

PUBLIC SAFETY AND FIREFIGHTER RETIREMENT

DEATH BENEFIT AMENDMENTS

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Karen Mayne

House Sponsor: Carol Spackman Moss

LONG TITLE

General Description:

This bill modifies the Utah State Retirement and Insurance Benefit Act by amending provisions relating to retirement death benefits for certain public safety service employees and firefighter service employees.

Highlighted Provisions:

This bill:

- ▶ amends the death benefits payable to a member of Division A or Division B in the Public Safety Contributory Retirement Act;
 - ▶ amends the death benefits payable to a member of Division B in the Public Safety Noncontributory Retirement Act;
 - ▶ amends the death benefits payable to a member of the Firefighters' Retirement Act;
- and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

49-14-501, as last amended by Laws of Utah 2016, Chapter 84

49-14-502, as last amended by Laws of Utah 2016, Chapter 84

30 [49-15-502](#), as last amended by Laws of Utah 2016, Chapter 84

31 [49-16-501](#), as last amended by Laws of Utah 2016, Chapter 84

32

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

34 Section 1. Section **49-14-501** is amended to read:

35 **49-14-501. Death of active member in Division A -- Payment of benefits.**

36 (1) If an active member of this system enrolled in Division A under Section [49-14-301](#)
37 dies, benefits are payable as follows:

38 (a) If the death is classified by the office as a line-of-duty death, the surviving spouse
39 shall receive:

40 (i) a lump sum equal to six months of the active member's final average salary; and

41 (ii) (A) an allowance equal to 30% of the deceased member's final average monthly
42 salary[-]; or

43 (B) if the member has accrued 20 or more years of public safety service credit, the
44 death benefit payable to a surviving spouse under Section [49-14-504](#).

45 (b) If the death is not classified by the office as a line-of-duty death, benefits are
46 payable as follows:

47 (i) If the member has accrued less than 10 years of public safety service credit, the
48 beneficiary shall receive the sum of \$1,000 or a refund of the member's member contributions,
49 whichever is greater.

50 (ii) If the member has accrued 10 or more years of public safety service credit but less
51 than 20 years of public safety service credit at the time of death, the surviving spouse shall
52 receive the sum of \$500, plus an allowance equal to 2% of the member's final average monthly
53 salary for each year of service credit accrued by the member up to a maximum of 30% of the
54 member's final average monthly salary.

55 (iii) If the member has accrued 20 or more years of public safety service credit:

56 (A) the member shall be considered to have retired with an allowance calculated under
57 Section [49-14-402](#); and

58 (B) the surviving spouse shall receive the death benefit payable to a surviving spouse
59 under Section 49-14-504.

60 (2) Except as provided under Subsection (1)(b)(i), benefits are not payable to minor
61 children of members covered under Division A.

62 (3) If a benefit is not distributed under this section, and the member has designated a
63 beneficiary, the member's member contributions shall be paid to the beneficiary.

64 (4) (a) A surviving spouse who requests a benefit under this section shall apply in
65 writing to the office.

66 (b) The allowance shall begin on the first day of the month following the month in
67 which the:

68 (i) member died, if the application is received by the office within 90 days of the
69 member's death; or

70 (ii) application is received by the office, if the application is received by the office
71 more than 90 days after the member's death.

72 Section 2. Section 49-14-502 is amended to read:

73 **49-14-502. Death of active member in Division B -- Payment of benefits.**

74 (1) If an active member of this system enrolled in Division B under Section 49-14-301
75 dies, benefits are payable as follows:

76 (a) If the death is classified by the office as a line-of-duty death, the surviving spouse
77 shall receive:

78 (i) a lump sum equal to six months of the active member's final average salary; and

79 (ii) (A) an allowance equal to 37.5% of the member's final average monthly salary[-];

80 or

81 (B) if the member has accrued 20 or more years of public safety service credit, the
82 greater of:

83 (I) an allowance equal to 37.5% of the member's final average monthly salary; or

84 (II) the death benefit payable to a surviving spouse under Section 49-14-504.

85 (b) If the death is not classified by the office as a line-of-duty death, benefits are

86 payable as follows:

87 (i) If the member has accrued two or more years of public safety service credit at the
88 time of death, the death is considered a line-of-duty death and the surviving spouse shall
89 receive:

90 (A) a lump sum of \$1,500; and

91 (B) an allowance as provided under Subsection (1)(a)(ii).

92 (ii) If the member has accrued less than two years of public safety service credit at the
93 time of death, the surviving spouse shall receive a refund of the member's member
94 contributions, plus 50% of the member's most recent 12 months' compensation.

95 (c) (i) If the member has accrued two or more years of public safety service credit at
96 the time of death, each of the member's unmarried children to age 18 or dependent unmarried
97 children with a mental or physical disability shall receive a monthly allowance of \$50.

98 (ii) Payments shall be made to the surviving parent or to a duly appointed guardian, or
99 as otherwise provided under Sections [49-11-609](#) and [49-11-610](#).

100 (2) If the member dies and there is no surviving spouse, any amounts that would have
101 been the surviving spouse's benefit shall be prorated and paid to each of the member's
102 unmarried children to age 18.

103 (3) If a benefit is not distributed under Subsection (1) or (2), and the member has
104 designated a beneficiary, the member's member contributions shall be paid to the beneficiary.

105 (4) The combined annual payments made to the beneficiaries of any member under this
106 section may not exceed 75% of the member's final average monthly salary.

