149th GENERAL ASSEMBLY
FISCAL NOTE

BILL:	**SENATE BILL NO. 95**
SPONSOR:	**Senator Ennis**
DESCRIPTION:	**AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO THE STATE EMPLOYEES' PENSION PLAN.**

Assumptions:

1. This Act would become effective upon the signature of the Governor.

2. This Act proposes the following changes to pension and disability pension benefits for Corrections and specified peace officers:

   I. Decreases the retirement eligible years of service from 25 to 20, beginning January 1, 2018; and

   II. Changes the multiplier calculation from 1.85%, 2.0%, or 2.45% to a uniform 2.5% for the first 20 years of service, plus 3.5% for years beyond 20 years of service as of January 1, 2018; and

   III. Increases the employee contribution for annual compensation above $6,000 from 5% to 7%.

   IV. Pension eligibility for the changes proposed by this Bill become effective January 1, 2020.

3. The Pension Office estimates an annual cost of $6.1 million, effective beginning Fiscal Year 2018 with $4.3 million of the annual cost attributable to the increase in the multiplier calculation and $1.8 million to the reduction in the years of service requirement.

General Fund Cost:

Fiscal Year 2018:	$6.1 million
Fiscal Year 2019:	$6.1 million
Fiscal Year 2020:	$6.1 million

Prepared by Art Jenkins
Office of the Controller General