

# SENATE BILL NO. 149

March 13, 2025, Introduced by Senators DAMOOSE, SINGH, HUIZENGA and KLINEFELT  
and referred to Committee on Finance, Insurance, and Consumer Protection.

A bill to amend 2011 PA 152, entitled  
"Publicly funded health insurance contribution act,"  
by amending section 2 (MCL 15.562), as amended by 2013 PA 269.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

- 1           Sec. 2. As used in this act:  
2           (a) "Designated state official" means:  
3           (i) For an election affecting employees and officers in the  
4           judicial branch of state government, the state court administrator.

1           (ii) For an election affecting senate employees and officers,  
2 the secretary of the senate.

3           (iii) For an election affecting house of representatives  
4 employees and officers, the clerk of the house.

5           (iv) For an election affecting legislative council employees,  
6 the legislative council.

7           (v) For an election affecting employees in the state  
8 classified service, the civil service commission.

9           (vi) For an election affecting executive branch employees who  
10 are not in the state classified service, the state employer.

11           (b) "Flexible spending account" means a medical expense  
12 flexible spending account in conjunction with a cafeteria plan as  
13 permitted under the ~~federal~~ internal revenue code of 1986, **26 USC 1**  
14 **to 9834.**

15           (c) "Health savings account" means an account as permitted  
16 under section 223 of the internal revenue code of 1986, 26 USC 223.

17           (d) "Local unit of government" means ~~a~~**any of the following:**

18           (i) **A** city, village, township, or county. ~~—a~~

19           (ii) **A** municipal electric utility system as **that term is**  
20 defined in section 4 of the Michigan energy employment act of 1976,  
21 1976 PA 448, MCL 460.804. ~~—an~~

22           (iii) **An** authority created under chapter VIA of the aeronautics  
23 code of the state of Michigan, 1945 PA 327, MCL 259.108 to  
24 259.125c. ~~—or an~~

25           (iv) **An** authority created under chapter VIIA of the aeronautics  
26 code of the state of Michigan, 1945 PA 327, MCL 259.137 to 259.149.

27           (v) **An** authority created under 1939 PA 147, MCL 119.51 to  
28 119.62.

29           (e) "Medical benefit plan" means a plan established and

1 maintained by a carrier, a voluntary employees' beneficiary  
 2 association described in section 501(c)(9) of the internal revenue  
 3 code of 1986, 26 USC 501, or by 1 or more public employers, that  
 4 provides for the payment of medical benefits, including, but not  
 5 limited to, hospital and physician services, prescription drugs,  
 6 and related benefits, for public employees or elected public  
 7 officials. Medical benefit plan does not include benefits provided  
 8 to individuals retired from a public employer or a public  
 9 employer's contributions to a fund used for the sole purpose of  
 10 funding health care benefits that are available to a public  
 11 employee or an elected public official only ~~upon~~**on** retirement or  
 12 separation from service.

13 (f) "Medical benefit plan costs" does not include a payment by  
 14 the public employer to an employee or elected public official ~~in~~  
 15 ~~lieu~~**instead** of medical benefit plan coverage and, for a medical  
 16 benefit plan coverage year beginning after ~~the later of~~ January 1,  
 17 2014, ~~or the effective date of the amendatory act that added this~~  
 18 ~~subdivision,~~ includes, but is not limited to, all of the following:

19 (i) Any amount that the public employer pays directly or  
 20 indirectly for the assessment levied ~~pursuant to the health~~  
 21 ~~insurance claims assessment act,~~ **under former** 2011 PA 142, MCL  
 22 ~~550.1731 to 550.1741.~~ **or the assessment levied under the insurance**  
 23 **provider assessment act, 2018 PA 175, MCL 550.1751 to 550.1767.**

24 (ii) Insurance agent or company commissions.

25 (iii) Any additional amount the public employer is required to  
 26 pay as a fee or tax under the patient protection and affordable  
 27 care act, Public Law 111-148, as amended by the federal health care  
 28 and education reconciliation act of 2010, Public Law 111-152.

29 (g) "Medical benefit plan coverage year" means the 12-month

1 period after the effective date of the contractual or self-insured  
2 medical coverage plan that a public employer provides to its  
3 employees or public officials.

4 (h) "Public employer" means ~~this~~ **any of the following:**

5 (i) **This** state. ~~;-a~~

6 (ii) **A** local unit of government or other political subdivision  
7 of this state. ~~;-any~~

8 (iii) **Any** intergovernmental, metropolitan, or local department,  
9 agency, or authority, or other local political subdivision. ~~;-a~~

10 (iv) **A** school district, a public school academy, or an  
11 intermediate school district, as those terms are defined in  
12 sections 4 to 6 of the revised school code, 1976 PA 451, MCL 380.4  
13 to 380.6. ~~;-a~~

14 (v) **A** community college or junior college described in section  
15 7 of article VIII of the state constitution of 1963. ~~;-or an~~

16 (vi) **An** institution of higher education described in section 4  
17 of article VIII of the state constitution of 1963.