



**SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE**  
**STATEMENT OF ESTIMATED FISCAL IMPACT**  
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*This fiscal impact statement is produced in compliance with the South Carolina Code of Laws and House and Senate rules. The focus of the analysis is on governmental expenditure and revenue impacts and may not provide a comprehensive summary of the legislation.*

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**Bill Number:** S. 0108    Introduced on January 10, 2023  
**Author:** Davis  
**Subject:** Death Benefits for Law Enforcement Killed in the Line of Duty  
**Requestor:** Senate Finance  
**RFA Analyst(s):** Miller  
**Impact Date:** January 24, 2023

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### **Fiscal Impact Summary**

This bill requires an employer who participates in the Preretirement Death Program to pay the beneficiary of a law enforcement officer who is killed in the line of duty a lump sum payment of \$75,000. The payment is increased to \$150,000 if the officer is killed in the line of duty and the death is a result of an unlawful and intentional act of another person, or the officer is killed while responding to an emergency or other similar incident.

The Public Employee Benefit Authority (PEBA) provided an actuarial analysis to determine the potential impact this bill will have on the Police Officers Retirement System (PORS). This will increase the cost of PORS by around 0.02 percent, or \$300,000, annually, which the report considers to be a minimal impact to the actuarial accrued liability, and about a 0.02 percent increase in the normal cost rate in PORS. This estimate is based on the actuarial valuation of PORS as of July 1, 2022.

### **Explanation of Fiscal Impact**

#### **Introduced on January 10, 2023**

#### **State Expenditure**

This bill requires an employer who participates in the Preretirement Death Program to pay the beneficiary of a law enforcement officer who is killed in the line of duty a lump sum payment of \$75,000. The payment is increased to \$150,000 if the officer is killed in the line of duty and the death is a result of an unlawful and intentional act of another person, or the officer is killed while responding to an emergency or other similar incident. Currently, the preretirement incidental death benefit is equal to the member's annual earnable compensation at the time of death. This bill will provide an additional \$75,000 or \$150,000 payment.

PEBA provided an actuarial analysis to determine the potential impact this bill will have on PORS. The report assumes that all law enforcement officers who would be eligible for these death benefits are covered through PORS and that there will be no measurable impact to the South Carolina Retirement System. This analysis anticipates that approximately two to three line of duty deaths occur each year, which results in an increase of \$300,000 in death benefits paid. This will increase the cost of PORS by around 0.02 percent annually, which the report considers to be a minimal impact to the actuarial accrued liability, and about a 0.02 percent increase in the

normal cost rate in PORS. This estimate is based on the actuarial valuation of PORS as of July 1, 2022.

**State Revenue**

N/A

**Local Expenditure**

N/A

**Local Revenue**

N/A



Frank A. Rainwater, Executive Director