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SFA**BILL ANALYSIS**

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Senate Bill 757 (as introduced 10-16-97)

Sponsor: Senator Bill Schuette

Committee: Human Resources, Labor and Veterans Affairs

Date Completed: 12-2-97

CONTENT

The bill would create a new act to prohibit State employers from spending money that was received from the State to provide their employees' unmarried partners with health or other benefits. The bill, however, would not prohibit a State employer from spending State money to provide benefits to a State employee's parent, step-parent, sibling, spouse, child, step-child, or foster child.

"State employer" would mean the State, a department, board, commission, or authority of the State, or a State public university or college, that employed an individual on a part-time, full-time, or seasonal basis. "Unmarried partner" would mean an adult individual who was residing with an employee of the State employer, unless that individual also was an employee of the State employer entitled by his or her employee status to health or other benefits from the State employer.

Legislative Analyst: N. Nagata

FISCAL IMPACT

There would be no fiscal impact on State government because health and other benefits are not offered to unmarried partners of State employees; there would be no fiscal impact on local government because local government employees are not included under the provisions of this bill. The bill does include Michigan public colleges and universities within the definition of "state employer". Although the bill would apply to unmarried partners of either the same or opposite sex, higher education institutions offer these benefits only to same sex partners of their employees. Of the 15 public universities and 28 community colleges, four institutions currently offer health benefits to unmarried same-sex partners of their employees: the University of Michigan (Ann Arbor, Dearborn, and Flint campuses) and Wayne State University. Annual university costs for these benefits are estimated to be \$183,920 and \$28,546, respectively, for an annual total of \$212,466. Michigan State University will begin to offer benefits to qualified unmarried same-sex partners of their employees on January 1, 1998. The FY 1997-98 State appropriation for these five universities is \$859,662,533.

Since the universities' costs for unmarried partners' benefits could be financed by some combination of State appropriations, tuition revenue, or other auxiliary revenue, the bill's prohibition regarding expenditure of State money for these benefits could have minimal fiscal impact on the universities.

Fiscal Analyst: E. Jeffries

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