

Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

SFA**BILL ANALYSIS**

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

House Bill 4332 (as reported without amendment)
Sponsor: Representative Scott Shackleton
House Committee: Senior Health, Security and Retirement
Senate Committee: Families and Human Services

Date Completed: 4-28-03

RATIONALE

Under the Fire Fighters and Police Officers Retirement Act, the surviving spouse of a public safety officer who dies in the line of duty receives from the municipality a weekly duty death pension for the rest of the surviving spouse's life. If the surviving spouse remarries, the municipality may choose to suspend the payments. Some people believe that this penalizes a surviving spouse for choosing to remarry, and that the law should enable the surviving spouse to continue collecting the pension.

CONTENT

The bill would amend the Fire Fighters and Police Officers Retirement Act to prohibit a municipality from denying duty death pension benefits to the remarried surviving spouse of a fire fighter or police officer.

Under the Act, a municipality may adopt a resolution that remarriage does not render a surviving spouse ineligible to receive a duty death or non-duty death pension (which is payable to the surviving spouse of an officer who attained 20 years of service but died before retiring and did not designate a survivor option). If the surviving spouse's pension was terminated due to his or her remarriage, the surviving spouse must file a written application for reinstatement of the pension with the retirement board. Beginning on the bill's effective date, as these provisions apply to a surviving spouse who is eligible for a *non-duty* death pension, the provisions would apply to a municipality upon its governing body's approval of the resolution.

A surviving spouse who was eligible for a *duty* death pension and who remarried after the

bill's effective date could not be denied the pension because of the remarriage.

The bill also would delete a provision that, in a city completely surrounded by a city of at least 80,000 whose governing body elected to be included under the provisions of the Act, a non-duty death pension must be paid to the surviving spouse of a member who attains 15 years of service and dies while in the service of the city before retiring.

MCL 35.556-35.556b

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

Police and fire-fighters routinely face risks in carrying out the duties of protecting local communities. Their spouses deserve the support of the citizens for whom these public safety officers may have to risk their lives. A person who loses a husband or wife in the line of duty already has suffered an immense loss and should not be penalized for remarrying. It is simply unjust to suspend benefits to someone who has made such a sacrifice and has many years left to live and, in some cases, children to support.

Supporting Argument

Current law provides a disincentive to marry. Reportedly, many surviving spouses choose to cohabitate rather than remarry and risk losing the pension benefit, particularly if there are minor children involved. Adults, children, and society benefit from healthy marriages. Talk

of eliminating marriage penalties is prevalent in public policy discussions today, and this bill presents a very simple opportunity to eliminate one such penalty. This unnecessary barrier to remarriage has been removed from other retirement policies, such as the State Employees Retirement Act, the Public School Employees Retirement Act, and the State Police Retirement Act, and also should be removed from the Fire Fighters and Police Officers Retirement Act.

Legislative Analyst: Julie Koval

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Joe Carrasco

H0304\s4332a

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.