State Aid Budget — Fiscal Year 2025

Michigan Public Schools Retirement System (MPSERS)

a

\$100 million

Offsets a portion of the retirement contributions owed by the reporting unit in the fiscal year (FY) it's received.

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\$365 million

Offsets the increase in normal cost because of reductions in the assumed rate of return and statutory floors.

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\$11.9 million

Offsets a portion of the retirement contributions owed by the intermediate school district or library for the FY it's received.

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\$589 million

Offset that effectively reduces the unfunded actuarial assumed liability (UAAL) cap from 20.96% to 15.21% for FY25.



\$1.03 billion

Funds the pension UAAL amortization payment above the 20.96% cap.

\$250 million

One-time deposit of additional assets to the Michigan public school employees' retirement system.

\$104.7 million

Offsets the increase in employer normal cost for employees in the Pension Plus 2 and Defined Contribution plans.

\$181.5 million

Reimbursement of member healthcare contributions.

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Note: These appropriations are set by Public Act 120 of 2024. If there is a change in legislation, updates will be made accordingly