

# Fiscal Analysis

## PUBLIC SAFETY OFFICERS BENEFIT ACT



---

**Bill/Sponsor**      **HOUSE BILL 4178 As Reported Without Amendment, Rep. Scott Shackleton**

**House Committee**    Appropriations

### Analysis

#### Summary

House Bill 4178 would create the “Public Safety Officers Benefit Act” to provide a one-time, lump-sum payment of \$25,000 to the spouse, dependents, estate, or caregiver of a public safety officer who dies or is permanently and totally disabled as the direct and proximate result of a personal injury in the line of duty. The bill defines “public safety officer” to include the following occupational categories:

- Law enforcement officers
- Firefighters
- Rescue squad members
- Ambulance crew members

These individuals would be covered under the bill regardless of whether they served with or without compensation. The bill would create the Public Safety Officer Benefit Fund within the State Treasury. Fund interest and earnings would be credited to the fund, and money in the fund at the close of the fiscal year would remain in the fund and not lapse to the General Fund.

The bill provides for an interim benefit of \$3,000 to be paid to the surviving spouse or dependents of a deceased or permanently and totally disabled law enforcement officer, upon a showing of need, if it were determined that the benefit probably would be paid under the bill. This interim benefit would be deducted from any final benefit paid (\$25,000), and repayment would be required if a final benefit was not paid. The required repayment could be waived, however, if substantial hardship would result to the recipient.

The bill specifies an effective date of January 1, 2004 – which would make the bill effective for the final nine months of fiscal year 2003-04 and beyond.

#### Fiscal Impact

Based on data from a recent 10-year period (1992-2001), an average of 5.1 public safety officers have been killed or become permanently and totally disabled in the line of duty annually in Michigan. The estimated annual increase in state costs under the bill is \$126,100 as shown in the table below. The table provides a breakdown of the cost estimate by occupational category. These costs would be paid from the fund created under the bill. Any excess funds at the end of the fiscal year would be carried forward to the subsequent fiscal year.

Mitchell Bean, Director – House Fiscal Agency  
124 N. Capitol Avenue, Lansing, MI 48909  
Phone: (517)373-8080, Fax: (517)373-5874  
<http://www.house.mi.gov/hfa>

	Deaths					Disability	Grand Total
	Police Officers		Firefighters		*Other	Total	
	Local Officers	Troopers	Career	Volunteer			
Deaths Over 10-Year Period	26	7	5	12	0.25	0.19	50.44
Average Deaths per Year	2.6	0.7	0.5	1.2	0.02	0.02	5.04
Annual Fiscal Impact	\$65,000	\$17,500	\$12,500	\$30,000	\$600	\$500	\$126,100

\* Includes rescue squad and ambulance workers

Sources: Federal Bureau of Investigations, Michigan Department of State Police, Michigan Fire Marshal Division, U.S. Bureau of Justice Assistance, U.S. Census Bureau

It is important to note that these estimates reflect long-term averages. The total amount of payments made under the bill's provisions would likely fluctuate substantially from year to year. Based on historical figures, annual costs could range from \$50,000 to \$225,000 in any given year.

These estimates are based on recent experience in terms of the number of officers killed in the line of duty. If an incident such as a terrorist event occurred in Michigan and a high number of public safety officers were killed, the costs of the bill would greatly increase.

### **Analyst(s)**

Hannah Lee

**FLOOR ANALYSIS - 10/15/03**

Mitchell Bean, Director – House Fiscal Agency  
124 N. Capitol Avenue, Lansing, MI 48909  
Phone: (517)373-8080, Fax: (517)373-5874  
<http://www.house.mi.gov/hfa>