



STATE OF MICHIGAN
EXECUTIVE OFFICE
LANSING

RICK SNYDER
GOVERNOR

BRIAN CALLEY
LT. GOVERNOR

December 27, 2018

Michigan Senate
Michigan House of Representatives
State Capitol Building
Lansing, Michigan 48913

Ladies and Gentlemen:

Today I vetoed Enrolled House Bills 5230 and 5231. The bills would have amended the Michigan Public School Employees Retirement Act and the State Employee Retirement Act respectively to require the State Treasurer to offer certain annuities for active employees. Current law requires the state to offer both a fixed and variable rate annuity product to state and public school employees.

Promoters of the bills argue that active employees should have the ability to begin purchasing annuity products while they are active employees as a means to provide income certainty when they reach retirement.

As fiduciaries of the state's retirement systems, the Treasurer, and the new State of Michigan Investment Board are responsible for the mix of retirement offerings provided to employees. I believe it is inappropriate for the Legislature, which does not have fiduciary responsibility for plan participants to legislatively decide what options are offered to employees.

With that in mind, I have vetoed Enrolled House Bill 5230 and 5231.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rick Snyder'.

Rick Snyder
Governor