

1 **PUBLIC SAFETY RETIREMENT DEATH**

2 **BENEFIT MODIFICATIONS**

3 2007 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Jon J. Greiner**

6 House Sponsor: Ron Bigelow

7

8 **LONG TITLE**

9 **General Description:**

10 This bill raises the cap on the death benefits of retired members of the public safety
11 retirement systems.

12 **Highlighted Provisions:**

13 This bill:

14 ▶ raises the cap on the death benefits of retired members of the Public Safety
15 Contributory Retirement System; and

16 ▶ raises the cap on the death benefits of retired members of the Public Safety
17 Noncontributory Retirement System.

18 **Monies Appropriated in this Bill:**

19 None

20 **Other Special Clauses:**

21 This bill takes effect on July 1, 2007.

22 **Utah Code Sections Affected:**

23 AMENDS:

24 **49-14-504**, as renumbered and amended by Chapter 250, Laws of Utah 2002

25 **49-15-504**, as last amended by Chapter 240, Laws of Utah 2003

26

27 *Be it enacted by the Legislature of the state of Utah:*



28 Section 1. Section **49-14-504** is amended to read:

29 **49-14-504. Benefits payable upon death of retired member.**

30 (1) If a retiree who retired under either Division A or Division B dies, the retiree's
31 spouse at the time of death shall receive an allowance equal to [~~65%~~] 75% of the allowance
32 that was being paid to the retiree at the time of death.

33 (2) If the retiree retired solely under Division B and dies leaving unmarried children
34 under the age of 18 or dependent unmarried mentally or physically disabled children, the
35 children shall qualify for a benefit as prescribed for children under Subsection 49-14-502(1)(c)
36 which is payable on the first day of the month following the month in which the retiree died.

37 Section 2. Section **49-15-504** is amended to read:

38 **49-15-504. Benefits payable upon death of retired member.**

39 (1) If a retiree who retired under either Division A or Division B dies, the retiree's
40 spouse at the time of death shall receive an allowance equal to [~~65%~~] 75% of the allowance
41 that was being paid to the retiree at the time of death.

42 (2) If the retiree retired solely under Division B and dies leaving unmarried children
43 under the age of 18 or dependent unmarried mentally or physically disabled children, the
44 children shall qualify for a benefit as prescribed under Subsection 49-15-502(1)(d) which is
45 payable on the first day of the month following the month in which the retiree died.

46 Section 3. **Effective date.**

47 This bill takes effect on July 1, 2007.

Legislative Review Note
as of 12-5-06 9:16 AM

Office of Legislative Research and General Counsel

S.B. 39 - Public Safety Retirement Death Benefit Modifications

**Revised
Fiscal Note**

2007 General Session
State of Utah

State Impact

Enactment of this bill will cause retirement contribution rates to increase for all current employees covered by the public safety retirement plans. This will require an appropriation of approximately \$1.1 million distributed to state agencies that employ individuals covered by these plans.

	<u>FY 2007</u> <u>Approp.</u>	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2009</u> <u>Approp.</u>	<u>FY 2007</u> <u>Revenue</u>	<u>FY 2008</u> <u>Revenue</u>	<u>FY 2009</u> <u>Revenue</u>
General Fund	\$0	\$959,400	\$959,400	\$0	\$0	\$0
General Fund Restricted	\$0	\$61,200	\$61,200	\$0	\$0	\$0
Transportation Fund	\$0	\$500	\$500	\$0	\$0	\$0
Federal Funds	\$0	\$6,500	\$6,500	\$0	\$0	\$0
Dedicated Credits	\$0	\$43,300	\$43,300	\$0	\$0	\$0
Total	\$0	\$1,070,900	\$1,070,900	\$0	\$0	\$0

Individual, Business and/or Local Impact

Enactment of this bill will affect local governments, whose retirement rates for employees covered by the public safety retirement plans would increase between 0.68 and 1.30 percentage points. Such increases total approximately \$2 million. The individual impact on local employers and employees will vary based on whether or not employees pay a portion of their pension contributions.

Some spouses of deceased members of the public safety retirement plans will receive a higher allowance if this bill is enacted.