152nd GENERAL ASSEMBLY
FISCAL NOTE

BILL:	**SENATE SUBSTITUTE NO. 1 FOR SENATE BILL NO. 245**
SPONSOR:	**Senator Huxtable**
DESCRIPTION:	**AN ACT TO AMEND TITLES 10 AND 29 OF THE DELAWARE CODE RELATING TO RESIDENTIAL MORTGAGE FORECLOSURE AND THE OFFICE OF FORECLOSURE PREVENTION AND FINANCIAL EDUCATION.**

Assumptions:

1. This Act becomes effective upon signature by the Governor.
2. This Act removes the expiration dates from the Office of Foreclosure Prevention and Financial Education and the Residential Mortgage Foreclosure Mediation Program within the Department of Justice (DOJ).
3. The Office of Foreclosure Prevention and Financial Education and the Residential Mortgage Foreclosure Mediation Program have each been staffed with two positions, respectively, for a total of four positions. Three of the four positions have been funded on a temporary contractual basis, reflecting the original intent that these programs would only be temporarily needed and would be phased out over time.
   a. The Office of Foreclosure Prevention and Financial Education employs an FTE Program Manager and a contract Legal Administrative Specialist. The Legal Administrative Specialist is funded using Appropriated Special Funds (ASF) from the Consumer Protection Fund (CPF).
   b. The Residential Mortgage Foreclosure Mediation Program employs a contract Deputy Attorney General (DAG) and a casual/seasonal Legal Administrative Specialist. These positions are funded using ASF from the CPF.
4. The DOJ believes that since the need for these programs has remained the same and is projected to continue in the foreseeable future, the contracted and casual/seasonal positions should be converted to FTE. It proposes continuing to use ASF from the CPF.
5. The recurring ASF Personnel Costs for Fiscal Year 2025 are $270,260, including OECs (at a rate of 32.94%), for 2.0 ASF FTE, Legal Administrative Specialist III, and 1.0 ASF FTE, DAG V. The DOJ currently spends an estimated $220,918 in ASF from the CPF for the contracted and casual/seasonal positions. Converting these positions to ASF FTE status would require an additional increase in ASF to the CPF of $104,571.
6. Lastly, the Fiscal Year 2025 ASF Personnel Costs have been estimated for nine months of funding, with the annualization of the remaining three months incorporated into subsequent year estimates. Fiscal Year 2026 and 2027 projections reflect the additional increase in ASF needed for the CPF after deducting the current annual spending for the contracted and casual/seasonal positions. Additionally, a 2% inflation cost has been included for projected increases in salary, health insurance, and OECs.

Cost:

	Appropriated Special Fund
Fiscal Year 2025:	$104,571
Fiscal Year 2026:	$146,635
Fiscal Year 2027:	$153,986

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