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Rep. J. Johnson & Rep. Carson & Rep. Miro  
Sens. Cloutier, Lopez, Marshall, Pettyjohn, Poore; Reps.  
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Lynn, Mitchell, Mulrooney, D. Short, Smyk, K. Williams,  
Wilson

DELAWARE STATE SENATE  
149th GENERAL ASSEMBLY

SENATE BILL NO. 22

AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO SERVICE PENSIONS FOR CERTAIN  
STATE EMPLOYEES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend Chapter 55, Section 5522(a), Title 29 of the Delaware Code [Effective until Jan. 1, 2019] by  
making deletions as shown by strike through and insertions as shown by underline as follows:

§ 5522. Eligibility for service pension [Effective until Jan. 1, 2019]

(a) An employee shall become eligible to receive a service pension, beginning with the month after the  
employee has terminated employment, if:

(1) The employee has 5 years of credited service, exclusive of service credited under  
§ 5501(e)(4), (5) and (12) of this title, and has attained age 62;

(2) The employee has 15 years of credited service, exclusive of service credited under  
§ 5501(e)(4), (5) and (12) of this title, and has attained age 60;

(3) The employee has 30 years of credited service; or

(4) The employee has 25 years of credited service, exclusive of service credited under  
§ 5501(e)(4), (5) and (12) of this title, regardless of age.

(5) The employee has ~~25~~ 20 years of credited service, exclusive of service credited under  
§ 5501(e)(4), (5) and (12) of this title, regardless of age, and is a correction officer. The employee must  
have 20 years of credited service as a correction officer.

Section 2. Amend Chapter 55, Section 5522, Title 29 of the Delaware Code [Effective Jan. 1, 2019] by making  
deletions as shown by strike through and insertions as shown by underline as follows:

§ 5522 Eligibility for service pension [Effective Jan. 1, 2019]

(a) An employee shall become eligible to receive a service pension, beginning with the month after the  
employee has terminated employment, if:

(1) The employee has 5 years of credited service, exclusive of service credited under § 5501(e)(4), (5) and (12) of this title, and has attained age 62;

(2) The employee has 15 years of credited service, exclusive of service credited under § 5501(e)(4), (5) and (12) of this title, and has attained age 60;

(3) The employee has 30 years of credited service;

(4) The employee has 25 years of credited service, exclusive of service credited under § 5501(e)(4), (5) and (12) of this title, regardless of age; or

(5) The employee has 25 ~~20~~ years of credited service, exclusive of service credited under § 5501(e)(4), (5) and (12) of this title, regardless of age, and is a correction officer or specified peace officer. The employee must have 20 years of credited service as a correction officer or specified peace officer.

Section 3. Amend Chapter 55, Section 5527, Title 29 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 5527. Amount of ordinary service or disability pension. [Effective until Jan. 1, 2019] [For application of this section, see 79 Del. Laws, c. 315, § 10]

(a) The amount of the monthly service or disability pension payable to an employee or former employee shall be the sum of 2.0% of his or her final average compensation multiplied by the number of years, taken to the nearest twelfth of a year, in his or her period of credited service prior to January 1, 1997, plus 1.85% of his or her final average compensation multiplied by the number of years, taken to the nearest twelfth of a year, in his or her period of credited service after December 31, 1996. If the employee is a correction officer then the amount of pension ~~would also include 2.45% of his or her final average compensation multiplied by years of service above 25 years.~~ shall be 2.5% of his or her final average compensation multiplied by the number of years of service for up to 20 years, plus 3.5% of his or her final average compensation multiplied by the number of years of service above 20 years. The amount payable to a participant who does not make the additional contribution provided in § 5501(j) of this title for years of credited service before 1977 shall be the sum of 2.0% of his or her final average compensation multiplied by the number of years, taken to the nearest twelfth of a year, in his or her period of credited service between January 1, 1977, and December 31, 1996, plus 2.0% of his or her final average compensation multiplied by the number of years, taken to the nearest twelfth of a year, in his or her period of credited service prior to January 1, 1977, provided that the maximum amount based on the

51 service before 1977 is \$1,000, plus 1.85% of his or her final average compensation multiplied by the  
52 number of years, taken to the nearest twelfth of a year, in his or her period of credited service after  
53 December 31, 1996.

