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Reps. Dukes Longhurst Paradee Schwartzkopf D. Short
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HOUSE OF REPRESENTATIVES
148th GENERAL ASSEMBLY

HOUSE BILL NO. 363

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 §5501, Title 29 of the Delaware Code by making deletions as shown by strike through and
2 insertions as shown by underline as follows and redesignating accordingly:

3 § 5501. Definitions.

4 (k) "Specified peace officer" shall mean:

5 (1) Probation and parole officers employed by the Department of Corrections;

6 (2) Capitol police officers;

7 (3) Department of Natural Resources police officers;

8 (4) University of Delaware Police; and

9 (5) State Fire Marshal officers.

10 Section 2. Amend § 5522, Title 29 of the Delaware Code by making deletions as shown by strike through and
11 insertions as shown by underline as follows:

12 § 5522. Eligibility for service pension [Effective Jan. 1, 2017]

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

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

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

20 § 5527. Amount of ordinary service or disability pension. [Effective Jan. 1, 2017]

21 (a) The amount of the monthly service or disability pension payable to an employee or former employee shall be
22 the sum of 2.0% of his or her final average compensation multiplied by the number of years, taken to the nearest twelfth of
23 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
24 multiplied by the number of years, taken to the nearest twelfth of a year, in his or her period of credited service after
25 December 31, 1996. If the employee is a correction officer or specified peace officer then the amount of pension would also
26 include 2.45% of his or her final average compensation multiplied by years of service above 25 years. The amount payable
27 to a participant who does not make the additional contribution provided in § 5501(j) of this title for years of credited service
28 before 1977 shall be the sum of 2.0% of his or her final average compensation multiplied by the number of years, taken to
29 the nearest twelfth of a year, in his or her period of credited service between January 1, 1977, and December 31, 1996, plus
30 2.0% of his or her final average compensation multiplied by the number of years, taken to the nearest twelfth of a year, in
31 his or her period of credited service prior to January 1, 1977, provided that the maximum amount based on the service
32 before 1977 is \$1,000, plus 1.85% of his or her final average compensation multiplied by the number of years, taken to the
33 nearest twelfth of a year, in his or her period of credited service after December 31, 1996.

34 Section 4. Amend § 5543, Title 29 of the Delaware Code by making deletions as shown by strike through and
35 insertions as shown by underline as follows:

36 § 5543. Employee contributions.

37 (a) (2) The employee contribution for a correction officer or specified peace officer shall be 5% of annual
38 compensation in excess of \$6,000 provided, however, that a correction officer or specified peace officer who is also a post-
39 2011 employee will pay an employee contribution rate of 7% of annual compensation in excess of \$6,000.

40 Section 5. Sections 1 and 4 of this Act shall take effect on January 1, 2017. Sections 2 and 3 of this Act shall be
41 effective on January 1, 2019.

SYNOPSIS

In the 147th General Assembly, the state employee pension law was amended to permit corrections officers employed in positions that are classified as Hazardous Duty Level A-1 to retire at 25 years without any reduction. Those employees will pay a higher employee contribution rate. Those employees that continue to work past 25 years of service will have the multiplier used in the calculation of benefits increased for the years past 25 years.

This bill extends the same treatment to other corrections and enforcement officers. These officers are probation and parole officers in the Department of Corrections, Capitol Police officers, DNREC police officers, University of Delaware police, and officers working for the State Fire Marshal.

There is a two-year delay between the effective date of the increased contribution and the implementation of the new benefit calculation.