



**House  
Legislative  
Analysis  
Section**

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**NATIONAL GUARD RETIREES'  
SURVIVING SPOUSE PENSION  
AS ENROLLED**

**House Bill 5172 with committee  
amendment  
First Analysis (9-19-96)**

**Sponsor: Rep. Robert DeMars  
Committee: Appropriations**

***THE APPARENT PROBLEM:***

The Michigan Military Act generally provides that a person qualifies for a retirement pension of \$600 per year upon retiring and reaching age 62 as long as he or she has completed at least 20 years of active service with the national guard or defense force, or both, although retirants who meet the length-of-service requirement and certain other criteria qualify to receive this annual amount at age 55. In addition, the act currently provides for the surviving spouse of a qualifying retirant who dies to receive \$300 per year until death. In at least one case, the widow of a national guardsman who died at age 53 after 20 years of service was unable to qualify for the survivor benefit. This is arguably an unfair penalty for a person who suffers the premature death of a spouse who has otherwise qualified for a pension.

***THE CONTENT OF THE BILL:***

The bill would amend the Michigan Military Act to specify that the surviving spouse of a vested national guard member who otherwise met the requirements for receiving a pension at age 55 (i.e., at least 20 years of active service with the national guard or defense force, or both, and ineligibility under federal law due to age or length of service and termination of commission or enlistment into the U.S. National Guard, commission/enlistment ended due to a physical disqualification, or separation due to an "honorable circumstance") would qualify for survivor's benefits, regardless of the age at death of the vested guard member.

MCL 32.811

***FISCAL IMPLICATIONS:***

The House Fiscal Agency says the bill would cost the state \$1,500 annually to cover the five surviving spouses of military retirees who would be eligible to receive the annual pension benefit of \$300. In addition, the Department of Military Affairs estimates that for future years one additional beneficiary, on average, would be added to the military retirement system per year as a

result of the bill, which the department would fund from its existing resources. The agency further reports that the bill would not affect local government budget expenditures. (9-18-96)

***ARGUMENTS:***

***For:***

The bill would correct a perceived inequity in the eligibility standards for military pensions. According to the Department of Military Affairs, only five surviving spouses would qualify for benefits at this time, and the department would expect only about one additional claim per year due to the bill's provisions.

***POSITIONS:***

The Department of Military Affairs supports the bill. (6-26-96)

Analyst: T. Iversen/D. Martens

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.

House Bill 5172 (9-19-96)