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

BILL ANALYSIS

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

Senate Bill 834 (as introduced 4-18-24)
Sponsor: Senator Kevin Hertel
Committee: Veterans and Emergency Services

Date Completed: 9-9-24

CONTENT

The bill would amend the Public Safety Officers Benefit Act to increase, from $25,000 to $50,000, the benefit paid for a public safety officer who dies or is permanently and totally disabled in the line of duty.

Generally, the Act requires the State to pay the one-time benefit to certain individuals if a public safety officer dies or is permanently and totally disabled as the direct and proximate result of a personal injury sustained in the line of duty. Under the Act, "public safety officer" generally means any law enforcement officer, firefighter, or member of a rescue squad or ambulance crew who serves a public agency or entity created by a local government in the State.

If the public safety officer dies, the Act requires the State to pay the one-time benefit to one of the following:

-- The deceased public safety officer's surviving spouse.
-- If the deceased public safety officer does not have a surviving spouse, the deceased public safety officer's dependents.
-- If the deceased public safety officer does not have a surviving spouse or any surviving dependents, the deceased public safety officer's estate.

Additionally, if the officer is permanently or totally disabled, the State must pay the benefit to the officer's spouse; if there is no spouse, the officer's dependents; or if there are no dependents, the entity providing care to the officer.

MCL 28.634 Legislative Analyst: Alex Krabill

FISCAL IMPACT

The bill would result in additional General Fund/General Purpose (GF/GP) costs to the State in an amount that would depend upon the number of awards issued annually under the State's disabled/death benefit for public safety officers benefit program (PSOB). It would raise the current benefit amount from $25,000 to $50,000 and require these additional amounts to be paid to authorized recipients from the program administered under the Michigan Commission on Law Enforcement Standards (MCOLES). The number of benefit awards given varies from year to year and thus would affect the amount of funding required. In recent fiscal years, these awards have included 11 in Fiscal Year (FY) 2017-18, six in FY 2018-19, 15 in FY 2019-20, 11 in FY 2020-21, 13 in FY 2021-22, and 7 in FY 2022-23. For FY 2023-24, benefits have been awarded in six cases to date with an additional four cases under review for potential payment. These include a claim for a firefighter and for law enforcement officers who were killed in the line of duty over the summer, with dates of death being June 22, June 27, and July 21, respectively.

The appropriation for the PSOB program for FY 2023-24 is $303,000 GF/GP. Appropriations are placed in the PSOB Fund which pays for the awards, with any unspent funds from a given year required to remain in the Fund for future use. The current PSOB Fund balance is $880,457, with a projected balance of approximately $1.2 million on October 1, 2024, which would include the FY 2024-25 appropriated amount of $303,000 GF/GP. The Michigan Commission on Law Enforcement Standards uses approximately $20,000 from the Fund annually to support its cost of administering the Fund, including to investigate and vet claims for the awards.

The Michigan Commission on Law Enforcement Standards estimates that the increase in the amount of individual awards under the bill would be covered by existing PSOB funds and current appropriations without an increase in line item appropriations required for FY 2024-25. Barring a catastrophic series of events that affected public safety officers in the State, it is estimated that the existing appropriations and Fund balance would likely be sufficient to cover the additional costs of the bill.

Fiscal Analyst: Bruce R. Baker

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