



SPONSOR: Sen. Ennis & Sen. Brown & Rep. Bolden & Rep. Carson  
& Rep. Lynn & Rep. Ramone & Rep. Smyk  
Sens. Hansen, Lopez, Mantzavinos, Paradee, Pettyjohn,  
Richardson, Townsend, Wilson; Reps. Brady, Bush,  
Dorsey Walker, Mitchell, Osienski, D. Short,  
Michael Smith

DELAWARE STATE SENATE  
151st GENERAL ASSEMBLY

SENATE SUBSTITUTE NO. 1  
FOR  
SENATE BILL NO. 14

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:

1           Section 1. Amend §5532, Chapter 55, Title 29 of the Delaware Code by making deletions as shown by strike  
2 through and insertions as shown by underline as follows:

3           (r) Any monthly service, disability, and survivor pension based on a former service or disability pension shall be  
4 increased as determined by the Board of Pension Trustees, the funding of which shall not exceed the funding of the Post  
5 Retirement Fund established in § 5548 of this Chapter and shall provide those pensioners who retired more than 20 years  
6 prior to the date of the pension increase to be granted an increase at least two times those pensioners who retired less than  
7 20 years prior to the initial date of the pension increase.

8           Section 2. The increases provided by this Act shall not apply to pensions awarded under §5527(d)(1), Chapter 55,  
9 of this title.

10          Section 3. Amend § 5544, Chapter 55, Title 29 of the Delaware Code, by making deletions as shown by strike  
11 through and insertions as shown by underline as follows:

12          (t)(1) The State's obligation to the State Employees' Pension Plan, the State Judiciary Retirement Fund, and the  
13 New State Police Retirement Fund to implement the provisions of §5532(r) of this Chapter shall be the payments required  
14 to amortize the unfunded accrued liability of each increase granted pursuant to that section.

15          (2) The State's obligation to the Special Pension Fund authorized by Volume 61, Chapter 455, Laws of Delaware,  
16 to implement the provisions of §5532(r) of this title shall be treated as an actuarial loss during the next actuarial valuation  
17 process of the Special Pension Fund.

18 Section 4. Amend §5548, Chapter 55, Title 29, Delaware Code, by making deletions as shown by strike through  
19 and insertions as shown by underline as follows:

20 (a)(2) The Board of Pension Trustees shall review the balance in the Post Retirement Fund at the end of each fiscal  
21 year and make any recommendations for adjustments in the funding rate for ~~the succeeding~~ any future fiscal year to ensure  
22 that the ~~balance in this fund, net of liabilities, does not exceed 2.5%~~ rate be sufficient to fund post retirement increases  
23 authorized in § 5532 of this Chapter; however in no case shall the rate be less than 2.33% of the total projected covered  
24 payroll of the State Employees' Pension Plan (Chapter 55 of Title 29), the State Judiciary Plan (Chapter 56 of Title 29), and  
25 the new State Police Pension Plan (Chapter 83 of Title 11).

26 (b) In the event that the General Assembly shall introduce legislation proposing post retirement increases, the  
27 Board of Pension Trustees shall review each such proposal to determine if sufficient funds are projected to be available in  
28 the Post Retirement Fund to provide the funding necessary to fund the increase ~~over a 5-year period.~~ in accordance with the  
29 language in Section 74 of the epilogue to the FY 2022 Budget Act. If the Board determines that insufficient funds will be  
30 available to fund the increase, they will notify the Governor and the General Assembly that an additional appropriation will  
31 be required in order to provide the post retirement increase being proposed.

#### SYNOPSIS

This bill provides a mechanism to grant pension increases to retired State Employees, retired Judges, and retired "New" State police. This bill dedicates a minimum of 2.33% of payroll to be deposited annually to the Post Retirement Fund. This bill also provides for a pension increase as determined by the Board of Pension Trustees.

Author: Senator Ennis