

# SENATE BILL No. 143

## EXECUTIVE BUDGET BILL

March 18, 1987, Introduced by Senators GAST and HOLMES 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, 1988; 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, 1988, the following amounts:

3 PUBLIC SCHOOL EMPLOYEES' RETIREMENT SYSTEM

4 APPROPRIATIONS SUMMARY:

5	GROSS APPROPRIATION.....	\$	653,632,100
6	Total interdepartmental grants.....		(11,354,300)
7	ADJUSTED GROSS APPROPRIATION.....	\$	664,986,400
8	Total federal.....		25,180,700
9	Total local.....		-0-

1	Total private.....	\$	-0-
2	School aid fund.....		676,271,400
3	Shortage: 1985-86 Contributions.....		(36,465,700)
4	Total state restricted.....		639,805,700
5	State general fund/general purpose.....	\$	-0-
6	RETIREMENT ALLOWANCE		
7	Normal cost.....	\$	108,400,500
8	Unfunded accrued liabilities.....		43,821,500
9	GROSS APPROPRIATION.....	\$	152,222,000
10	Appropriated from:		
11	Federal-retirement contribution pass-through.....		11,995,000
12	IDG-deficit community college/university credit.....		(11,354,300)
13	Shortage: 1985-86 contributions.....		(36,465,700)
14	School aid fund.....		188,047,000
15	State general fund/general purpose.....	\$	-0-
16	SOCIAL SECURITY		
17	Michigan public school employees.....	\$	342,268,900
18	GROSS APPROPRIATION.....	\$	342,268,900
19	Appropriated from:		
20	Federal-retirement contribution pass-through.....		13,185,700
21	School aid fund.....		329,083,200
22	State general fund/general purpose.....	\$	-0-
23	HEALTH INSURANCE		
24	Normal cost.....	\$	108,400,500
25	Unfunded accrued liabilities.....		50,740,700
26	GROSS APPROPRIATION.....	\$	159,141,200
27	Appropriated from:		

1 School aid fund.....\$ 159,141,200  
2 State general fund/general purpose.....\$ -0-

3 Sec. 2. In accordance with the provisions of Section 30 of article IX of  
4 the state constitution of 1963, total state spending in this bill is  
5 \$676,271,400.00. There are no state appropriations to be paid to local units  
6 of government in section 1.

7 Sec. 3. An adjustment is made under the current service component to  
8 reflect the reconciliation of the estimated and actual 1985-86 requirements  
9 for the public school employees' retirement system pursuant to section 41 of  
10 the public school employees retirement act of 1979, Act No. 300 of the Public  
11 Acts of 1980, as amended, being section 38.1341 of the Michigan Compiled  
12 Laws.

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