54 Section 4. Amend Chapter 55, Section 5527, Title 29 of the Delaware Code [Effective Jan. 1, 2019] by making  
55 deletions as shown by strike through and insertions as shown by underline as follows:

56 § 5527 Amount of ordinary service or disability pension [Effective Jan. 1, 2019] [For application of this section,  
57 see 79 Del. Laws, c. 315, § 10]

58 (a) The amount of the monthly service or disability pension payable to an employee or former employee  
59 shall be the sum of 2.0% of his or her final average compensation multiplied by the number of years, taken to the  
60 nearest twelfth of a year, in his or her period of credited service prior to January 1, 1997, plus 1.85% of his or her  
61 final average compensation multiplied by the number of years, taken to the nearest twelfth of a year, in his or her  
62 period of credited service after December 31, 1996. If the employee is a correction officer then the amount of  
63 pension ~~would also include 2.45% of his or her final average compensation multiplied by years of service above~~  
64 25 years. shall be 2.5% of his or her final average compensation multiplied by the number of years of service for  
65 up to 20 years, plus 3.5% of his or her final average compensation multiplied by the number of years of service  
66 above 20 years. The amount payable to a participant who does not make the additional contribution provided in §  
67 5501(j) of this title for years of credited service before 1977 shall be the sum of 2.0% of his or her final average  
68 compensation multiplied by the number of years, taken to the nearest twelfth of a year, in his or her period of  
69 credited service between January 1, 1977, and December 31, 1996, plus 2.0% of his or her final average  
70 compensation multiplied by the number of years, taken to the nearest twelfth of a year, in his or her period of  
71 credited service prior to January 1, 1977, provided that the maximum amount based on the service before 1977 is  
72 \$1,000, plus 1.85% of his or her final average compensation multiplied by the number of years, taken to the  
73 nearest twelfth of a year, in his or her period of credited service after December 31, 1996.

74 Section 5. Amend Chapter 55, Section 5543(a), Title 29 of the Delaware Code by making deletions as shown by  
75 strike through and insertions as shown by underline as follows:

76 (a)(1) Effective January 1, 1998, employee contributions to the Fund shall be 3% of total annual  
77 compensation in excess of \$6,000 provided, however, that post-2011 employees will pay an employee contribution  
78 rate of 5% of total annual compensation in excess of \$6,000. In no event shall total compensation during any  
79 calendar year in excess of \$6,000 be exempt from contributions.

80                   (2) The employee contribution for a correction officer or specified peace officer shall be ~~5%~~ 7% of  
81                   annual compensation in excess of \$6,000 provided, however, that a correction officer or specified peace officer  
82                   who is also a post-2011 employee will pay an employee contribution rate of 7% of annual compensation in excess  
83                   of \$6,000.

#### SYNOPSIS

This bill establishes a 20 year retirement for correction officers and specified peace officers. The bill amends the multiplier for calculation of state employee pension benefits for correction officers and specified peace officers from either 1.85%, 2.0% or 2.45% to a uniform 2.5% for the first 20 years, plus 3.5% for years beyond 20 years. The increased multipliers reflect increased costs, reduced benefits and the need to recruit and retain qualified and competent correction officers and specified peace officers with a modernized pension benefit. In addition, this bill amends the employee contribution for all correction officers and specified peace officers to a uniform 7%. Specified peace officers means (1) Probation and parole officers employed by the Department of Correction; (2) Capitol Police officers; (3) Department of Natural Resources police officers; (4) University of Delaware Police; (5) State Fire Marshal officers; (6) Division of Alcohol and Tobacco Enforcement agents; (7) Justice of the Peace Court constables; and (8) Probation and parole officers in the Serious Juvenile Offender Unit and senior probation officers employed by the Division of Services for Children, Youth, and their Families.

Author: Senator Ennis