

Legislative Analysis



SUPPLEMENTAL BENEFITS FOR CERTAIN MICHIGAN STATE POLICE RETIREES

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<http://www.house.mi.gov/hfa>

Senate Bill 22 (H-2) Committee Substitute

Sponsor: Sen. Tom Casperson

House Committee: Appropriations

Senate Committee: Appropriations

Analysis available at
<http://www.legislature.mi.gov>

Complete to 9-29-15

SUMMARY:

Senate Bill 22 would amend the State Police Retirement Act to provide supplemental retirement benefits for a Michigan State Police (MSP) retiree (or his/her beneficiary) who retired prior to October 1, 1986 and who is currently receiving an annual retirement allowance, or pension, less than \$16,000. Beginning October 1, 2015, and subject to an annual appropriation, the supplemental benefit would be equal to the difference between \$16,000 and the retiree's annual retirement allowance.

FISCAL IMPACT:

According to the Office of Retirement Services (ORS), there are currently 96 MSP retirees who retired prior to 1986 and whose pensions are less than \$16,000 per year. ORS calculates that the annual cost of the bill would equal a maximum of \$250,000 per year but would decline over time as the number of applicable retirees and beneficiaries declines. The bill would make the provisions subject to an annual appropriation by the Legislature, and a supplemental for the FY 2015-16 would be necessary to implement the bill's provisions for the first year.

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