



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 834 (Substitute S-1 as reported by the Committee of the Whole)

Sponsor: Senator Kevin Hertel

Committee: Veterans and Emergency Services

CONTENT

The bill would amend the Public Safety Officers Benefit Act to increase, from \$25,000 to \$50,000, the benefit paid for a public safety officer who dies or is permanently and totally disabled in the line of duty, beginning October 1, 2024.

MCL 28.634

BRIEF RATIONALE

When a public safety officer dies, the family of the officer suffers. To help ease this burden, Public Act 46 of 2004 created a one-time benefit of \$25,000 to the spouse or dependents of a deceased or permanently and totally disabled public safety officer. The Act passed 20 years ago and the benefit has never been increased, which means that today's payments are worth less due to inflation. The State has the money to double the benefit that families receive and so the bill should be passed to better care for these families after their loss.

Legislative Analyst: Alex Krabill

FISCAL IMPACT

The bill would result in additional General Fund/General Purpose (GF/GP) costs to the State in an amount that would depend upon the number of awards issued annually under the State's disabled/death benefit for public safety officers benefit program (PSOB). It would raise the current benefit amount from \$25,000 to \$50,000 and require these additional amounts to be paid to authorized recipients from the program administered under the Michigan Commission on Law Enforcement Standards (MCOLES). The number of benefit awards given varies from year to year and thus would affect the amount of funding required. In recent fiscal years, these awards have included 11 in Fiscal Year (FY) 2017-18, six in FY 2018-19, 15 in FY 2019-20, 11 in FY 2020-21, 13 in FY 2021-22, and 7 in FY 2022-23. For FY 2023-24, benefits have been awarded in six cases to date with an additional five cases under review for potential payment. These include a claim for a firefighter and for law enforcement officers who were killed in the line of duty over the summer, with dates of death being June 22, June 27, July 21, and September 13, respectively.

The appropriation for the PSOB program for FY 2023-24 is \$303,000 GF/GP. Appropriations are placed in the PSOB Fund which pays for the awards, with any unspent funds from a given year required to remain in the Fund for future use. The current PSOB Fund balance is \$880,457, with a projected balance of approximately \$1.2 million on October 1, 2024, which would include the FY 2024-25 appropriated amount of \$303,000 GF/GP. The Michigan Commission on Law Enforcement Standards uses approximately \$20,000 from the Fund annually to support its cost of administering the Fund, including to investigate and vet claims for the awards.

The Michigan Commission on Law Enforcement Standards estimates that the increase in the amount of individual awards under the bill would be covered by existing PSOB funds and current appropriations without an increase in line item appropriations required for FY 2024-25. Barring a catastrophic series of events that affected public safety officers in the State, it is estimated that the existing appropriations and Fund balance would likely be sufficient to cover the additional costs of the bill.

Date Completed: 9-17-24

Fiscal Analyst: Bruce R. Baker

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.