



# HOUSE COMMITTEE ON APPROPRIATIONS

2009-10 Legislative Session

## FISCAL NOTE

**SENATE BILL: 369**

**PRINTER'S NO: 1197**

**PRIME SPONSOR: Logan**

As amended by A03745

<b>FISCAL IMPACT SUMMARY</b>	<b>FY 2009/10</b>	<b>FY 2010/11</b>
<b>Expenditure Increase/(Decrease):</b>		
General Fund	\$45,000	\$126,000

### OVERVIEW:

Senate Bill 369 would amend the Emergency and Law Enforcement Death Benefits Act to include paid firefighters, ambulance service or rescue squad members in the scope of individuals who are eligible for a one-time death benefit of \$100,000. In addition, the monthly salary of a paid firefighter, ambulance service or rescue squad member or law enforcement officer will be paid to the surviving spouse or minor children of the individual once the Commonwealth receives a death certificate. The bill also changes the date when the Commonwealth must adjust the level of benefit payable to 2006, which is the same as current law.

The bill takes effect immediately.

### ANALYSIS:

According to the Public Employee Retirement Commission Actuarial Note, 23 law enforcement officers and 15 firefighters from prior years. An additional seven compensable deaths are estimated for 2009/10 and 2010/11 by the Governor's Budget Office. The killed-in-service death benefit is designed to be offset by Workers' Compensation and any pension death benefits paid to the survivors. People who earn the statewide average weekly wage or less receive two-thirds of their pay in workers' compensation payments. Those who earn more can receive only \$836 per week.

Assuming a salary of \$70,000, and reducing this salary by the workers' compensation payments and pension death benefit offset, the net benefit per person would be approximately \$9,028 per year. This fiscal note assumes that payments would begin on October 15, of 2009. Also assuming that seven individuals' survivors per year would become eligible to receive the payments, the calculation breaks down as follows:

	<b>FY2009/10</b>	<b>FY 2010/11</b>
Assumed Salary	70,000	70,000
Workers' Compensation Payments	(43,472)	(43,472)
Pension Death Benefit Offset (estimated at 25% of salary)	(17,500)	(17,500)
Net Benefit Per Person	9,028	9,028
Number of Eligible Individuals	7	14
Fiscal Impact to General Fund	44,869	126,392

**PREPARED BY:** Rebecca May Cole, Budget Analyst  
House Appropriations Committee, (D)

**DATE:** October 1, 2009

**General Note and Disclaimer:** *This Fiscal Note was prepared pursuant to House Rule 19(a), and the elements considered and reported above are required by Section 5 of the rule. Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*