

SUBJECT: Allowing death benefits for certain nonvested law enforcement officers

COMMITTEE: Appropriations — committee substitute recommended

VOTE: 18 ayes — Junell, West, Coleman, Gallego, Gutierrez, Hamric, Heflin, Maxey, Mowery, Puente, Allen, Eiland, Farrar, Flores, T. King, Luna, Pickett, Pitts

0 nays

9 absent — Delisi, Glaze, Moreno, S. Turner, Giddings, Hochberg, Janek, McReynolds, Smith

WITNESSES: For — *Registered but did not testify*: Ron DeLord, Combined Law Enforcement Associations of Texas; Keith Oakley, Texas Municipal Police Association

Against — None

On — Ray Hymel, Employees Retirement System of Texas

BACKGROUND: Government Code, chapter 615 establishes that if a law enforcement official is killed in the line of duty, the surviving spouse is entitled to receive a one-time sum of \$50,000. For one surviving child, the legal guardian receives \$200 per month; for two surviving children, \$300 per month; and for three or more surviving children, \$400 per month until a child's 21st birthday. At that time, payments are adjusted for any remaining surviving children.

Under Government Code, sec. 814.301, a state employee with 10 years of service is eligible to select a death benefit plan. If the employee dies with at least 10 years of service, the beneficiary is entitled to receive an annuity. Death benefits are administered to beneficiaries by the Employees Retirement System (ERS).

DIGEST: CSHB 877 would allow additional benefits for survivors of a peace officer or a Texas Department of Criminal Justice (TDCJ) institutional or state jail division employee who has not qualified for retirement and who is killed in

the line of duty. The state would have to pay funeral expenses and monthly payments that would equal the greater of:

- ! the monthly annuity payment the officer or employee would have received had he or she survived, retired on the last day of the month in which he or she died, and been eligible for an annuity under an employee's retirement plan, or
- ! the minimum monthly annuity payment for an officer or employee who had been employed by the state for 10 years at the lowest salary provided for a peace officer or employee of TDCJ's institutional or state jail division and had been eligible to retire under ERS.

The surviving spouse could continue to receive monthly payments until the spouse remarried, became eligible for retirement under an employees' retirement plan, or became eligible for Social Security benefits, whichever occurred first. If there were no eligible surviving spouse, the state would have to pay the funeral expenses of the deceased officer or employee to the guardian or legal representative of any surviving children.

A surviving spouse would be entitled to receive monthly payments until the spouse remarried, became eligible for a retirement plan, or became eligible for Social Security.

These benefits would be in addition to any other benefits authorized by Government Code, chapter 615.

The bill would take effect September 1, 2001, and would apply only to the payment of benefits for a peace officer or employee killed in the line of duty on or after that date.

**SUPPORTERS
SAY:**

CSHB 877 would pay benefits to surviving family members of fallen peace officers and institutional and state jail division employees who otherwise would not receive those benefits because the officer had not yet been vested in the state's retirement system. Primarily, it would benefit the families of young officers who are killed in the line of duty.

The bill's fiscal note estimates a cost of about \$140,900 in fiscal 2002-03 on the basis of six deaths per year. That money could come from a contingency

appropriation, now located in Article 11 of SB 1 by Ellis, the general appropriations bill. If CSHB 877 is enacted and the contingency rider is incorporated into the appropriations bill, the money would be appropriated to ERS from general revenue. If the appropriations bill is enacted without the contingency rider and CSHB 877 is enacted, ERS would allocate money to pay these benefits. The number of nonvested officer and employee deaths probably would not reach six in a given year. The fiscal impact on the state would therefore be negligible.

OPPONENTS
SAY:

Allowing the state to pay retirement benefits to family members of officers and certain TDCJ employees who are not vested in ERS could open the door to awarding benefits to family members of other state employees engaged in hazardous occupations who are not vested. ERS exists to benefit state employees who are vested, and it would not be appropriate to continue to expand the benefits paid to families of nonvested employees.

NOTES:

The committee substitute changed the filed version by adding a TDCJ institutional or state jail division employee to those eligible to receive benefits and by removing provisions relating to a bullet tax to finance the additional benefits.