



HOUSE of REPRESENTATIVES

STATE OF MICHIGAN

Appropriations Requests for Legislatively Directed Spending Items

1. The sponsoring representative's first name:
Tyrone
2. The sponsoring representative's last name:
Carter
3. The cosponsoring representatives' names. All cosponsors must be listed. If none, please type 'n/a.' A signed letter from the sponsor approving the co-sponsorship and a signed letter from the member wishing to co-sponsor are required. Attach letters at question #9 below.
Rep. Joe Tate
Rep. Veronica Paiz
4. Name of the entity that the spending item is intended for:
Coalition of Detroit Public Safety Unions Trust
5. Physical address of the entity that the spending item is intended for:
6525 Centurion Drive, Lansing, Michigan 48917
6. If there is not a specific recipient, the intended location of the project or activity:
n/a
7. Name of the representative and the district number where the legislatively directed spending item is located:
Districts 1-17
8. Purpose of the legislatively directed spending item. Please include how it provides a public benefit and why it is an appropriate use of taxpayer funding. Please also demonstrate that the item does not violate Article IV, S 30 of the Michigan Constitution. The Coalition of Detroit Public Safety Unions Trust (CDPSU) is a Voluntary Employee Benefits Association and a tax-exempt 501(c)(9) entity that provides welfare benefits to City of Detroit public safety retirees (police and fire) who retired on or after January 1, 2015. The CDPSU provides a retiree Health Reimbursement Arrangement (HRA) to eligible retirees and their dependents. Each retiree's HRA is funded with a monthly stipend and the amount is dependent on the collective bargaining agreement they were

under when they were a public safety employee.

The CDPSU also provides retiree dental and visions benefits.

9. Attach documents here if needed:

Attachments added to the end of this file.

10. The amount of state funding requested for the legislatively directed spending item.

10000000

11. Has the legislatively directed spending item previously received any of the following types of funding? Check all that apply.

["State"]

12. Please select one of the following groups that describes the entity requesting the legislatively directed spending item:

Pension Fund, Healthcare reimbursement through City of Detroit

13. For a non-profit organization, has the organization been operating within Michigan for the preceding 36 months?

Not applicable

14. For a non-profit organization, has the entity had a physical office within Michigan for the preceding 12 months?

Not applicable

15. For a non-profit organization, does the organization have a board of directors?

Not applicable

16. For a non-profit organization, list all the active members on the organization's board of directors and any other officers. If this question is not applicable, please type 'n/a.'

n/a

17. "I certify that neither the sponsoring representative nor the sponsoring representative's staff or immediate family has a direct or indirect pecuniary interest in the legislatively directed spending item."

Yes, this is correct

18. Anticipated start and end dates for the legislatively directed spending item:

October 2025- September 2027

19. "I hereby certify that all information provided in this request is true and accurate."

Yes

April 2026

To Whom It May Concern:

We are the Board of Trustees of the Coalition of Detroit Public Safety Unions Trust (CDPSU). The CDPSU was born out of the City of Detroit's bankruptcy to provide retiree health care benefits to public safety employees who retired on and after January 1, 2015¹. Prior to the bankruptcy, the City of Detroit provided public safety retiree health care benefits. But since 2015, the CDPSU has been the **only** source of retiree health care for these retired police officers and fire fighters.

The CDPSU Board of Trustees respectfully requests a \$10,000,000 allocation from the State which will assist in continuing and increasing retiree health care benefits for public safety retirees.

Below, we further describe the dire need for this investment and how such investment will impact the lives of these public safety retirees.

1. CDPSU Benefits

The CDPSU provides each eligible retiree with a Health Reimbursement Account (HRA) that is funded monthly to help offset retiree health care costs. These monthly stipends -- ranging from \$113 to \$250 per month for police officers and \$500 per month for fire fighters -- fall short of meeting even the lowest cost retiree health care coverage needs.

Given the demanding nature of police officer and fire fighter jobs, many retire after 25-30 years of service with injuries prior to attaining age 60. And, fire fighters have a mandatory retirement age of 60 years old.

Currently, the City's active health care coverage terminates upon retirement, creating a multi-year gap before these former first responders attain Medicare eligibility (generally at age 65). This means that a large portion of these retirees' pension benefits are spent on health care needs, instead of household and other daily living expenses and the CDPSU's HRA benefits are the only subsidization of these expensive retiree health care costs.

2. The City's Financial Improvements Have Not Been Applied To Newly Retired and Future Public Safety Retirees

Recently, Mayor Duggan introduced his budget proposals confirming that the City is on solid financial footing. However, given this improved financial status, the City's bankruptcy continues to affect public safety employees and retirees with no relief in sight – *i.e.*, extensive retirement cuts and the complete loss of City-provided retiree health care.

The CDPSU has received an annual \$1,000,000 contribution and an additional 1% of payroll for fire fighters from the City to fund retiree benefits since its inception. These contributions are a result of collective bargaining by the Police and Fire Unions. However, the City's static

¹ The CDPSU is a 501(c)(9) tax exempt entity, often known as a Voluntary Employee Benefits Association (VEBA).

contribution rate with an ever-increasing public safety retiree population means the contribution has less financial impact year-after-year.

3. The CDPSU Board of Trustees' Additional Funding Efforts

The Trustees of the CDPSU have been actively working to improve benefits by advocating for additional funding.

The CDPSU Board of Trustees hope to expand retiree benefit offerings to include: early retiree (non-Medicare eligible) coverage; dental, vision and supplemental Medicare cost subsidization; and increasing the HRA monthly stipends. But these options are not within reach without additional funding.

Although any contribution toward the goal of improving retiree health care benefits for our first responders is greatly appreciated, \$10,000,000 in funding would provide meaningful benefit enhancements impacting up to 8,000 retirees and their families.

Please join us in honoring these public safety employees in their retirement who have served with valor and protected our community at all costs.

In partnership,

The Board of Trustees of the
Coalition of Detroit Public Safety Unions Trust



DETROIT'S HEROES PUT THEIR LIVES ON THE LINE TO PROTECT OTHERS.
NOW THEY NEED OUR HELP TO PROTECT THEM.



THE PROBLEM

DETROIT FIREFIGHTERS ARE WITHOUT HEALTH CARE
FOR THE FIRST FIVE YEARS OF RETIREMENT.

- When the City of Detroit filed for bankruptcy in 2014, current and future firefighters who worked for the City saw their retiree healthcare benefits **stripped**. Because
- Detroit firefighters have a **mandatory retirement age of 60**, retirees **have no health care** for the first **five years** of retirement.

RETIRED FIREFIGHTERS ARE AT A FAR GREATER RISK
OF CONDITIONS THAT INCREASE THE COST OF CARE



Cancer



Heart Disease



Lung Disease



Hepatitis B/C



Mental Illness



CURRENT BENEFITS

HEALTH CARE STIPENDS FOR FIREFIGHTERS
WHO RETIRE AFTER 2014 PAY ONLY \$420/MONTH

- A **stipend account** was created for firefighters who retire(d) after 2014 to help pay for health care costs into retirement.
- As of 2023, these stipends average **only \$420 per retiree** each month, and are only paid until a retiree becomes Medicare-eligible at age 65.



THE SOLUTION

CONTINUED STATE FUNDING FOR ADEQUATE HEALTH CARE FOR
RETIRED DETROIT FIREFIGHTERS

- The Detroit Fire Fighters Association requests continued support for state funding for contributions to the Coalition of Detroit Public Safety Unions (CDPSU).

THEY PROTECTED US. WE CAN PROTECT THEM. SUPPORT FUNDING FOR DETROIT'S HEROES.