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MERS of Michigan to help municipalities navigate \$750 million grant program for those with underfunded pensions

State budget includes funding for new program aimed at helping underfunded municipal pension plans

LANSING, Mich. — The **Municipal Employees' Retirement System** (MERS) of Michigan today announced its efforts to help members navigate a new state grant program aimed at helping underfunded municipal pension plans.

As part of the 2022-23 state budget approved by Michigan lawmakers this month, \$750 million was earmarked for underfunded municipal pension plans in local units of government across the state.

This allocation is known as the **Local Unit Municipal Pension Principal Payment Grant** and it is specifically intended to support municipal plans that are under 60% funded. The program is capped at \$170 million for each qualifying unit of government, which includes cities, counties, townships, villages and road commissions.

The Michigan Department of Treasury is developing requirements and guidelines for local units of government to follow so they can apply for – and eventually access – these funds. Those are expected to be published next year.

“MERS understands the importance of such critical funding and our organization is deeply committed to working with our members to inform them about any updates regarding this developing program,” said Carrie Lombardo, Chief Strategic and External Affairs Officer. “We will provide information about the program and the related application process as we get insights between now and April 2023, when we expect those details to be released.”

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Municipal Employees' Retirement System (MERS) is an independent, professional retirement services company that serves members across the state of Michigan. MERS manages 3,300 retirement and employee benefit plans for more than 960 municipal members – from the western Upper Peninsula to Wayne County with a combined value of over \$14 billion. MERS proudly serves more than 100,000 participants including local firefighters, nurses and the men and women who plow our roads and keep our communities safe. Learn more at www.mersofmich.com.