



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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