



**149th GENERAL ASSEMBLY
FISCAL NOTE
REVISED**

BILL:	SENATE BILL NO. 22
SPONSOR:	Senator Ennis
DESCRIPTION:	AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO SERVICE PENSIONS FOR CERTAIN STATE EMPLOYEES.

Assumptions:

1. This Act would become effective upon the signature of the Governor.
2. This Act changes the following pension benefits for Corrections and specified peace officers:
 - I. Decreases the retirement eligible years of service from 25 to 20, beginning January 1, 2019.
 - 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 as of the employee's original date of hire, plus 3.5% for years beyond 20 years of service.
 - III. Increases the contribution rate for annual compensation above \$6,000 from 5% to 7%.
3. The Pension Office estimates the total cost of these changes at \$10.1 million annually, effective beginning Fiscal Year 2018 with \$8.8 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:	\$10.6 million
Fiscal Year 2019:	\$10.6 million
Fiscal Year 2020:	\$10.6 million

Prepared by Art Jenkins
Office of the Controller General