

**THE STATE SCHOOL AID ACT OF 1979 (EXCERPT)**  
**Act 94 of 1979**

\*\*\*\*\* 388.1747e.added THIS ADDED SECTION IS EFFECTIVE OCTOBER 1, 2017 \*\*\*\*\*

**388.1747e.added Allocation from MPSERS retirement obligation reform reserve fund for payments to participating entities; payments; definitions.**

Sec. 147e. (1) From the appropriation in section 11, there is allocated for 2017-2018 an amount not to exceed \$23,100,000.00 from the MPSERS retirement obligation reform reserve fund for payments to participating entities.

(2) The payment to each participating entity under this section shall be the sum of the amounts under this subsection as follows:

(a) An amount equal to the contributions made by a participating entity for the additional contribution made to a qualified participant's Tier 2 account in an amount equal to the contribution made by the qualified participant not to exceed 3% of the qualified participant's compensation as provided for under section 131(6) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1431, if that act is amended by either Senate Bill No. 401 or House Bill No. 4647 of the 99th Legislature.

(b) Beginning October 1, 2017, an amount equal to the contributions made by a participating entity for a qualified participant who is only a Tier 2 qualified participant under section 81d of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1381d, not to exceed 4%, and, beginning February 1, 2018, not to exceed 1%, of the qualified participant's compensation, if that act is amended by either Senate Bill No. 401 or House Bill No. 4647 of the 99th Legislature.

(c) An amount equal to the increase in employer normal cost contributions under section 41b(2) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341b, for a member that was hired after February 1, 2018 and chose to participate in Tier 1, compared to the employer normal cost contribution for a member under section 41b(1) of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341b, if section 41b of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1341b, is amended by either Senate Bill No. 401 or House Bill No. 4647 of the 99th Legislature.

(3) As used in this section:

(a) "Member" means that term as defined under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437.

(b) "Participating entity" means a district, intermediate district, or community college that is a reporting unit of the Michigan public school employees' retirement system under the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1301 to 38.1437, and that reports employees to the Michigan public school employees' retirement system for the applicable fiscal year.

(c) "Qualified participant" means that term as defined under section 124 of the public school employees retirement act of 1979, 1980 PA 300, MCL 38.1424.

**History:** Add. 2017, Act 108, Eff. Oct. 1, 2017.