149th GENERAL ASSEMBLY
FISCAL NOTE

BILL:	**SENATE BILL NO. 6**
SPONSOR:	**Senator McDowell**
DESCRIPTION:	**AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO STATE EMPLOYEES' PENSION PLAN BURIAL BENEFITS.**

Assumptions:

1. This Act increases the state employees' pension plan burial benefit by $3,000, from $7,000 to $10,000, effective July 1, 2016.

2. The total unfunded actuarial liability generated by this increase is $35,836,000 for the State Employees' Pension Plan and $289,400 for the State Police Pension. However, these amounts are amortized over a 20-year period.

3. Upon amortization, beginning in the current fiscal year (Fiscal Year 2018), the annual cost to the State is $3,238,600 for the State Employees' Pension Plan and $29,500 for the State Police Pension, for a total annual cost to the State of $3,268,100.

4. Since July 1, 2016, there were 2,169 recipients of the burial benefit. If all 2,169 recipients receive the additional $3,000, the total additional cost to the State is $6,507,000.

Cost:

Fiscal Year 2018: $9,775,100 ($6,507,000 + $3,268,100)
Fiscal Year 2019: $3,268,100
Fiscal Year 2020: $3,268,100

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