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Osienski, Ramone, D. Short, Michael Smith, Smyk,
Spiegelman, Yearick; Sens. Hansen, Lawson, Lopez,
Pettyjohn, Sokola, Walsh, Wilson

HOUSE OF REPRESENTATIVES
151st GENERAL ASSEMBLY

HOUSE BILL NO. 80

AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO THE STATE EMPLOYEES' PENSION PLAN.

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

Section 1. Amend Chapter 55, 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 [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 or specified peace 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.~~ 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 service before 1977 is \$1,000, 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.

(1) If the employee is a correction officer or a specified peace officer then the amount of pension shall also include the following:

20 a. Until December 31, 2021, 2.45% of his or her final average compensation multiplied by years of
21 service above 25 years.

22 b. After January 1, 2022, 2.5% of his or her final average compensation multiplied by the number of
23 years of service for up to 20 years, plus 3.5% of his or her final average compensation multiplied by the number of
24 years of service above 20 years.

25 Section 2. Amend Chapter 55, Title 29 of the Delaware Code by making deletions as shown by strike through and
26 insertions as shown by underline as follows:

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

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

SYNOPSIS

This bill provides that for correction officers and specified peace officers, the amount of ordinary service or disability pension benefits given to state employees shall also include the following: (1) Before January 1, 2022, 2.45% of his or her final average compensation multiplied by years of service above 25 years; (2) On January 1, 2022, 2.5% of his or her average compensation multiplied by the number of years of service up to 20 years, plus 3.5% of his or her average compensation multiplied by the number of years of service above 20 years. The increased multipliers that take effect on January 1, 2022, 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.