment)
Sponsor: Representative Lee Gonzales
House Committee: Appropriations
Senate Committee: Appropriations

CONTENT

This bill would make a change to the Public Employee Retirement System Investment Act in order to make its language consistent with changes made to the State Employees' Retirement Act in House Bill 4512 and the Public School Employees Retirement Act in House Bill 4530. For fiscal year 2006-07 only, House Bill 4766 would provide for an interest-only payment on the unfunded actuarially accrued liability (UAAL), deferring payments on the principal for this fiscal year.

MCL 38.1140m

FISCAL IMPACT

In combination with House Bill 4512, the interest-only payment would create savings of \$82.9 million Gross and \$44.8 GF/GP.

In combination with House Bill 4530, the interest-only payment would create savings of \$86.4 million in the School Aid Fund. Savings to community colleges and universities would reduce General Fund expenditures by \$6.7 million.

Date Completed: 6-8-07

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