107 (5) (a) A surviving spouse who requests a benefit under this section shall apply in
108 writing to the office.

109 (b) The allowance shall begin on the first day of the month:

110 (i) following the month in which the member died, if the application is received by the
111 office within 90 days of the member's death; or

112 (ii) following the month in which the application is received by the office, if the
113 application is received by the office more than 90 days after the member's death.

114 Section 3. Section **49-15-502** is amended to read:

115 **49-15-502. Death of active member in Division B -- Payment of benefits.**

116 (1) If an active member of this system enrolled in Division B under Section [49-15-301](#)
117 dies, benefits are payable as follows:

118 (a) If the death is classified by the office as a line-of-duty death, the surviving spouse
119 shall receive:

120 (i) a lump sum equal to six months of the active member's final average salary; and

121 (ii) (A) an allowance equal to 37.5% of the member's final average monthly salary[-:];

122 or

123 (B) if the member has accrued 20 or more years of public safety service credit, the
124 greater of:

125 (I) an allowance equal to 37.5% of the member's final average monthly salary; or

126 (II) the death benefit payable to a surviving spouse under Section [49-15-504](#).

127 (b) If the death is not classified by the office as a line-of-duty death, and the member
128 has accrued two or more years of public safety service credit at the time of death, the death is
129 considered line-of-duty and the surviving spouse shall receive:

130 (i) a lump sum of \$1,500; and

131 (ii) an allowance as provided under Subsection (1)(a)(ii).

132 (c) If the death is not classified by the office as a line-of-duty death, and the member
133 has accrued less than two years of public safety service credit at the time of death, the surviving
134 spouse shall receive a refund of the member's member contributions, plus 50% of the member's
135 most recent 12 months' compensation.

136 (d) (i) If the member has accrued two or more years of public safety service credit at
137 the time of death, each of the member's unmarried children to age 18 or dependent unmarried
138 children with a mental or physical disability shall receive an allowance of \$50.

139 (ii) Payments shall be made to the surviving parent or to a duly appointed guardian, or
140 as otherwise provided under Section [49-11-609](#) or [49-11-610](#).

141 (2) If the member dies and there is no surviving spouse, any amounts that would have

142 been the surviving spouse's benefit shall be prorated and paid to each of the member's
143 unmarried children to age 18.

144 (3) If a benefit is not distributed under Subsection (1) or (2), and the member has
145 designated a beneficiary, the member's member contributions shall be paid to the beneficiary.

146 (4) The combined payments to beneficiaries of any member under this section may not
147 exceed 75% of the member's final average monthly salary.

148 (5) (a) A surviving spouse who requests a benefit under this section shall apply in
149 writing to the office.

150 (b) The allowance shall begin on the first day of the month:

151 (i) following the month in which the member died, if the application is received by the
152 office within 90 days of the member's death; or

153 (ii) following the month in which the application is received by the office, if the
154 application is received by the office more than 90 days after the member's death.

155 Section 4. Section **49-16-501** is amended to read:

156 **49-16-501. Death of active member in Division A -- Payment of benefits.**

157 (1) If an active member of this system enrolled in Division A under Section **49-16-301**
158 dies, benefits are payable as follows:

159 (a) If the death is classified by the office as a line-of-duty death, benefits are payable as
160 follows:

161 (i) If the member has accrued less than 20 years of firefighter service credit, the
162 surviving spouse shall receive a lump sum equal to six months of the active member's final
163 average salary and an allowance equal to 30% of the member's final average monthly salary.

164 (ii) If the member has accrued 20 or more years of firefighter service credit, the
165 member shall be considered to have retired with an allowance calculated under Section
166 **49-16-402** and the surviving spouse shall receive the death benefit payable to a surviving
167 spouse under Section **49-16-504**.

168 (b) If the death is not classified as a line-of-duty death by the office, benefits are
169 payable as follows:

170 (i) If the member has accrued less than 10 years of firefighter service credit, the
171 beneficiary shall receive a sum of \$1,000 or a refund of the member's member contributions,
172 whichever is greater.

173 (ii) If the member has accrued 10 or more years of firefighter service credit but less
174 than 20 years of firefighter service credit, the surviving spouse shall receive a sum of \$500,
175 plus an allowance equal to 2% of the member's final average monthly salary for each year of
176 service credit accrued by the member up to a maximum of 30% of the member's final average
177 monthly salary.

178 (iii) If the member has accrued 20 or more years of firefighter service credit:

179 (A) the member shall be considered to have retired with an allowance calculated under
180 Section 49-16-402; and

181 (B) the surviving spouse shall receive the death benefit payable to a surviving spouse
182 under Section 49-16-504.

183 (2) (a) If the member dies without a surviving spouse, the surviving spouse's allowance
184 shall be equally divided and paid to each unmarried child until the child reaches age 21.

185 (b) The payment shall be made to a duly appointed guardian or as provided under
186 Sections 49-11-609 and 49-11-610.

187 (3) If the benefit is not distributed under this section, and the member has designated a
188 beneficiary, the member's member contributions shall be paid to the beneficiary.

189 (4) (a) A surviving spouse who requests a benefit under this section shall apply in
190 writing to the office.

191 (b) The allowance shall begin on the first day of the month:

192 (i) following the month in which the member died, if the application is received by the
193 office within 90 days of the member's death; or

194 (ii) following the month in which the application is received by the office, if the
195 application is received by the office more than 90 days after the member's death.

196 **Section 5. Effective date.**

197 This bill takes effect on July 1, 2018.

